



BHARAT SANCHAR NIGAM LIMITED
O/o Chief General Manager
UP East Telecom Circle

**Expression of Interest
for
Franchisee-ship of sale of BSNL products and provision of services to BSNL
in Ayodhya BA of UP East Telecom Circle.**

EOI No: UPE/Sales/Fr-EOI/Ayodhya BA(Balrampur,Akbarpur,Jalalpur,Tanda)/2024-25 **Dated:** 23/04/2024

DATE OF ISSUE : 23/04/2024

LAST DATE OF BID SUBMISSION : 16/05/2024 (1200 Hrs.)

DATE OF OPENING : 17/05/2024 (1500 Hrs.)

VALIDITY OF BID SECURITY : 180 DAYS (From the Date of Opening of Bid)

COST OF TENDER DOCUMENT : **Rs. 1000/- (Inclusive of GST)**

EMD/BID SECURITY : As per clause h, Section -3 under Section B

E-TENDER WEBSITE : **<https://etenders.gov.in/eprocure/app>**

Note: Bidders are advised to see the Central Public Procurement portal (**<https://etenders.gov.in/eprocure/app>**) by NIC, Central Public Procurement Portal till the date of opening of EOI for any amendment/clarification/corrigendum and the bids are to be submitted online on Central Public Procurement Portal .

MM Cell.
O/o Chief General Manager Telecom
U.P.(EAST) Circle, 3rd Floor, Door Sanchar Sadan, Laplace,
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Table of the Content of EOI Document

| S. No. | Title | Page No. |
|------------------|--|----------|
| 1 | EOI (Expression of Interest) for Franchisee ship of BSNL for the Sales Marketing and Distribution | 1 |
| 2 | Check list for bidders / applicants. | 3 |
| Section A | | |
| 4 | NOTICE INVITING EOI (Expression of Interest) for BSNL Franchisee | 4 |
| 5 | Eligibility Requirement | 4-6 |
| Section B | | |
| | Section 1: Roles and Responsibilities | |
| 6 | A. Geographical area | 7 |
| 7 | B. Responsibilities of Franchisee | 7-8 |
| | Section 2 : Franchisee Territories | |
| 8 | A. Dimensioning of Franchisee Territories | 9 |
| | Section 3: Selection process and criteria | |
| 9 | A. Expression of Interest Route: | 10 |
| 10 | B. Terms & Conditions with EOI | 11 |
| 11 | C. Easy Entry at OA level | 11 |
| 12 | D. Easy exit of franchisee at OA level | 14 |
| 13 | E. Look-after arrangement | 14 |
| 14 | F. Migration policy for existing franchisees | 14 |
| 15 | G. Extension of Agreement | 15 |
| 16 | H. Requirements after EOI Approval | 15 |
| 17 | I. Selection criteria for franchisee ship | 16 |
| 18 | J. Scoring Guidelines for Selection Criteria | 17 |
| | Section 4 : Target Setting & Performance Management | |
| 19 | A. Target Setting | 20 |
| 20 | B. Performance Management | 21 |
| | Section 5: Sale price of BSNL product and Discounts/Margins for Franchisee | |
| 21 | A. Sale price of BSNL product | 24-25 |
| 22 | B. Penalty | 26 |
| 23 | C. Action against cross selling | 27 |
| 24 | D. General Terms & Conditions | 28 |
| Section C | | |
| 25 | Detailed Terms and Conditions of Eoi | 30-31 |
| 26 | ANNEXURE - A : OA wise vacant franchisee territories and categories | 32 |
| 27 | ANNEXURE – B : Bank Guarantee Format EMD | 33 |
| 28 | ANNEXURE – C : Product List for FMCG Industry | 34 |
| 29 | ANNEXURE – D: The franchisee incentives and discount/ margin | 35 |
| 30 | ANNEXURE – E: The sharing of Franchisee discount/margin and incentives among RDs, Retailers and DSA. | 39 |
| 31 | ANNEXURE – F : FORMAT OF THE Performance Bank Guarantee | 40 |
| 32 | ANNEXURE – G : List of authorized representatives of franchisee | 42 |
| 33 | ANNEXURE – H Covering Letter for Submission of Eoi | 43 |
| 34 | ANNEXURE – I : Particulars of the Applicant seeking Franchisee-ship | 44 |
| 35 | ANNEXURE – J: DECLARATION | 45 |
| 36 | ANNEXURE – K : Primary Area (Location) for Franchisee ship applied for | 46 |
| 37 | ANNEXURE – L : Format of Certificate regarding close relatives working in BSNL | 47 |
| 38 | ANNEXURE-M : Schedule for submission & opening of EOI | 48 |
| 39 | ANNEXURE-N : Online instructions for Bidders | 49 |
| 40 | ANNEXURE-O Certificate to be issued by bidders in pursuant to Rule 144(xi) of GFR 2017. | 52 |
| 41 | Annexure - P: Self Declaration for class-I Local supplier | 53 |
| 42 | Annexure - Q:Declaration in r/o blacklisting by GST authority | 54 |
| 43 | Appendix- I : Rule 144(xi) of the General Financial Rules(GFRs) 2017 | 55 |
| 44 | Appendix- II : Default of Bidder/Action | 57-61 |

CHECK LIST FOR BIDDERS / APPLICANTS.

1. The Bidder should ensure that all documents and papers submitted in this EOI are fully authenticated by the authorized signatory under his signature with official seal wherever applicable.
2. Following documents must be uploaded online, wherever applicable. However original EMD, Power of attorney (if applicable), DD/ RTGS/NEFT Receipt of 1000/- as cost of documents and MSE Certificate (if applicable) are to be submitted offline also as mentioned in EOI and NIEOI documents.
3. Every additional document submitted shall be duly signed by the authorized signatory as a token of compliance and acceptance to all terms and conditions.

| S. No. | Documents to be submitted (Scanned Copy/Scanned and original) | Documents submitted | |
|--------|--|---------------------|-------------------------------------|
| | | Y / N | Page No. at which Document Attached |
| 1 | Duly filled EOI Documents and the application form for individuals/companies/firms (Section-C, Annexure-G, H,I, J, K and L). (Scanned Copy) | | |
| 2 | DD/RTGS/NEFT receipt (as per detailed in NIEOI) of Rs 1000/- as cost of the bid document from a Nationalized/Scheduled Bank should be attached. (Scanned and original) (**Exemption applicable for MSE Bidder as per details in NIEOI) | | |
| 3 | General Power of attorney in favour of the signatory signing the EOI documents. It is not required in case of proprietary/partnership firm if the Proprietor/partnership himself signs the documents. (Scanned and original) | | |
| 4 | Attested copy of Article or Memorandum of Association or partnership deed or proprietorship registration as the case may be. (If applicable.) (Scanned Copy) | | |
| 5 | copy of LST/GST Registration number, if applicable. (Scanned Copy) | | |
| 6 | copy of PAN/GIR Number. (Scanned Copy) | | |
| 7 | Bank guarantee towards EMD / Bid security issued from a nationalized / Schedule bank on non-judicial stamp paper of Rs.100/- (Format enclosed Annexure B) and valid for 180 days from the date of opening of EOI. (Scanned and original) (**Exemption applicable for MSE Bidder as per details in NIEOI) | | |
| 8 | Attested copy from CA of turn over details for the year 2022-23 (P&L Account) Turnover certificate item wise. (Scanned Copy) | | |
| 9(a) | Certificates for experience in dealing with telecom or FMCG or Electronic/Electrical goods for last 2 years as on the date of opening of EOI with duly attested supporting documents. (Scanned Copy) | | |
| 9(b) | List of retailers for verifying established retail chain. (Scanned Copy) | | |
| 10 | Proof of ownership/rent-deed/supportive documents (acceptance from the owner), showing the clear title to the office space. The office space is to be ensured within 15 days of LOI (Letter of Intent) for Franchisee ship. | | |
| 11 | Proof of highest educational qualification, if any. (Scanned Copy) | | |
| 12 | Latest Income Tax Return for FY- 2022-23 (Scanned Copy) | | |
| 13 | Duly filled annexure O, P and Q in respect of GFR 144(xi), Preference to Make in India and self Declaration for non-blacklisting by GST Authority. | | |
| 14 | Any other supporting documents as asked for or called for. | | |



Bharat Sanchar Nigam Limited
O/o Chief General Manager,
UP East Telecom Circle

SECTION 'A'

NOTICE INVITING EOI (Expression of Interest) for BSNL Franchisee Ship

EOI No: UPE/Sales/Fr-EOI/Ayodhya BA(Balrampur,Akbarpur,Jalalpur,Tanda)/2024-25 Dated: 23/04/2024

EOI (location wise) are invited on behalf of CMD BSNL by CGM UP East Telecom Circle for selection of Franchisees for sale of BSNL products (as defined in BSNL's CM Sales and Distribution Policy - 2018) and provision of services to BSNL, from eligible and willing parties for vacant Franchisee Territories of Business Area (Ayodhya) as mentioned in Table-I below.

Table –I

| EMD | Cost of Eoi Document | Last Date & Time for online Bid submission | Date & Time of online Bid opening | Name of BA/ OA | Name of Franchisee area | Code No. of vacant Territory in OA |
|--|------------------------------|--|-----------------------------------|--------------------|-------------------------|------------------------------------|
| As Clause h section- 3. Selection process and criteria | Rs.1000/- (inclusive of GST) | 16/05/2024 (1200Hrs) | As per Annexure-M | As per Annexure -A | As per Annexure-A | As per Annexure-A |

Note- (A)The EOI document will be available online from **24/04/2024 at 1000 Hrs.** on CPP portal <https://etenders.gov.in> and BSNL site www.upe.bsnl.co.in

(B) Procurement under this tender would be in accordance with 'Public procurement (Preference to Make in India) Order 2017' notified by Government of India & its subsequent amendments, guidelines etc. for Preference to Make in India products."

Eligibility Requirements for BSNL Franchisee ship for each franchisee territory

1. All proprietorship firm, partnership firms and company of Indian origin fulfilling following criteria are eligible to apply.
 - a. **Turn over:** Turnover is defined as sales proceed as per audited P&L account of the firm, submitted for last financial year. A copy of income tax return should also be submitted along with.
 - i. Rs.50 Lakhs for A class territory
 - ii. Rs.30 Lakhs for B class territory
 - iii. Rs.6 Lakhs for C class territory
 - b. **Experience:** Interested firms must be distributor/dealer of Telecom / FMCG / Electronics / Electrical / any other products with established retail chain for :
 - i. 3 years for class A territory out of last 5 years
 - ii. 2 years for class B territory out of last 4 years
 - iii. 1 year for class C territory out of last 3 years
 - c. **Declaration by bidder to comply Rule 144(xi) of the General Financial Rules (GFRs) 2017 as detailed in Appendix-1** (Proof document- Under taking as per Annexure-O)
 - d. Bidder's must be Class-I Local supplier in pursuance to Department for Promotion of Industry and Internal Trade order no: P-45021/2/2017-PP (BE-II) dt 16/09/2020 and DOT letter no: 18-10/2017-IP dt 29.08.2018 with minimum local content 50% for tendered item. (Proof document- Self Certification as format Annexure -P.

A detailed product list for FMCG industry is provided in Annexure-C. A copy of certificate from Telecom/FMCG/Electronics/Electrical/any other products should be attached. In case there is ambiguity in the interpretation of Annexure-C, the decision of Circle Head will be considered final.

Note: DSAs and RDs of BSNL are also allowed to participate in the EOI subject to fulfillment of eligibility conditions.

Space: Interested party must ensure office/ showroom space (carpet area) of minimum size of 200 sqft. for BSNL franchisee ship within operational area of the territory. CGMs are authorized to relax the space upto minimum size of 120 sqft. as per local need. However it should be clearly mentioned in Eoi document. Space is to be ensured within 15 days of LOI for award of Franchisee ship.

2. Interested party should have a valid PAN and TAN

3. Interested party should have a valid Goods and Services Tax (GST) registration Certificate No. for respective state.

4. Interested party should provide a self-declaration along with the evidence that the bidder is not black listed by the GST authorities (Proof of Document, self Declaration as per Annexure-Q).

5. In case the interested party gets black-listed during the tenure of BSNL contract, then BSNL will not be responsible for any loss of input tax credit (ITC) to the franchisees. Further, the franchisee will be responsible to indemnify to BSNL any loss incurred by it.

6. In case of multiple Goods and Services Tax Identification Number (GSTIN), all the numbers can be provided as Annexure.

7. Bid document Cost: Cost of Bid Documents Rs.1000 (inclusive of GST) (non- refundable) is to be paid through DD/RTGS/NEFT in UPE Circle Account No. : **31870200000363**; Beneficiary: **AO CLAIM BSNL RTTC LUCKNOW**, IFSC code: **BARB0LDALUC (Fifth digit is zero)**; MICR Code: 226012022

Branch Address: Bank of Baroda, LDA Colony, Kanpur Road, Power House, Lucknow- 226012

8. EOI document may also be downloaded from BSNL site www.upe.bsnl.co.in or CPP Portal <https://etenders.gov.in> and cost of document in the form of DD/RTGS/NEFT receipt be deposited along with the online bid.

9. **Submission of EOI:** – EOI with the documents required as per Check-List in NIEOI must be uploaded on CPPP online wherever applicable. However following documents must be submitted to below address:

(i) DD/RTGS/NEFT Transaction Receipt of 1000/- as cost of EOI Documents

(ii) Power of Attorney (if applicable) (iii) Original EMD (As per clause h of Section -3) or **Udyam Registration Certificate** for exemption of Bid Fee and EMD to Bidder (if applicable)

The Envelope containing above documents should be super scribed with "CM-Franchisee-ship for territory of OA." and it should be reached by post to the office of AGM MM-II, Door Sanchar Sadan BSNL,Laplace Building Hazratganj, Lucknow, before or within 5 days of bid submission end date.

Rejection of Bid:- Incomplete/ambiguous Bid will be rejected. Mere offline Bids will not be acceptable.

- Above said documents must be uploaded by the bidder in their online Technical bid part (1st electronic Envelope i.e. Technical Envelope) on e-tender portal failing which the tender bid shall be archived unopened / rejected on e-tender portal at bid opening stage.

- Above said documents shall be submitted by bidder on any date before or within 5 days of bid submission end date failing which the tender bid (if already opened on basis of scanned copies uploaded in 1st electronic Envelope i.e. Technical Envelope, shall be rejected.

10. **Opening of EOI:** – EOI shall be opened **online** on date **17/05/2024 at 1500 HRS.** as per schedule attached with EOI Documents, in the office of AGM (MM-II), 3rd floor, Door Sanchar Sadan Laplace Building Hazratganj, Lucknow in the presence of bidders/ authorized representatives of the bidders who wish to be present.

11. Fee for EOI Document is neither transferable nor refundable.

12. All Terms & Conditions as mentioned in EOI Documents are as per S&D Policy-2018, however Tariffs and Incentives to Channel Partners may vary as per Instructions of BSNL CO new Delhi.

13 The queries in respect of the bid document, if any, can be submitted through **Email in prescribed format as mentioned in clause 13.1 below** , latest by **02/05/2024** (dd/mm/yyyy)/1700(Hrs). **Any query received after this date will not be entertained.**

13.1 Template of seeking clarifications from BSNL

| <i>S. No.</i> | <i>Section No.</i> | <i>Clause No.</i> | <i>Page No.</i> | <i>Brief Description of the Clause</i> | <i>Query Submitted By (Company Name)</i> | <i>Query / Clarification sought for</i> |
|---------------|--------------------|-------------------|-----------------|--|--|---|
| | | | | | | |
| | | | | | | |

SECTION-B

Section 1: Roles and Responsibilities

A. Geographic area

- a. Definition of Geographical areas: All Franchisees territories have well defined geographical area (as notified in the franchisee Agreement by OA). This will be their primary area and the franchisee must fulfill all the requirements as per the policy in this primary area only. Sales by franchisees should be restricted in the primary area specified by BSNL and C-top-up SIM should be BTS bound
- b. Franchisee is not allowed to sell outside the Primary Area in any case. Any violation is to be viewed seriously and it will attract penalty as per Sec- 5(P)(B) and the agreement with such franchisee be discontinued and the franchisee may even be barred for further dealing with BSNL for a period of 2 years in case the violation so warrants.
- c. The Franchisee and BSNL shall act on a principal to principal basis and at no time, franchisee shall act in the capacity of an agent of BSNL. Franchisee shall not have any right or authority to negotiate, conclude or execute any contract or legal document with any third person in the name of BSNL; to assume, create, or incur any liability of any kind, express or implied, against or in the name of BSNL; or to otherwise act as the representative of BSNL, unless expressly authorized in writing by BSNL.

B. Responsibilities of Franchisee

- a. Selling of BSNL products and provision of services to BSNL assigned to them, directly or through Rural Distributors (RDs) or retailers.
- b. Two tier structure for urban and three tier structure for rural areas by incorporating intermediate channel of RDs.
- c. Franchisees to make best efforts to actively market and promote the BSNL Products and provision of services as permitted by BSNL.
- d. Appointment of Retailers
Franchisee must appoint sufficient numbers of retailers in the territory such that:
 - i. Each Urban BTS areas & Rural BTS areas should have at least 8 retailers and 4 Retailers respectively.
 - ii. One retailer in urban commercial area at every 200 meter
 - iii. One retailer in urban residential area at every 500 meter
 - iv. Atleast one retailer in every Village
- e. Retailers in the rural areas will be appointed and served by RDs.
- f. Meeting all sales targets set by BA/Circle for the franchisee territory. Franchisee is responsible for meeting these targets through all channel entities working under him.
- g. CAF collection, documentation (physical documentation as well as electronic documentation) and timely submission of documents to BSNL as per regulatory guidelines and BSNL instructions. Once the CAF has been deposited by the Franchisee under receipt to BSNL, the responsibility of documents submitted in support of customer identity & address will be on Franchisee for a period of 90 days from the date of deposit of CAF. BSNL official will check the documents within 90 days and if anything is found wrong with respect to DOT/TERM guidelines then the form should be rejected/corrected and a token penalty of Rs 200/- shall be imposed per wrong CAF on franchisee.
- h. Verification of credentials of customers – Verification of POI/POA (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. Franchisees will be responsible for the verifications done by all the channels i.e. Rural Distributors and retailers working within their network.

- i. BSNL reserves the right for CAF entry/CAF collection/CAF submission through any third party on outsourced model. However verification of credentials as mentioned in para (h) above shall be the responsibility of franchisee.
- j. Operation of IT tools and systems provided by BSNL as specified from time to time, including hiring data entry operator if required.
- k. Appointing required number of FoS (Feet-on-Street) exclusively for BSNL Products and provision of services to serve retailers as per guidelines in force.
- l. Assist and cooperate with the Franchisee Manager or any other employee appointed by BSNL in respect of sale of BSNL Products and provision of services and provide him/her with the required details as specified by BSNL.
- m. Providing List/Details of FOS and retailers to BSNL.
- n. All details and information (including but not limited to FoS details, secondary sales, etc.) as specified by BSNL from time to time in BSNL specified system e.g. Sancharsoft.
- o. After sales services to end-customers in its own capacity and at its own cost, which shall include receiving, attending & rectifying complaints.
- p. All forms of complaint handling on phone and walk-in-complaints (hardware related, billing, service, performance related etc.) will be handled directly by Franchisee. Franchisee shall redress all possible complaints on the spot. If required, help from BSNL call centers may be taken. Remaining complaints can be forwarded to designated CSC/BSNL official for further disposal.
- q. Serving retailers and Rural Distributors at their doorsteps. Franchisee must ensure that BSNL products are available with rural distributors as well as retail networks in sufficient quantity on demand. Franchisee must ensure that no black-marketing or mal-treatment to customer is done through its network.
- r. The margin/ discount/ incentives / commissions extended by BSNL to franchisee and eligible retailers in their chain/ network, which shall be deemed to be extended to the franchisee, with whom BSNL has entered into an agreement pursuant to this policy and statutory requirements shall be complied with, by the franchisee.
- s. Receiving advertisement/ marketing material from BSNL, and displaying it at POS and distribution to Rural Distributors.
- t. Promotion of BSNL Products and provision of services at Franchisee's cost.
- u. Arranging special promotional events as per BSNL requirements at Franchisee's own cost, which shall include events and camps/canopy in unreached and potential areas.
- v. Timely submission of bills and claims to the nodal officer
- w. Storage of SIM's, data cards and other telecom products purchased by the Franchisee from BSNL in a proper manner, thereby minimizing requests for sales returns to BSNL.
- x. Provide all necessary information to BSNL including but not limited to its books of accounts, or any other information for the purpose of submitting the same in any proceedings before any Government Authority or against any third parties.
- y. Issue receipts: At the time of booking of any new connection franchisee shall issue its formal receipt/ invoice to the Rural Distributors (RDs) / retailers.
- z. Franchisee will be responsible for all the work done through its distribution network.
- aa. The franchisees will be responsible for intimating their GSTN No. to BSNL for billing purposes

Section 2: Franchisee Territories

A. Dimensioning of Franchisee Territories:

- a. Number of territories permissible to a franchisee in a circle is restricted to normally three through EOI / Migration.
- b. However one more of franchisee territory may be allowed in the second round of EOI at circle level.
- c. Maximum 33% of OA territories shall be allotted within the OA to a franchisee. However, CGMs of the circle are empowered to increase this maximum limit by up-to 50% of OA territories within the OA. In case of migration 50% of OA territories are allowed.
- d. Balance franchisee territories i.e. (4 terr. - 33% of OA) shall be adjoining to his existing territories in adjacent OA.
- e. In case of migration, non-adjacent territories are allowed and additional new territories shall be adjoining to OA in which he has more number of territories.

B. Eligibility Requirements for BSNL Franchisee-ship for each franchisee territory

- a. All proprietorship firm, partnership firms and company of Indian origin fulfilling following criteria are eligible to apply.
- b. Interested party should have a valid PAN and TAN.
- c. Interested party should have a valid Goods and Services Tax (GST) registration Certificate No. for each state
- d. Interested party should provide a self-declaration along with the evidence that the bidder is not black listed by the GST authorities
- e. In case the interested party gets black-listed during the tenure of BSNL contract, then BSNL will not be responsible for any loss of input tax credit (ITC) to the franchisees. Further, the franchisee will be responsible to indemnify to BSNL any loss incurred by it.
- f. In case of multiple Goods and Services Tax Identification Number (GSTIN), all the numbers can be provided as Annexure

Section 3: Selection process and criteria

A. Expression of Interest Route:

- a. In order to induct franchisees, BSNL shall invite Expression of Interest (EOI) from the willing parties. BSNL reserves the right to initiate the process for appointing franchisee even if there is a franchisee currently serving the territory or a part of the territory. Hereafter, any territory, for which EOI is invited, is referred to as 'eligible territory'. Eligible territories could include:
 - **Vacant territories:** Territories likely to be vacated in next three months or already vacated due to termination of franchisee, tenure completion of franchisee, or non-appointment of franchisee in the past. If a notice of termination (with a 30-day deadline for termination of franchisee) has been served to the franchisee, the territory can be considered as vacant territory.
 - **Redefined territory:** BSNL reserves the right to redefine territories for realignment/ balancing of franchisee territories. If there is need proposal with justification will have to be sent to the corporate office and the required change will be effected only after approval from corporate office by Director- CM.
- b. EOIs are to be floated and finalized at circle level. The approving authority will be the Head of circle.
- c. Circle must invite EOI from willing parties for eligible territories.
- d. To evaluate the short-listed bidders, a Selection committee at circle comprising of three members will be formed for each BA with the approval of circle head.
 - A. Two members from circle office who will be common for all selection committee- GM (Sales & Mktg.)-CM and DGM(Fin)
 - B. Third Member- concerned BA Head.
- e. **After evaluation by the selection committee, the recommendation of the selection committee shall be approved by Circle Head. Lol to successful bidder shall be issued by the EOI issuing authority with the instruction to submit the requisite PBG at the concerned OA within 15 days time frame for signing the agreement. The contract shall be awarded for a period of three years to the successful bidder(s) as per the terms and conditions stipulated in the EOI and in the sales & distribution policy document.**
- f. **Selection by committee:**

If no qualified application is received against any franchisee territory in EOI, measures stated in **para-C of section-3 below** may also be taken.
- g. BSNL reserves the right to revise some sections of Sales & Distribution policy according to change in business environment. OA shall notify all such changes to franchisees. Franchisee will be assumed to be in agreement with revised norms unless notified to BSNL in three week's time. Any party who wishes to discontinue the agreement can do the same by providing a 60 days' notice.
- h. Interested party must deposit **EMD of Rs. 2 lakh for class A territories, Rs. 1 lakh for class B territories and Rs. 25,000/- for class C territories** along with EOI. The EMD will be in the form of Bank Guarantee in favour of BSNL and **valid for a period of 180 days from the date of EOI opening. EMD should be submitted either separately for each Tendered vacant Franchisee Territory or total for all the Tendered vacant Franchisee Territories.**
- i. BSNL reserves the right to reject any application of franchisee for any reason, without liability, the information provided by the franchisee/ gathered by BSNL shall become BSNL' s property even if application is rejected and can be used by BSNL in any manner it deems fit.
- j. The decision of BSNL will be final and binding.

B. Terms & Conditions with EOI

- a. Each franchisee will sign Franchisee Agreements at concerned OA in the Circle. Franchisee must not work with any other telecom operator in the capacity of any role related to sales & distribution anywhere in India.
- b. All Franchisees should have well defined geographical area (to be defined and notified by OA/Circle). This will be their primary area and the franchisee must fulfill all the requirements as per the policy in this primary area.
- c. The demarcated area for which they are appointed should be the primary area for the franchisee's operation, and all contractual obligations and responsibilities as per franchisee policy should remain for this primary area only.
- d. Periodic performance review must be done and in case of a franchisee not-meeting BSNL standards, action should be taken in accordance with 'Performance Management System' section of this policy.
- e. Franchisee is not allowed to sell BSNL Products and provision of services to BSNL outside its primary area (except in cases where the franchisee has been allowed to sell in a territory for a limited period through a look-after arrangement). Any violation will be viewed seriously and action shall be initiated as per Penalty Clause of this document.
- f. BSNL is free to appoint sufficient number of Rural Distributors in franchisee territory in rural areas. Rural Distributors will be either served by franchisee or BSNL and may not be exclusive to BSNL. Rural Distributor's network will not only act as retail network but also help franchisee in serving rural retailers.
- g. Franchisee can appoint any numbers of retailers within his jurisdiction for sale of BSNL products and provision of services to BSNL as permitted by BSNL. Franchisee should serve retailers as well as rural distributors at their premises.
- h. Franchisee must ensure availability of BSNL products at more than 90% of retail points (multi-brand outlets) which sell telecom products within their primary area.
- i. Existing customer service centers and all other channels including e-distributors, Rural Distributors, DSAs will also work as sales outlet for all type of Products offered by BSNL. BSNL can directly appoint any other channel(s) to distribute and sale various BSNL products within franchisee's primary area.
- j. Franchisee should ensure manning of office at least 12 hours per day (9:00 AM to 9:00 PM).
- k. BSNL reserves the rights to seek/verify financial information from franchisee's Bankers/credit providers and any another sources as to carry out other verifications.

C. Easy entry at OA level.

- a. If any franchisee territory remains unfilled even after floating of two rounds of EOI at circle level,

An empowered committee shall be constituted by BA head comprising of three officers headed by a JAG/STS (as per the level of OA) level officer of OA with one finance member. The committee will collect proposals from the prospective franchisees by visiting their premises on the basis of eligibility criteria mentioned below at para-b and will recommend the name of suitable firm/candidate. The recommended case may be considered for approval by Head of BA".

b. Where OAs have no JAG/STS level officers to head such committee, the BA head may relax the conditions mentioned under para 3 (H) (a) of Sales & Distribution Policy-2018 and an officer of STS/SDE level of the OA may be nominated to head the committee.

Note: Empowered committee will also approach prospective bidders through letters/ mails and display on the notice board.

i) Empowered committee will recommend the name of eligible and suitable firm/candidate based on following selection criteria for approval by BA head:-

i. Territory category wise turnover.

| Category of terr. | Minimum Turnover required (In lacs) = X (Say) | Marks | | |
|-------------------|---|----------|------------|------|
| | | Up-to 2X | > 2X to 3X | > 3X |
| A | 25 | 3 | 6 | 10 |
| B | 15 | 3 | 6 | 10 |
| C | 3 | 3 | 6 | 10 |

ii. Experience of distribution of products and provision of services similar to those intended to be provided to BSNL. In most of the cases, experience certificate is not available with the applicants. In such cases the committee may satisfy itself that the person has requisite experience. Minimum experience criteria shall be same as mentioned in para-E (b) above.

| | Distribution Experience | Telecom | FMCG Distribution | Electronic /Electrical | Other |
|----|--|---------|-------------------|------------------------|-------|
| a. | Fulfillment of Minimum Criteria and up to 1 year in excess | 7 | 6 | 4 | 2 |
| b. | Greater than 1 years in excess but less than 2 years in excess | 8 | 7 | 5 | 3 |
| c. | Greater than 2 years in excess | 10 | 8 | 6 | 4 |

iii. Weightage of educational qualification. (Total marks- 5)

| Qualification | Weight-age |
|-----------------------|------------|
| 12 th Pass | 2 |
| Graduate | 3 |
| PG | 5 |

iv. Weightage of Location /place:- (Total Marks-10)

| Bidder belongs to | weightage |
|---|-----------|
| Same SDCA | 10 |
| Adjacent terr. of same OA | 7 |
| Adjacent terr. of adjacent OA of same circle/any other terr. of same OA | 5 |
| Adjacent OA of same circle | 3 |
| Any other | 0 |

v. Weight-age for showroom:- (Total Marks-10)

| Showroom | Max. weightage |
|--|----------------|
| Locality | 3 |
| Size | 3 |
| Accessibility (Road, visibility, Floor etc.) | 4 |

vi. Interview:- Total marks= 5

c. Selection Tie-Breaker: The franchisee with the highest marks out of 50 should be selected. In case of a tie, preference should be given in the order of higher score for 'Showroom', 'Place', 'Experience', 'Turnover' and lastly 'Qualification'.

Note: - However in case of further tie after executing the criteria at para-c above, location of showroom, place, quantum of experience, quantum of turnover, and qualification shall be considered for selection of franchisee. However, BSNL reserves the right to select any of the franchisee based on the committee report after the approval of BSNL CO.

D. Easy exit of franchisee at OA level.

There shall be quarterly performance evaluation at OA level. Non-performing franchisees of OA shall be treated as mentioned below:-

- i. BA head may recommend the name of the franchisee with lowest sales in the OA (based on quarterly evaluation done in respect of Type-A parameters) to circle head for terminating the contract with such franchisee.
- ii. The BA head may issue order for terminating contract with such franchisee, and look-after may be given to the adjacent franchisee of the OA ensuring 50% of total franchisee terr. of OA should remain filled at all time. Simultaneously EOI should be floated to fill-up vacant terr.
- iii. Base monetary Penalty up-to 2.5% of PBG (**section-5 para-A**) based on weight-age defined for Type-A parameters of targets for evaluating performance may be levied upon to those franchisees who could not be removed due to restriction in para-ii above.
- iv. In exceptional cases more than one franchisee may also be removed in one quarter.

E. Look-after arrangement:

- a. Vacant territories can be given to existing franchisee as "Look after territory" for a period of six months by BA head for completing EoI / Selection Process. If further extension is required beyond six months circle head is empowered to grant look after to eligible franchise in steps of three months to complete selection process at OA level.

F. Migration policy for existing franchisees:

Existing franchises are eligible for migration in CM - Sales & Distribution Policy 2018. Migration process as given below will be done at BA level.

- a. Those who meet the benchmark and cut-off as per section 4.2 of CM-S&D Policy-2012 shall be eligible for migration for three years.
- b. Those who do not meet the benchmark and cut-off, migration will be done on the basis of SIM sale for the last financial year.
 - i. All the franchisees of OA shall be ranked on the basis of % achievement of SIM sale target during FY-2016-17
 - ii. Top 80% franchisees of OA will be migrated for three years and
 - iii. Remaining 20% of franchisees of OA shall be dropped.
- c. Names of franchisees & territories found eligible / non-eligible may be sent to circle for final approval and further action.

G. Extension of agreement

The extension for next two years (on year to year basis) with the approval of circle head can be granted subject to compliance of para-(A) of section-2.

H. Requirements after EOI Approval

- a. As mentioned above, selection of the franchisee will be done by a selection committee formed at circle level for which the franchisee is being selected. The EOI/agreement will be framed/ customized by concerned Circle/BA based on provisions in this franchisee policy.
- b. PBG (Performance Bank Guarantee) of:
 - Rs.3 Lakhs for class A territory,
 - Rs.2 Lakhs for class B territory and
 - Rs.1 Lakhs for class C territoryto be submitted before signing of agreement within 15 days of LOI.
- c. Franchisee shall deposit the aforesaid PBG of said amount as determined by BSNL from time to time. BSNL reserves the right to forfeit/adjust/apply the said EMD/PBG amount in full or part of any sums due from the franchisee to BSNL at any time. Franchisee shall continue to be liable for balance, if any, no interest will be paid on the deposit. BSNL reserves the right to increase the amount of PBG at any time in its sole discretion with respect to any/some/all franchisee.
- d. After approval of EOI by circle, the Agreement shall be signed by the OA, PBG (Performance Bank Guarantee) shall also remain in concerned OAs, Franchisees will be monitored and supported by OA. Payments will be done from OA (except in case of special schemes where Circle can also make the payment).
- e. PBG will be treated as security deposit and no supply of BSNL Products and provision of services to BSNL will be allowed against PBG.
- f. Material can be issued to franchisees against RTGS or Cheque on realization of Money in BSNL account or against DD/Bankers cheque. The preferred mode for fund transfer for the franchisees to get material is RTGS.
- g. To provide Cheque facility to franchisees for issue of stock on credit' The field units shall follow below mentioned procedure in implementation of this facility' OAs will take a separate BG for each franchisee territory for this purpose and issue inventory to franchisees against cheque of value not exceeding the amount of BG.
 - i. To purchase material against cheque, franchisee will have to provide a separate bank guarantee with validity of 180 days more than the period of agreement. Franchisee can then purchase material of value up-to bank guarantee. This bank guarantee is separate from PBG. Circles will have to decide upper cap on this bank guarantee which may be equivalent to 7 days inventory requirement in the multiple of R.s. 50,000/-
 - ii. The cheque will be presented to the bank in a manner that it is realized latest by 3rd day (Date of purchase+ 2 working days) and if it is dishonored, the steps for forfeiture of BG will be initiated immediately & the franchisee will be debarred from availing credit facility for the rest of his agreement period.

- iii. The officer(s) concerned who will accept payment by cheque will be responsible for monitoring of cheque clearance as per time frame given in para 'b' above and they will also ensure that the value of cheques outstanding does not exceed the value of Bank Guarantee at any time.
- iv. However in case of cheque bounces due to some genuine reasons e.g. signature mismatch, date not mentioned etc. despite of balance in account then in such cases decision of initiation of forfeiture of BG/ ban on purchase of material against cheque may be taken by CGM concerned.
- v. CTS-2010 standard / MICR cheque with all India clearing facility at par will only be accepted.
- vi .Inter-alia, guidelines issued vide letter no. 1-4IBBF/e-payment\TMI2\OT-O8 dated 17.10.2012 (Copy enclosed) by BFCI section of BSNL CO regarding safe banking may also be followed.
- h. Franchisee may open an account with RTGS/online transfer facilities in the bank in which BSNL's account is in concerned OA. Franchisee shall make payment to BSNL for material supply preferably by online transfer/RTGS mode. Any charges for online transfer or RTGS will be borne by franchisee.
- i. Roll out Plan: 50% of the retailers as mentioned in para B of Section 1 should be active within 3 months from the date of signing of agreement and 100% retailers should be active within 6 months of signing of agreement.

I. Selection criteria for franchisee-ship

- a. The maximum marks for eligible bidders in selection criteria for selection of franchisees will be as follows:

| | | |
|-----|--------------------------|----------|
| i | Experience of firm | 10 marks |
| ii | Turnover | 10 marks |
| iii | Place | 10 marks |
| iv | Showroom | 10 marks |
| v | Qualification | 5 marks |
| vi | Interview / Presentation | 5 marks |

- b. Short listing will be done on the basis of point number (i) to (v) and top three should be called for interview. Final selection will be done based on combined marks.
- c. All parameters are as defined under the 'Eligibility Requirements' section. Place is ascertained as the place where firm/company is registered (GST registration) or where it has operations (existing shop/office) for at least last two years or more.

J. Scoring Guidelines for Selection Criteria:

a. Experience of firm (Total Marks: 10)

| | Distribution Experience | Telecom | FMCG Distribution | Electronic/Electrical | Other |
|----|--|----------------|--------------------------|------------------------------|--------------|
| a. | Fulfillment of Minimum Criteria and up to 1 year in excess | 7 | 6 | 4 | 2 |
| b. | Greater than 1 years in excess but less than 2 years in excess | 8 | 7 | 5 | 3 |
| c. | Greater than 2 years in excess | 10 | 8 | 6 | 4 |

For telecom experience, in case of proprietor firm, the firm/proprietor should have experience of distribution of telecom products directly with any telecom operator. The experience of DSA/ Rural Distributor of BSNL will be counted as telecom experience. In case of partnership firm, the Telecom/FMCG distribution/ other experience of firm (not of individual partner) as described above may only be considered in an appropriate manner by the Selection Committee.

b. Turnover (Total Marks = 10)

| | | |
|----|---|----|
| a. | Fulfillment of Minimum Criteria up to 25 percent in excess | 3 |
| b. | Greater than 25 percent in excess but less than 50 percent in | 6 |
| c. | Greater than 50 percent in excess | 10 |

c. Weight-age of educational qualification. (Total marks-5)

| Qualification | Weight-age |
|-----------------------|-------------------|
| 12 th Pass | 2 |
| Graduate | 3 |
| PG | 5 |

d. Weight age of Location /place:- (Total marks-10)

| Bidder belongs to | weightage |
|---|------------------|
| Same SDCA | 10 |
| Adjacent terr. of same OA | 7 |
| Adjacent terr. of adjacent OA of same circle/any other terr. of same OA | 5 |
| Adjacent OA of same circle | 3 |
| Any other | 0 |

e. Weightage for showroom:- (Total marks-10)

| Showroom | Max. weightage |
|--|----------------|
| Locality | 3 |
| Size | 3 |
| Accessibility (road, visibility, floor etc.) | 4 |

Bidder should have registration under Goods and services Tax (GST)/Trade license/Shop establishment license or operational area within same SDCA/ OA/ Circle as the case may be.

f. **Interview / presentation before the selection committee (Total Marks – 5)**

g. **Selection Tie-Breaker:** The franchisee with the highest marks out of 50 should be selected. In case of a tie, preference should be given in the order of higher score for 'Showroom', 'Place', 'Experience', 'Turnover' and lastly 'Qualification'.

Note:- (a) However in case of further tie after executing the criteria at para-g above, location of showroom, place, quantum of experience, quantum of turnover, and qualification shall be considered for selection of franchisee. However, BSNL reserves the right to select any of the franchisee based on the committee report after the approval of BSNL CO.

Note :- (b) **Past performance of the franchisee may be considered as:**

i. Following points are to be taken in account during evaluation by Selection committee in **Section 3 Clause C** and by the EOI evaluation Committee in **Section 3 of Clause J-**

i. If an **existing** franchisee is applying for the EOI of another territory and is a low performing franchisee for the last continuous 3-months, then the weight-age to his Franchisee score for *Experience & Turnover* shall be reduced by 50 %.

ii. If a franchisee whose agreement was **not extended** due to poor performance is applying for the EOI of same or any other franchisee territory, then the weight-age to his Franchisee score for *Experience & Turnover*, shall be reduced by 50 %.

iii. If the franchisee has submitted the experience of more than 1 franchise territories, following shall be applicable:

a) If one of the experience certificate is for the same territory for which the franchise is applying then the weight-age to the Franchisee score for *Experience & Turnover*, may be calculated based only on the performance of that particular territory in conjunction with the **clause (ii)** above.

b) For the cases not applicable as in **point (a)** above, the better of the performances of franchisee may be considered as performance of franchisee for the purpose of evaluation of Franchisee score for *Experience & Turnover* based on performance.

iv. The evaluation committee shall also verify that the applicant franchisee has earlier worked for that territory or not. In case the applicant franchisee has earlier worked for the territory in the last 05(Five) years and has not submitted the experience document for that territory, then also evaluation committee may take action as per clause **ii & iii (a)** above.

v. The evaluation committee shall cross verify the performance(s) status of the franchisee from the issuing authority.

II. The above mentioned points shall also be applicable for the partner firms of the franchisee.

K. CLARIFICATION OF BIDS:

- a) To assist in the examination, evaluation and comparison of bids, the purchaser may, at its discretion ask the bidder for the clarification of its bid. The request for the clarification and the response shall be in writing. However, no post bid clarification at the initiative of the bidder shall be entertained.
- b) If any of the documents, required to be submitted along with the technical bid is found wanting, the offer is liable to be rejected at that stage. However the purchaser at its discretion may call for any clarification regarding the bid document within a stipulated time period. In case of non-compliance to such queries, the bid will be out rightly rejected without entertaining further correspondence in this regard.

Section 4: Target Setting and Performance Management

A. Target Setting:

Targets will be assigned by Circle to BA/OAs and thereafter OA will assign franchisee- territory wise quarterly/Monthly target. Quarterly/monthly target will be communicated in last week of previous quarter/month or in the first week of the quarter./month.

1. Parameters for Setting of BA/OA Target.

| | | |
|---|---------------------------|--|
| A | FRC / Plan Voucher | Gross connections (SIM activations) OA wise and Franchisee wise |
| B | RC | Recharge sales – OA wise and Franchisee wise |
| C | POS | Active Retailer : Loading FRC / PLAN VOUCHER Active Retailer : Loading RC |

Targets will be assigned by Circle to BA/OAs and thereafter BA/OA will assign franchisee- territory-wise target for above areas/ fields.

Circles will assign targets to BA/OAs on monthly basis for the following based on:

(a) **For GSM connections:**

The target among OAs may be apportioned on the basis of - Type of territory, total number of BTS (2G + 3G) in OA in previous month, market potential, competition, desire growth etc.

(b) **For recharge:**

Recharge targets must be apportioned among OAs as per total no. of active prepaid connection, ARPU in the previous month plus other important parameters like potential of the area, urban-rural mix industry growth rate etc.

(c) **For POS:**

Based on number of BTS

13. Parameters for Setting of Franchisee Target.

BA Head will allocate connections at least on the last year percentage share by franchisees in OA & recharge target among franchisees on monthly basis based on number of BTS and class of territories. Remaining target will be allocated to other channels/sales partners.

- a) For connections:-
50% of target as per class of territory
50% of target as per total number of BTS in territory

As an illustrative example,

OA target = 15000

Let 80% of monthly target of OA = 12000

Let there be 1 territory each of class A, B and C

Target to be allocated as per territory class = 50% of 12000=6000

Average per territory = 2000

The weight age for A, B and C type territory would be 1.3, 1 and 0.7 respectively.

Distributed target would be for Type A 2600

For type B 2000 and for Type C 1400

Remaining 6000 connections target may be allocated in proportion to number of BTS in the territory.

- b) For recharge:-
OAs may further apportion the recharge target as per number of BTS and class of territory.
- c) For POS:
BA/OA should ensure that the targets set by BSNL corporate office for active retailers loading RC and active retailers loading FRC / Plan Voucher is met progressively. OA will assign target for active retailers loading RC and active retailers loading FRC / Plan Voucher to franchisee based number of BTS/ potential as given below:
- i. Number of retailers loading RC at least 8 per BTS
 - ii. Number of retailers loading FRC / Plan Voucher at least 3 per BTS
- d) Apart from these targets for any other products from other business units shall be set by concerned business units however franchisee's performance review may not consider achievement against those targets.

B. Performance Management: Each BA/OA must conduct a review meeting in first week of every calendar month where each franchisee's performance in previous month must be evaluated. Each Circle must conduct a review meeting every quarter to review the same. This meeting must be conducted within fifteen days of quarter ending.

Appointment of Review committees:

- i. Each BA must appoint a performance review committee of at least three executives which must consist of OA Head and OA Sales Head (Mobility) and Retailer Manager Coordinator (RMC). Franchisee manager of particular franchisee should also be part of review discussion for that franchisee.
- ii. For Circle level reviews, Circle should appoint a review committee for each OA under chairmanship of GM (Consumer Mobility). Each committee will have three

executives including chairman from Circle (common for each OA) and BA Head of concerned OA.

Weightage for targets for evaluating performance

| Parameters | Weightage |
|-------------------------|------------|
| Type A Parameters | |
| FRC / Plan Voucher | 45% |
| RC | 30% |
| POS | 25% |
| Total | 100% |
| Bench Mark Score | 50% |

Note: FRC / Plan Voucher include new connections of GSM.

Regular performance measurement and evaluation of franchisee performance needs to be done as follows:

The performance for each franchisee should be evaluated monthly by OA review committee on the basis of above guidelines. It should be noted that all existing territories of the franchisee should be monitored individually. Performance of each franchisee shall be done franchisee territory-wise. In case the franchisee has territories across multiple OAs, each BA/OA must provide the performance inputs to the Circle which should compile the territory-wise franchisee performance score. OA must communicate the monthly performance inputs to franchisee so that he can improve.

- iii. **Review Process at OA:** For the purpose of monthly reviews various parameters, their scoring and cut-offs are given in table below

| | Parameter (measured on monthly basis) | Scoring | Cut-Off Score |
|---|--|--------------------------------------|---------------|
| 1 | Gross Connections GSM. | % of target achieved in each product | >50% |
| 2 | Revenue/ Recharge sales GSM in month | % of target achieved in each product | >50% |
| 3 | No. of retailers billed in month through BSNL specified system | % of target achieved | >50% |

Maximum score on any parameter will be limited to 100%.

Cut-off scores can be upwardly revised by Circle review committee with at least 60 days notification to franchisees. Apart from the parameters listed above, review

Committee should discuss about any other complaints received about the franchisee and warnings / monetary fines could be issued / imposed. OA committee must prepare a scorecard for each franchisee before monthly review meeting. The scorecards for three months should be sent for Circle level review each quarter.

- iv. **Review Process at Circle/BA:** Review committee at OA should conduct a review of each franchisee territory every quarter. BA head will recommend the name of the franchisee which lowest sales in the OA (based on quarterly performance evaluation done in respect of Type-A parameters) to circle head for removal from franchisee-ship.
- v. **Certificate of Appreciation:** Every quarter, BA/OA may issue certificate of appreciation to the top franchisees in the OA. Type 'A' parameters shall be considered for it.
- vi. **Performance based termination:** Any franchisee inducted in past six months will not be considered for this exercise. All such franchisees will be given 30 days notice to wind up operations. However monthly review for the franchisees who have been served a Notice of Termination will happen for next month as per the process outlined above and any monetary penalties will still be applicable on non-performance. Circles must complete the process of appointing new franchisee and hand-over arrangements within 90 days. Franchisees who are terminated will not be eligible to bid for franchisee EOI for that territory for the next two years. Circle/BA may use look-after arrangement in these vacant territories.
- vii. **Re-demarcation of territory:** BSNL reserves the right to redefine territories in cases where franchisee has not met the performance criteria (defined above in this policy) for a period of more than three months.
- viii. **Confidentiality:** All data collected or generated during the review process at OA or Circle level should be treated as confidential. It can be discussed with franchisees however no data related to other franchisees should be given to any franchisee. Access to this data should also be restricted to only competent authorities as decided by Circle Head or OA Head.

Section 5:

A. Sale price of BSNL products

- i. The price at which BSNL products shall be offered to franchisee channel (Franchisee, Rural Distributors and Retailers) will be announced by BSNL on introduction of new product and may be revised or discontinued by BSNL as per the changes in business environment.
- ii. Such price shall be announced as and when new products are being launched by Product and Pricing unit of Consumer Mobility or as may be published from time to time.
- iii. For Consumer fixed Access products, the existing pricing shall be applicable and for consumer mobility, latest circulars of Product & Pricing cell of CM cell may be referred.
- iv. BSNL and Franchisees shall observe the following procedure in connection with purchase and sale of BSNL Products:
 - a. The Franchisee shall place an order for purchase of products from BSNL.
 - b. Upon dispatch of ordered products, BSNL shall raise an invoice on the Franchisee, net of applicable discount to be provided to the franchisees. BSNL's designated nodal officer to verify and sign the invoice and forward it to the Accounts Department.
 - c. BSNL will charge GST on the price at the transaction value i.e. the price at which BSNL sells its products to the franchisee. BSNL would raise sale invoice for sale of BSNL products to the franchisees. BSNL would raise invoice on GST registered premise only
 - d. For the purpose of this agreement, place of supply under GST Act shall be the place of supply as determined under purchase order raised by BSNL. It shall be the responsibility of franchisee to intimate BSNL well in advance in case of deviation / disagreement with the place of supply as determined in PO
 - e. BSNL shall, on a conservative basis, withhold tax at source under Chapter XVIIIB of the IT Act, 1961 on all discounts/ margin provided to the franchisees for sale of BSNL Products and the same will be treated as a sale consideration
 - f. Payment will be received by BSNL from the Franchisee preferably through ECS / Direct credit to account or cheque. OA will give a detailed report regarding payments received from franchisees on monthly basis to Circle office.
 - g. GST paid by franchisees to BSNL shall be available to the franchisee as ITC, which can be set off against the GST charged by franchisee to the retailer
 - h. Secondary / subsequent incentives such as incentive on FRC/RC, any scheme based incentive, FOS incentive etc. to franchisees shall be given online in the form of c-top-up value through any platform like Sanchar-soft/Pyro/ERP after levy of applicable taxes i.e. TDS /GST etc., wherever applicable.
 - i. For the subsequent incentives provided by BSNL (refer point h above), Franchisees will raise invoice (along with applicable GST) on BSNL. Since incentive shall be paid to the franchisees in the form of c-top up, BSNL will also raise an invoice (along with applicable GST) on the franchisees for allocation of such c-top up value
 - j. Where the franchisee is not registered under GST Act, it shall be the responsibility of BSNL to discharge liability under reverse charge mechanism. It is further agreed that franchisee shall not charge tax on invoice

- k. BSNL shall, withhold tax at source under Chapter XVIIIB of the IT Act, 1961 on the secondary/ subsequent incentives provided to the franchisees (refer point h above)
- l. GST paid by franchisees to BSNL and by BSNL to franchisees (as the case maybe w.r.t. secondary/ subsequent incentive granted by BSNL) shall be available to franchisees and BSNL, respectively, as input tax credit which can be set off against the GST charged by franchisee or BSNL
- m. The rate of discount/ margin/ incentive needs to be reviewed with every change in the rate of GST in order to keep it at par with or lower than the current rate of 5.5% of Face Value.
- n. Methodology and applicable tax deduction/reconciliation on payment like discount at the time of sale of BSNL Products, discount on FRC/RC, any scheme based incentive, FOS incentive etc. to franchisees may be changed time to time & necessary instructions shall be issued by concerned cell of BSNL CO.
- o. The invoices raised by the franchisee and BSNL should comply with all the conditions as prescribed under the tax invoice rules under Central Goods and Service Tax Rules, 2017
- p. In case of any deficient supply or incomplete supply both at the time of sale of BSNL products or at the time of subsequent incentives provided to the franchisee, it shall be the responsibility of franchisee to issue GST compliance credit note within the reasonable time and take tax adjustment. In case the franchisee fails to issue proper credit note within the time stipulated under the GST law the taxes charged and not adjusted would be borne by the franchisee.
- q. Franchisee to comply with all the compliances as may be prescribed to ensure that compliance rating is not reduced below the prescribed limit as laid down under GST Act and GST regulations. Franchisee shall be required to submit a self-declaration from time to time, that they are not black-listed on the GST portal. Notwithstanding anything contained in agreement, in the event of black listing of supplier i.e. compliance rating reduced below the prescribed limit, the amount related to tax shall be paid to franchisee only on receipt of input tax credit to BSNL
- r. Applicable Tax deductions/ reconciliation/ accounting related instructions/ guidelines shall be issued by concerned cell of BSNL CO, which shall be applicable to circle/OA.
- v. In case of secondary/ subsequent incentives provided to the franchisee, it shall be the responsibility of the franchisee to raise appropriate tax invoice as per the provisions of GST Act. BSNL reserves the right to be indemnified for the credit loss in case BSNL is unable to claim the ITC for any non-compliance / default in raising appropriate invoice by franchisees. Further all invoices should be sent to BSNL promptly and in no case beyond days of Invoice date.

Further the Supplier is required to comply following requirements w.r.t. issuance of invoice:

1. All the details of franchisees (name, address, GSTIN/ unregistered vendor, place of supply, SAC/ HSN code etc.) and other mandatory details shall be mentioned on the invoice;
2. Invoice/DN/CN need to be issued timely within the time prescribed under GST law;
3. In case of any deficient supply, BSNL shall convey the same in a reasonable time to enable the franchisee to issue credit note and take tax adjustment;
4. It would be the responsibility of the franchisee to declare correct information on invoice and GST portal viz. the amount, the place of supply, rate of tax etc. In case, the eligibility of input tax credit is questioned or denied to BSNL on

account of default by the franchisee, the same would be recovered by BSNL from the franchisee;

5. Registered location of the both the parties i.e. BSNL and franchisee should be mentioned in the agreement with GSTIN No. Further, franchisee should raise invoices at the registered premise of BSNL for availment of credit and ensure that the place of supply as per GST law is same as registered premise;
 6. It shall be the responsibility of franchisee to raise invoice within the prescribed timelines.
- vi. Franchisee to share the monthly information (w.r.t. incentive) with BSNL which would be uploaded by the franchisee in its GSTR -1 along with the information of input credit to be claimed by BSNL in such month. It shall be the responsibility of the franchisee to provide reconciliation statement of all the supplies made by it including issuance of credit note, debit note or other documents as prescribed, within 30th September following the end of relevant financial year.
 - vii. GST (if applicable) on account of liquidated damages due to delay in supply of BSNL Products and provision of services to BSNL would be borne by the franchisees.
 - viii. BSNL reserves the right to amend and the franchisee agrees to the amended procedures which may be required pursuant to changes in GST law or pursuant to change in BSNL's policy

B. Penalty (along with applicable GST, if any):

Consequences for Poor Performance: Any franchisee, who does not meet the cut-off score on any parameters, becomes liable for penalty (along with GST, if applicable) as per the table given below:

| Penalty Structure for Franchisees | | | | | | | |
|-----------------------------------|------------|---------|-----|-----------------|-----------------------------|---------------------------------|---------------------------------|
| Class of Territory | Month | 1st | 2nd | 3 rd | 4th | 5th | 6th and onwards** |
| | Issuer | BA | BA | Circle* | BA | BA | BA |
| | PBG in Rs. | Warning | | Strong Warning | Base monetary penalty (BMP) | Monetary penalty of 110% of BMP | Monetary penalty of 125% of BMP |
| A | 300000 | | | | | | |
| B | 200000 | | | | | | |
| C | 100000 | | | | | | |

* **Base monetary Penalty** up-to 2.5% of PBG based on weight-age defined for various parameters of targets for evaluating performance may be decided by Circle Head.

** Monetary penalty of flat 150% of base monetary penalty shall be imposed by BA each time in the event of poor performance in any Type-A parameter during sixth months and onwards till the validity of agreement.

For example if any franchisee improves his performance in the seventh month in all Type-A parameters and perform poorly on any parameter in the 8th month, then 150% of base monetary penalty should be imposed on franchisee by BA in the 8th month and no penalty shall be imposed in the seventh month.

Example: - CGM may fix penalty up-to 2.5% of PBG as a Base monetary penalty i.e. it could be 1% or 2% or 1.5% etc.

For class-C franchisee territory, defined PBG is 1 lakh.

Let CGM fixes 2% of PBG as Base monetary penalty, i.e. Rs 2000/- and suppose franchisee default in all three Type-A parameters. Then weight-age-wise distribution of penalty on franchisee will be as given below:-

FRC/Plan voucher: - 60% of Rs. 2000/- = 1200/-

RC:- 10% of Rs. 2000/- = 200/-

POS: - 30% of Rs. 2000/- = 600/-

C. Action against Cross-selling:

- a) If franchisee is found selling outside his territory:
 - i. 1st offence explanation of the franchisee to be called giving ten days time to submit response. C-TOPUP number of all such retailer to be disconnected under intimation to franchisee, if either no reply is received or the explanation of franchisee is not satisfactory.
 - ii. 2nd offence: - Explanation of the franchisee to be called giving ten days time to submit response. C-TOPUP numbers of all such retailers to be disconnected under intimation to franchisee, if either no reply is received or the explanation of franchisee is not satisfactory and also their balance is to be forfeited.
 - iii. 3rd offence and beyond:-C-TOPUP numbers of all such retailers to be disconnected under intimation to franchisee, and their balance will be forfeited + Rs.3000/- penalty per retailer (along with applicable GST, if any).

- b) If franchisee is found selling through Multi SIM device:
 - i. A penalty @ 5% of total discount/ margin offered to the franchisee at the time of sale of BSNL products as well as incentives provided to the franchisee subsequently on meeting the targets etc. in the last three month will be imposed on the franchisee along with a warning letter.
The C-TOPUP SIM of the retailers indulging in this system will be blocked with available balance.
 - ii. The action will be taken after investigation by BSNL. In case the same franchisee is found involved in using Multi SIM Mobile Automatic Recharge System repeatedly, his franchisee ship may be terminated

D.General Terms & Conditions

- a. Whenever any new products are launched, a separate communication will follow on the applicable discount / margin rate. Additionally, secondary/ subsequent incentive to be granted by BSNL shall also be communicated by BSNL separately.
- b. Franchisees may be given right to view Franchisee portion of Sancharsoft, which they are supposed to view periodically and take necessary actions.
- c. BSNL reserves the right to change the terms of trade from time to time with notice period of 30 days.
- d. BSNL reserves the right to suspend/ decline any sale of BSNL products to Franchisees in case of any pending disputes in matters relating to activations or cancellations.
- e. In case of dispute arising between the Franchisee and BSNL, the same shall be adjudicated by the Circle Head or any official appointed by the Circle Head.
- f. The company's decision will be final on all matters relating to the business and will be binding on the Franchisee.
- g. It will be the Company's endeavor to make the payment to the Franchisees as per the schedule, however this may stretch beyond the scheduled time only in case of delays in getting claims from the Franchisees or in case of incorrect claims.
- h. The payment by the Franchisees will be made through a cheque / ECS after deducting applicable taxes.
- i. All Franchisees will report to OA Head through the nodal officer appointed by him.
- j. BSNL shall, on a conservative basis to withhold tax at source under Chapter XVIIIB of the IT Act, 1961 on all discounts/ margins etc. provided to the Franchisees for sale of BSNL Products.
- k. All taxes, present & future that may be levied by the govt. / Local authorities etc. will be applicable to the franchisee a/c.
- l. The Franchisee shall comply with all applicable laws, bye Laws rules, regulations, orders, directions notifications etc of the Govt./ Court/Tribunals and shall also comply with all directions issued by BSNL and provide BSNL with all information and cooperation that BSNL may reasonably require from time to time.
- m. The franchisee has to fully cooperate with BSNL to investigate any complaint from the public, retailers or BSNL's sales teams.
- n. Franchisee shall be liable for all payments of wages, Salary etc to its employees & shall comply with all statutory laws, rules, relating to employment, wages, PF, ID, act etc.
- o. The Franchisee shall fully indemnify, defend & hold BSNL harmless from and against all claims, Liability, Losses or damages recoveries, proceedings, actions, Judgments costs, charges & expenses which may be made or brought or commences against BSNL or which BSNL may or may have to bear, pay or suffer directly or indirectly in connection with any breach Franchisee's agreement by franchisee or its agents, employees, offices.
- p. In case any GST and/ or cess liability, interest, penalties or any other tax/ duty/ amount/ charge/ liability / professional costs related to litigation becomes payable by BSNL or ITC is denied to BSNL due to failure of the franchisees to comply with the relevant laws/ regulations applicable in India or overseas, franchisees undertakes to indemnify BSNL for an amount equal to amount payable by BSNL and the same shall be recovered by BSNL
- q. GST (if applicable) on account of liquidated damages due to delay in supply would be borne by franchisee
- r. BSNL Shall not be liable for any act of commission or omission of any third party.

- s. During the currency of agreement, franchisee will not be permitted to provide services to any other telecom service provider.
- t. That franchisee shall display prominently the information prescribed by BSNL from time to time & will display a signboard, of size decided by BSNL, indicating the name & logo/Brand name of BSNL as may be prescribed by BSNL.
- u. That franchisee shall pay all dues & outstanding to BSNL during the currency of assessment or on termination of the agreement as the case may, even if any dispute is pending between the franchisee & BSNL. The same shall be adjustable by the Circle Head or official appointed by Circle Head.
- v. The franchisee 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 franchisee in respect of all matters including security deposit / PBG, incentive payable to the franchisee etc.
- w. In case of any deviation, default or negligence on the part of franchisee due to which it is liable to pay penalty to BSNL, the same shall be recovered by BSNL from franchisee along with applicable GST (as may be applicable)
- x. Franchisee must enter list of material received, sold and available with him and all his retailers on a daily basis through BSNL –specified IT system.
- y. BSNL shall deduct tax at source if required under GST Act and GST regulations, any law or any regulation.
- z. Franchisee who have not migrated or surrender franchisee-ship, any loss to BSNL on account of such default shall be recovered from PBG.
- aa. Those who were terminated / not migrated may be barred to participate in EOI for that territory only for next two years.
- bb. In case of successful completion of franchisee-ship-agreement agreement period, PBG shall be returned after ensuring that penalty/damage/dues/claims if any are cleared.
- cc. PBG shall be forfeited, in case franchisee does not start business within stipulated time frame as mentioned under agreement.
- dd. PBG shall be refunded in the cases where franchisee surrenders his territory/circle/zone with mutual consent of BSNL and after prior notice to BSNL for surrendering after ensuring that penalty/damage/dues/claims if any are cleared.
- ee. PBG shall be forfeited if franchisee-ship is terminated on performance based evaluation mentioned under agreement.
- ff. If franchisee does not serve prior notice and requests for surrendering his/her franchisee-ship with immediate effect in normal course and he/she is performing well in his territories/circle/zone as per parameters/targets mentioned under agreement, franchisee may be requested to continue with agreement. If franchisee still insists for surrendering of franchisee-ship, he/she may be advised to serve 90 days prior notice, and then PBG shall be returned after ensuring that penalty/damage/dues/claims, if any are cleared. If franchisee/e-distributor stops working with immediate effect, PBG shall be forfeited.
- gg. If franchisee, does not serve prior notice and requests for surrendering his/her franchisee-ship with immediate effect in normal course and he/she is not performing well in his territories/circle/zone as per parameters/targets mentioned under agreement, franchisee may be requested to improve his performance as per penalty clause under agreement and continue with agreement . If franchisee still insists for surrendering franchisee-ship he/she may be advised to serve 30 days prior notice, then PBG shall be returned after ensuring that penalty/damage/dues/claims if any, are cleared. If franchisee stops working with immediate effect, PBG shall be forfeited.

Section C: Detailed Terms & Conditions of the EoI

- I. In case the successful franchisee fails to submit the required documents at the time of agreement or does not turn up for agreement within stipulated time or any information supplied by bidder found fake at any point of time, the EMD of the franchisee shall be forfeited and the consideration for franchisee ship shall be treated as cancelled.
- II. The experience certificate should be issued by at least an officer of Gr.'A' or equivalent rank in case of government or PSUs. In case of private operators the experience certificate should be issued by marketing head of the company.
- III. The successful franchisee has to submit the performance bank guarantee (PBG) for a period of 3&1/2 years from the date of agreement papers submission. No interest is payable on performance bank guarantee.
- IV. The successful franchisee will have to sign contract agreement within 15 days of the acceptance of the franchisee acceptance document
- V. The PBG is liable to be forfeited in case the franchisee fails or violate the terms and conditions in any manner.
- VI. In the event of any breach of any terms and conditions or delay or default, the contract will be terminated and the security deposited will be forfeited by the BSNL
- VII. Conditional acceptance or any modification to the terms and conditions given in the document are liable to be rejected and EMD will be forfeited.
- VIII. Contract
 - a. Validity of the contract shall be up to three years from the date of agreement.
 - b. Numbers of franchisee can be increased or decreased as per BSNL requirement.
- IX. Right of the CGMT, UP East Telecom circle:
 - a. CGMT, UP East Telecom circle , reserves the right to accept or reject any or all the franchisee ship request in part or full, without assigning any reason whatsoever.
 - b. CGMT, UP East Telecom circle, reserves the right to terminate the contract at any time by giving one month's notice in writing without assigning any reason.
 - c. In case of violation of terms and conditions of the contract or unsatisfactory services, CGMT, UP East Telecom circle, reserves the right to terminate the contract at any time and forfeit the PBG.
- X. In case of selection. The BSNL franchisee will sign an agreement with BSNL on non judicial stamp paper of Rs.100/- to be arranged by franchisee.
- XI. Other conditions:
 - a. The franchisee ship shall initially be for a period of three years from the date of execution of agreement and is subjected to review of performance as prescribed by BSNL.
 - b. Franchisee should provide his present permanent address and bank account number at the time taking franchiseeship.
- XII. All franchisee for sales of BSNL products and provision of services to BSNL shall operate on valid and authenticated documents including identity status with photograph.

- XIII. The identification/ verification of BSNL customers brought by the franchisee for sale of BSNL products and provision of services to BSNL shall be carried out by the franchisee as per prescribed format including fresh guidelines/ orders by BSNL issued by Govt. of India.
- XIV. The empanelment of the franchisee for BSNL products and provision of services to BSNL shall be without prejudice to the right of BSNL to market these products from its existing or outlets including customer service centres. Nothing shall prevent BSNL to work out and introduce in future.
- XV. BSNL shall reserve the right to cancel the franchisee ship for BSNL products and provision fo service to BSNL at any time without assigning any reason.
- XVI. All disputes arising out of franchisee for sales of BSNL products (or provision of services to BSNL) and the BSNL on the other part shall be decided by arbitration through an arbitrator to be appointed by the BSNL board as per existing orders on the subject.
- XVII. The policy of incentives and discounts/ margins can be reviewed by BSNL at any time and decision of BSNL in this regard will be final.

ANNEXURE – A

Vacant Franchisee Territories and categories

| BA | Sub S.N. | OA | Territory Name & Code | Class/Cat. | Territory Area |
|-----------|-----------------|-----------|----------------------------------|-------------------|------------------------------|
| AYODHYA | 1 | GDA | BALRAMPUR (UE12103) | B | Complete Balrampur SDCA Area |
| | 2 | AYD | AKBARPUR (UE11103) | B | Complete Akbarpur SDCA Area |
| | 3 | AYD | JALALPUR (UE11107) | C | Complete Jalalpur SDCA Area |
| | 4 | AYD | TANDA (UE11105) | C | Complete Tanda SDCA Area |

Note- Details of Tehsil area may be taken from official District Map. The SDCA detail may be taken from SDE /AGM (Sales and Mktg.) of concerned OA.

ANNEXURE – B

FORMAT OF BANK GUARANTEE FOR EARNEST MONEY DEPOSIT (EMD)

(To be typed on Rs.100/- non-judicial stamp paper)

WHEREAS _____ (Name of Bidder) (hereinafter called "the Bidder" intend to submit its Bid no. _____ (Date) _____ (hereinafter called "the Bid") in accordance EXPRESSION OF INTERSEST (EOI) No _____ DATED _____ INVITED BY M/s. BHARAT SANCHAR NIGAM LTD. having their Registered Office at BHARAT SANCHAR BHAWAN JANPATH NEW DELHI AND CIRCLE OFFICE AT _____ (hereinafter called the BSNL) for _____.

As an irrevocable Bank Guarantee against Earnest Money Deposit for as amount of _____ is required to be submitted by the bidder as a condition precedent for participation in the said EOI ,which amount is liable to be forfeited on the happening of any contingencies mentioned herein and or terms and conditions as specified in said EOI.

We, the _____ Bank at _____ having our Head Office _____ (address) hereinafter called "BANK") guarantee and undertake to pay immediately on demand by .BSNL the amount _____ without any reservation. protest. demur and recourse. Any such demand made by BSNL shall be conclusive and binding on us irrespective of any dispute or difference raised by the BIDDER. The Bank binds itself, its successors and assigns by these presents;

THE CONDITIONS of the obligation are:

1. If the bidder withdraws or amends his bid during the period of validity specified by the bidder or
2. fails or refuses to accept the letter of intent or conditional acceptance of letter of intent or
3. any information / documents furnished by the bidder found to be fake or
4. if the bidder , having been notified of acceptance of his bid by the BSNL during the period of bid validity
 - (a) fails or refuses to execute the contract / ARGEEMENT ,if required, within stipulated time or
 - (b) fails to submit , within stipulated time ,the required documents for signing of contract or
 - (c) fails or refuses to furnish the performance Bank Guarantee , in accordance with clause - ---- of said EOI.

Bank undertake to pay to the BSNL up to the above amount upon receipt of his first written demand, without the BSNL having to substantiate his demand, provided that in his demand BSNL will note that the amount claimed by him is due to him owing to the occurrence the above conditions and breach of terms and conditions of said EOI.

Notwithstanding anything contained herein

- i) Our liability under this Bank Guarantee shall not exceed Rs. _____ (Rupees _____ only)
- ii) This Bank Guarantee shall irrevocable and shall remain valid up to ---- days from issue of bank guarantee. If any further extension is required the same shall be extended to such required period on receiving request in this regard from bidder.

Dated _____ day of _____ 20 _____

SIGNATURE OF THE BANK

Product List for FMCG Industry

Following product categories will be eligible for FMCG industry experience

- a. Personal Care, Oral Care, Hair Care, Skin Care, Personal Wash (soaps).
- b. Cosmetics and toiletries, deodorants, perfumes, feminine hygiene, paper products.
- c. Household care fabric wash including laundry soaps and synthetic detergents; household cleaners, such as dish/utensil cleaners, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellents, metal polish and furniture polish.
- d. Food and health beverages, branded flour, branded dairy products, branded sugarcane, bakery products such as bread, biscuits, etc., beverages such as milk, tea, coffee, juices, carbonated drinks, bottled water etc, snack food, chocolates, tobacco products Ayurvedic preparations, over the counter (OTC) allopathic preparations etc.

ANNEXURE-D

Compensation Structure of Consumer Mobility Product and Services


| Compensation Structure of Consumer Mobility Product and Services for Franchisee / e-Distributor / Rural distributor / Retailers / Post Offices / Large Retail Chain/ PCO Operators / DSAs/Online SIM selling distributor (in Rs.) | | | | | |
|--|-----------------------------|-------------------------|--|--|---|
| Sr. No. | Name of Product / Service | Particulars | Initial discount/margin to Franchisee | Secondary/Subsequent incentives to franchisee | |
| Post-Paid Products | | | | | |
| 1 | Post-Paid Voice & Data Plan | SIM & Activation (Note) | i. For 32K to 128K-Normal SIM/Micro SIM/Repluggable SIM (Normal + Micro) Rs. 5/- per SIM ii. For 64K to 128K Nano SIM/Repluggable SIM which contains Nano SIM RS. 8/- Per SIM. iii. For 256K Normal/Micro/Nano SIM/Repluggable Rs.35/- Per SIM | Rs.20/- after submission of Customer Application Form (CAF) and after activation of SIM.(Note) | |
| | | Any Monthly Plan | Rs.80/- on deposit of security amount at the time of activation | | Balance incentive if any will be paid @14% of Fixed monthly Charges (FMC) at the end each month for six months subject to maximum of 90% of lowest FMC or Rs 500/- (Including initial payment of Rs. 80/-) whichever is less and payment of monthly bills by the customer. |
| | | | | | |

| Pre-Paid Products | | | |
|--------------------------|------------------------|--------------------|---|
| Sr. No. | Name of Product | Particulars | Discount, margin and incentive to Franchisee |
| 2 | Pre-Paid Voice & Data | SIM & Activation | i. For 32K to 128K-Normal SIM/Micro SIM/Re-pluggable SIM (Normal + Micro) Rs. 5/- per SIM ii. Rs.20/- after submission of Customer Application Form (CAF) and after activation of SIM. (Note) |
| | | | i. For 64K to 128K Nano SIM/Re-pluggable SIM which contains Nano SIM RS. 8/- Per SIM ii. Rs.20/- after submission of Customer Application Form (CAF) and after activation of SIM. (Note) |
| | | | i. For 256K Normal/Micro/Nano SIM/Re-pluggable Rs.35/- Per SIM |
| | | Plan voucher | 90% of Plan voucher or Rs.100/- whichever is less. For special plans where discount specified, the same is applicable. ii. Rs.20/- after submission of Customer Application Form (CAF) and after activation of SIM. (Note) |

| Hardware Products | | | | |
|-------------------|---------------------------------------|--|--|-----|
| Sr. No. | Name of Product | Particulars | Discount to Franchisee | |
| 3 | Data Card | On purchase of each data card | Discount @ 8% on Sale Price (See Note) | Nil |
| Ad-On Products | | | | |
| Sr. No. | Name of Product | Particulars | Discount to Franchisee | |
| 4 | Pre-paid to Post paid plan conversion | Pre-Paid to Post-Paid GSM/CDMA/ etc. | 50% of FMC subject to max. of Rs. 150/- after payment of 1st bill. | |
| 5 | VAS retailing | Retailing of Value added services through channel partners | Discount on EUP (End User Price) same as in case of Top-up/recharge (See Note) | |

| RCVs & TOP-UPS Products | | | | |
|-------------------------|---|-------------|---|-----|
| Sr. No. | Name of Product / Service | Particulars | Discount to Franchisee | |
| 6 | All Top-up Vouchers / Flexi Top-up / STV (Special Tariff Vouchers)/ RCV (Recharge Vouchers) / C-TOPUP | | Discount @ <<rate of discount to be inserted>> on MRP (See Note). | Nil |

| Post-Paid Bill payment through CBP system | | | | |
|--|-------------------------------|--|---|---|
| Sr. No. | Name of Service | Particulars | Initial discount/ margin to Franchisee | Subsequent incentive to franchisee |
| 7 | Mobile Post-paid bill payment | Mobile Post-paid bill payment through CBP-system | Upfront discount/ margin of flat 2% for mobile Post-paid bill (inclusive of service Tax) payment through C-Top-up at the time of purchase of stock for post-paid wallet in the c-top-up system.(Applicable up-to 31.03.2017 as per order no. 27-8/2015-S&M-CM/15:dated 30.12.2017. | Nil |
| Note:- | | | | |
| 1. Discount on various kinds of SIMs is as per T&C cell letter no. 26-19/2012-T&C-CM dated 18.1.2016, 9.12.2016 and S&M-CM cell letter no. 27-9/2015-S&M-CM/25 dated 28.01.2016 & 20.12.2016 and it is subject to revision. | | | | |
| 2. Enhanced upfront discount to franchisee on SIM price and enhanced CAF incentive to Franchisee is promotional and subject to revision. | | | | |
| 3. BSNL will charge GST on the price at the transaction value i.e. the price at which BSNL sells c-topup/ voucher to the franchisee as against the discount calculated on the MRP earlier. Quantum of discount shall be communicated time to time and subject to revision as per market dynamics. The amount of discount (when applied on the gross amount tendered by the franchisee) will be reviewed & recount from time to time based on the applicable rate of GST. This may be included in commercial agreement with franchisee at the time of migration/EOI. | | | | |
| 4. EUP = End User Price is amount in Rs. for which VAS services sold to customer. Commission on MRP as in case of recharge/top-up. Same Pre-paid wallet is being used by retailers for VAS retailing. | | | | |

SHARING OF DISCOUNT/ MARGIN and INCENTIVES**Table- I A (Two Tier) Franchisee – Retailer**Sharing of franchisee discount/ margin and incentives among Franchisee  Retailers

| Product | Franchisee | Retailers |
|------------------------------------|-------------------|------------------|
| New Connection (Prepaid/ Postpaid) | 30% | 70% |
| CAF Incentive | 70% | 30% |
| Recharge / C-TOPUP | 30% | 70% |

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

Sharing of franchisee discount/ margin and incentives among Franchisee/ RDs/ Retailers

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

Table- II (Two Tier) RDs – Retailers

Sharing of franchisee discount/ margin and incentives among RDs/ Retailers

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

FORMAT OF THE PERFORMANCE BANK GUARANTEE

(To be typed on Rs.100/- non-judicial stamp paper)

Bank Guarantee in respect of Agreement dated between Bharat Sanchar Nigam Limited and M/s, a company registered under The Companies Act, 1956 and having its Registered Office at (hereinafter called "Franchisee") has entered into an agreement dated (hereinafter referred to as "the said agreement") with M/s Bharat Sanchar Nigam Limited (BSNL in short) (A Government of India Enterprise) (hereinafter referred to as "BSNL") with Corporate office at Regd. & Corporate Office Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi – 110001, through /Circle whereby BSNL has agreed to appoint Franchisees for providing BSNL service on the terms and conditions exclusively mentioned therein for the area_(Name of the area for Franchisee / Area code for Franchisee).

It has been agreed between the parties that a Bank Guarantee for Rs. (Rupees lakh only) shall be given by the Franchisee in favour of the BSNL for due and faithful performance of the terms and conditions of the said agreement.

..... Bank having its office at has at the request of the Franchisee (M/s), agreed to give the guarantee as hereinafter contained:

1. We, (hereinafter called "the Bank") do hereby undertake and assure to the BSNL that if in the opinion of the BSNL, the Franchisee has in any way failed to observe or perform the terms and conditions of the said agreement or has committed any breach of its obligations there-under, the Bank shall on demand and without any objection or demur pay to the BSNL the said sum of Rs./- (Rupees lakh only) or such lesser amount as BSNL may demand without requiring BSNL to have recourse to any legal remedy that may be available to it compel the Bank to pay the same.
2. Any such demand from the BSNL shall be conclusive as regards the liability of Franchisee to pay to BSNL or as regards the amount payable by the Bank under this guarantee. The Bank shall not be entitled to withhold payment on the ground that the Franchisee had disputed its liability to pay or has disputed the quantum of the amount or that any arbitration proceeding or legal proceeding is pending between Franchisee and BSNL regarding the claim.
3. We, the Bank further agree that the guarantee shall come into force from the date hereof and shall remain in full force and effect for the period of 3½ years from the date of commencement of the agreement or the term of this guarantee whichever is later. But if the period of the said agreement is extended either pursuant to the provisions in the said Agreement or by mutual agreement between the Franchisee and the BSNL, the Bank shall automatically renew the period of the Guarantee for such period which expires 6 (six) months after the renewed period of the said agreement failing which it shall pay to the BSNL the said sum of Rs./- (Rupees lakh only) without BSNL demanding the payment of the above sum.
4. The Bank further agrees that the BSNL shall have the fullest liberty without the consent of the Bank and without affecting in any way the obligations hereunder to vary any of the terms and conditions of the said agreement or to extend the time for performance of the

said agreement from any of the powers exercisable by BSNL against the Franchisee and to forebear to enforce any of the terms and conditions relating to the said agreement and the Bank shall not be relieved from its liability by reason of such failure or extension being granted to Franchisee or through any forbearance, act or omission on the part of BSNL or any indulgence by BSNL to Franchisee or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of relieving or discharging the guarantor.

5. The Bank further agrees that in case this Guarantee is required for a larger period and it is not extended by the Bank beyond the period specified above in Clause 3, the Bank shall pay to BSNL without BSNL having to demand the payment of the said sum of Rs..... /- (Rupees lakh only) on the last day on which the Bank Guarantee is due to expire.
6. Notwithstanding anything herein contained;
 - (a) The liability of the Bank under this guarantee is restricted to Rs..... /- (Rupees lakh only) and it will remain in force for a period of 3½ years i.e. upto (6 month after the expiry of the agreement)
 - (b) The guarantee shall stand completely discharged and all rights of the BSNL under this Guarantee shall be extinguished if no claim or demand is made on us in writing on or before.....
7. The Bank guarantees under its constitutional power to give this guarantee and..... and who have signed it on behalf of the Bank have authority to do so.

(Authorized Signature of the Bank Official)
Power of Attorney General:

Dated:
At

List of authorized representatives of franchisee

| S.No. | Name of Authorized representative | Address | Mobile No. | Email id. |
|-------|-----------------------------------|---------|------------|-----------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |

Note: The franchisee shall be responsible for the act / work done by the above authorized representative

ANNEXURE - H

To
Asstt General Manager (MM-II)
O/o Chief General Manager
UP East Telecom Circle, Lucknow.

Sub: Submission of EOI for Franchisee ship (Name of the area/ district.....) against the EOI No.

Dear Sir,

With reference to your advertisement inviting expressions of interest on the above subject, I / we hereby submit my / our expression of interest duly completed all the details called for the vacant Franchisee Territories as detailed below-

Details of the Franchisee area for which the franchisee ship is applied

(To be filled by the applicant)

| S.N. | Name of the BA | Name of the OA | Name of the franchisee area | Code of franchisee area |
|----------|----------------|----------------|-----------------------------|-------------------------|
| 1 | | | | |
| 2 | | | | |
| 3. | | | | |
| 4 | | | | |
| ...So on | | | | |

Details of the EOI Document Cost and Earnest Money Deposit:

| A. EOI Document Cost | | | | | | |
|--------------------------------|-----------------------------|--------------------|---------------------|--------------|----------------|--------------|
| Payment instrument Particulars | Issuing Bank detail | Issuing date | Validity | Amount (Rs.) | | |
| RTGS/NEFT/DD No..... | | | N/A | Rs.1000/- | | |
| B. EMD Detail | | | | | | |
| S.N. | Name of the franchisee area | Bank Guarantee No. | Issuing Bank detail | Issuing date | Validity up to | Amount (Rs.) |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| So on.. | | | | | | |

Note- Interested party must deposit **EMD of Rs. 2 lakh for class A territories, Rs. 1 lakh for class B territories and Rs. 25,000/- for class C territories** along with EOI. The EMD will be in the form of Bank Guarantee in favour of BSNL and **valid for a period of 180 days from the date of EOI opening. EMD should be submitted either separately for each Tendered vacant Franchisee Territory or total for all the Tendered vacant Franchisee Territories**

Signature
(Name of the authorized signatory)
For & on behalf of
Seal of the Firm/Company/Organization

- Encl.:
- (I) All Annexure duly filled up & signed with supporting documents
 - (II) DD for fee of EOI document Rs 1000/- in case EOI document downloaded from site.
 - (III) EMD of Rs.

Particulars of the Applicant seeking Franchisee-ship

1. Name of the applicant / Organization: M/s.....
.....
2. Registered Address / Office Address
.....
Telephone No. (s)
Mobile No (s)
Fax
E-mail
3. Status of the applicant / organization (with supporting documents) Tick the relevant one
 - a) Proprietorship
 - b) Partnership
 - c) Private Limited
 - d) Public Limited
 - e) Others
4. Name of the area (for Franchisee) / Area Code for (Franchisee)
5. Date of inception of the firm / organization
6. GST registered number (GSTIN):
7. PAN No / GIR No.
8. Turnover of the firm / organization over the last two years (with supporting documents)
9. Names of the Directors along with %age share
10. Name of the Executive Director / Proprietor:
(Who will manage the Franchisee-ship)
11. Residential Address of the Executive Director / Proprietor
12. Mobile No. and Email id of the Executive Director / Proprietor
 - (i) Private and public limited company or PSU any one of the directors should be graduate and association with the firm should be of more than two years.
13. Name of the Banker with address and contact number(s)
14. Present activity with details, and the names of the organizations for which the applicant is acting as Franchisee / wholesaler/Franchisee etc.
15. Number of Franchisees / retailers for the activity indicated in 13 above
16. Total manpower on roll employed / engaged by the firm / organization
17. Work experience of minimum..... with full details thereof. (supporting documents to be submitted)
Are you existing franchisee of BSNL , if yes, please give details.
18. Have you applied for more than one Franchisee ship. If Yes, give details
19. Details of the required office space-
 - (a). Ownership Category

| | | | |
|-------|--------------------------|--------|--------------------------|
| Owned | <input type="checkbox"/> | Rented | <input type="checkbox"/> |
|-------|--------------------------|--------|--------------------------|
 - (b). Possession

| | |
|--|--------------------------|
| Already in possession | <input type="checkbox"/> |
| Possession can be taken within..... days | <input type="checkbox"/> |
 - (c) Address of the office

DECLARATION

I, on behalf of
..... having gone through the terms &
conditions of the EOI and agree to abide by the same in case the Franchisee-ship is
awarded to me / our firm / company.

Name of the Signatory

For and on behalf of

Location for Franchisee ship applied for

(As per details given in ANNEXURE - H)

| S.No. | Location/Code number of area | Name of OA |
|-------|------------------------------|------------|
| 1. | | |

Other area if applied for / Working

| S. No. | Location/ Code number of area | Name of OA and Circle | Applied / Working |
|--------|-------------------------------|-----------------------|-------------------|
| 1. | | | |
| 2. | | | |
| 3. | | | |

Declaration

I further declare that the information given above is true. The declaration if found wrong, I may be disqualified from all the franchisee-ship areas.

Dated this Day of20...

Seal and Signature:

ANNEXURE - I

Format of Certificate about close relatives working in BSNL
(To be submitted by all the Owner/ Partners/Directors of the Company)

“I s/o r/o here by certify that none of my relative(s) as defined in the EOI document is/are employed in BSNL unit as per details given in tender document. In case at any stage, it found that the information given by me is false / incorrect, BSNL shall have the absolute right to take any action as deemed fit / without any prior intimation to me.”

The near relatives for this purpose are defined as:-

- a) Members of a Hindu undivided family.
- b) They are husband and wife.
- c) The one is related to the other in the manner as father, mother, son(s) & son's wife (daughter in law), Daughter(s) and daughter's husband (son in law), brother(s) and brother's wife, sister(s) and sister's husband (brother in law).

Dated this Day of.....20...

Seal and Signature:

ANNEXURE -M

Schedule for Submission & Opening of EOI

| S. N. | OA | LAST DATE OF SUBMISSION OF EOI | DATE OF OPENING OF EOI |
|----------|------------------------------|-----------------------------------|------------------------|
| 1 | Detail as per annexure- A | 16/05/2024 (1200Hrs) | 17/05/2024 (1500 Hrs) |

Instructions for Online Bid Submission

The bidders are required to submit soft copies of their bids electronically on the CPP Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the CPP Portal, prepare their bids in accordance with the requirements and submitting their bids online on the CPP Portal.

More information useful for submitting online bids on the CPP Portal may be obtained at: <https://etenders.gov.in/eprocure/app> .

REGISTRATION

- 1) Bidders are required to enroll on the e-Procurement module of the Central Public Procurement Portal (URL: <https://etenders.gov.in/eprocure/app>) by clicking on the link “**Online bidder Enrollment**” on the CPP Portal which is free of charge.
- 2) As part of the enrolment process, the bidders will be required to choose a unique username and assign a password for their accounts.
- 3) Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the CPP Portal.
- 4) Upon enrolment, the bidders will be required to register their valid Digital Signature Certificate (Class III Certificates with signing key usage) issued by any Certifying Authority recognized by CCA India (e.g. Sify / nCode / eMudhra etc.), with their profile.
- 5) Only one valid DSC should be registered by a bidder. Please note that the bidders are responsible to ensure that they do not lend their DSC's to others which may lead to misuse.
- 6) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.

SEARCHING FOR TENDER DOCUMENTS

- 1) There are various search options built in the CPP Portal, to facilitate bidders to search active tenders by several parameters. These parameters could include Tender ID, Organization Name, Location, Date, Value, etc. There is also an option of advanced search for tenders, wherein the bidders may combine a number of search parameters such as Organization Name, Form of Contract, Location, Date, Other keywords etc. to search for a tender published on the CPP Portal.
- 2) Once the bidders have selected the tenders they are interested in, they may download the required documents / tender schedules. These tenders can be moved to the respective 'My Tenders' folder. This would enable the CPP Portal to intimate the bidders through SMS / e- mail in case there is any corrigendum issued to the tender document.
- 3) The bidder should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

PREPARATION OF BIDS

- 1) Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- 2) Please go through the tender advertisement and the tender document carefully to understand the documents required to be submitted as part of the bid. Please note the number of covers in which the bid documents have to be submitted, the number of documents - including the names and content of each of the document that need to be submitted. Any deviations from these may lead to rejection of the bid.
- 3) If bidder applies against more than one bids under same tender id, the bid documents may be clubbed and uploaded under the same envelope space of Tender id with supporting documents.
- 4) Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF /JPG formats.
- 5) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g. PAN card copy, annual reports, auditor certificates etc.) has been provided to the bidders. Bidders can use "My Space" or "Other Important Documents" area available to them to upload such documents. These documents may be directly submitted from the "My Space" area while submitting a bid, and need not be uploaded again and again. This will lead to a reduction in the time required for bid submission process.

Note: *My Documents space is only a repository given to the Bidders to ease the uploading process. If Bidder has uploaded his Documents in My Documents space, this does not automatically ensure these Documents being part of Technical Bid.*

SUBMISSION OF BIDS

- 1) Bidder should log into the site well in advance for bid submission so that they can upload the bid in time i.e. on or before the bid submission time. Bidder will be responsible for any delay due to other issues.
- 2) The bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- 3) Bidder has to select the payment option as "offline" to pay the tender fee / EMD as applicable and enter details of the instrument.
- 4) Bidder should prepare the EMD as per the instructions specified in the EOI document and following documents must be submitted offline also-
 - (i) DD/RTGS/NEFT Receipt of 1000/- as cost of EOI Documents
 - (ii) Original EMD as per the Category/Class of Territory
 - (iii) Power of Attorney (if applicable)
 - (iv) URN Certificate: MSE bidders are exempted from payment of tender fee provided they submit their valid **Udyam Registration Certificate indicating URN (Udyam Registration Number)**

Above documents must be reached latest by the date before or within 5 days of bid submission end date as specified in the EOI documents. The details of the DD/RTGS/NEFT/any other document physically sent, should tally with the details available in the scanned copy and the data entered during bid submission time. Otherwise the uploaded bid will be rejected.

- 5) The server time (which is displayed on the bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the bidders, opening of bids etc. The bidders should follow this time during bid submission.
- 6) All the documents being submitted by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the

bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done. Any bid document that is uploaded to the server is subjected to symmetric encryption using a system generated symmetric key. Further this key is subjected to asymmetric encryption using buyers/bid opener's public keys. Overall, the uploaded tender documents become readable only after the tender opening by the authorized bid openers.

- 7) The uploaded tender documents become readable only after the tender opening by the authorized bid openers.
- 8) Upon the successful and timely submission of bids (i.e. after Clicking "Freeze Bid Submission" in the portal), the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- 9) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

ASSISTANCE TO BIDDERS

- 1) Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Tender Inviting Authority for a tender or the relevant contact person indicated in the tender.
- 2) Any queries relating to the process of online bid submission or queries relating to CPP Portal in general may be directed to the 24x7 CPP Portal Helpdesk- (0120)4200462/ (0120)4001002 /(0120)4001005 /(0120)6277787.

EOI related assistance to Bidders:

| BSNL Contact-1 | |
|-----------------------|---|
| BSNL's Contact Person | Sh. Ashutosh Pandey , AGM-II, MM Cell, O/o CGMT , UP-East , Circle Office , Lucknow |
| Mobile No. | 0522-2234903 ([between 10:30 hrs to 17:30 hrs on working days]) |
| BSNL Contact-2 | |
| BSNL's Contact Person | Sunil Kumar Yadav, ADT (MM-IV) O/o CGMT , UP-East , Circle Office , Lucknow |
| Mobile No. | 0522-2234903 ([between 10:30 hrs to 17:30 hrs on working days]) |
| E-mail ID | aqmmm2upe@gmail.com |

Certificate to be submitted by Bidders in pursuant to Rule 144(xi) GFR 2017.

(On Company's Letter Head)

-

Reference 1: BSNL EOI No.

Reference 2: Department of Expenditure Office Memorandums (OMs) No. F.7/10/2021-PPD(1) dated 23.02.2023 and its subsequent Clarification/Amendment if any.

I, in capacity of authorized signatory of M/s..... having Regd. office at being a participant bidder in BSNL T.E cited at reference 1 above, hereby declare that I have read and understood the clause under Rule 144(xi) of the General Financial Rules (GFRs) 2017 regarding restrictions on procurement from a bidder of a country which shares a land border with India;

I, hereby, further certify that this bidder is not from such a country which shares a land border with India and in light of conditions & restrictions imposed vide cited OMs, we fulfill all the requirements in this regard to become eligible to be considered in the subject Tender Enquiry by BSNL.

(Name of the authorized signatory)

Signature

Designation in Company

Seal / Stamp of Company

Self declaration for Class-1 Local Supplier in pursuance to Department for Promotion of Industry and Internal Trade order no: P-45021/2/2017-PP (BE-II) dt 16/09/2020 regarding Preference to make in India

"I (name of Proprietor) hereby declare that my firm M/s
..... comply the 'Public procurement (Preference to Make in India) Order notified by Government of India & its subsequent amendments, guidelines etc. for Preference to Make in India products."
with minimum local content 50% for tendered item.

(Name of the authorized signatory)

Signature

Designation in Company

Seal / Stamp of Company

DECLARATION BY BIDDER ON COMPANY LETTER HEAD IN
RESPECT OF BLACKLISTING BY GST AUTHORITIES

I,.....S/o /W/o of Shriand
proprietor/Director/Partner of M/s.....do hereby affirm and declare as
under:

1. That I, the sole prop./partner/Director of M/s
(Supplier) has never been debarred and/or blacklisted by any GST authority and am not having
any ongoing litigation or court cases pending or any other suite related to GST.
2. In case the above declaration is found to be incorrect or wrong, the contract if awarded to the
Supplier shall be terminated immediately and the Supplier shall be liable to be black
listed/debarred for future works/contract with BSNL. Any such action however be without
prejudice to BSNL's rights under the law.
3. In case supplier gets Blacklisted by GST authorities during the tenure of contract with BSNL,
supplier indemnifies BSNL from any monetary loss caused due such blacklisting i.e Loss of input
credit claim etc and ensures that such loss will be paid to BSNL by the supplier.

(Signature with Office Seal)

Date:

Location:

Witness:

(1) Signature-

Name.....
S/o.....
Address.....
.....

(2) Signature-

Name.....
S/o.....
Address.....
.....

Appendix-I (Rule 144(xi) of the General Financial Rules(GFRs) 2017)

I. Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services(including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority. Further, any bidder (including bidder from India) having specified Transfer of Technology(ToT) arrangement with an entity from a country which shares a land border with India, shall also be required to be registered with the same competent authority. The competent authority for the purpose of registration as per applicability of Rule 144(xi) **of the General Financial Rules(GFRs) 2017 shall be/ continue to be the registration committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT).**

II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated herein before, including any agency branch or office controlled by such person, participating in a procurement process.

III. "Bidder (or entity) from a country which shares a land border with India" for the purpose of this Order means-

- a. An entity incorporated, established or registered in such a country; or
- b. A subsidiary of an entity incorporated, established or registered in such a Country; or
- c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
- d. An entity whose beneficial owner is situated in such a country; or
- e. An Indian (or other) agent of such an entity; or
- f. A natural person who is a citizen of such a country; or
- g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

IV. The beneficial owner for the purpose of (iii) above will be as under:

1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation-

- a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;
 - b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
 3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
 4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;

5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
- V.** An Agent is a person, employed to do any act for another, or to represent another in dealings with third person.
- VI** The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority (This is applicable for tenders of Works contracts, including Turnkey contracts).
- VII** **The registration shall be valid at the time of submission of bid and at the time of acceptance of bid.**
- VIII** **If the bidder was validly registered at the time of acceptance/placement of, registration shall not be a relevant consideration during the contract execution.**

Appendix-II

| | Defaults of the bidder / vendor. | Action to be taken |
|--|--|---|
| A | B | C |
| 1(a) | Submitting fake / forged | i) Rejection of tender bid of respective Vendor. |
| | a) Bank Instruments with the bid to meet terms & condition of tender in respect of tender fee and/ or EMD; | ii) Banning of business for 3 years which implies barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for 3 years from date of issue of banning order. |
| | b) Certificate for claiming exemption in respect of tender fee and/ or EMD; | iii) Termination/ Short Closure of PO/WO, if issued. This implies non-acceptance of further supplies / work & services except to make the already received material work/ complete work in hand. |
| | and detection of default at any stage from receipt of bids till award of APO/ issue of PO/WO. | |
| | Note 1:- However, in this case the performance guarantee if alright will not be forfeited. | |
| Note 2:- Payment for already received supplies/ completed work shall be made as per terms & conditions of PO/ WO. | | |
| 1(b) | Submitting fake / forged documents towards meeting eligibility criteria such as experience capability, supply proof, registration with Sales Tax, Income Tax departments etc and as supporting documents towards other terms & conditions with the bid to meet terms & condition of tender : | |
| | <i>(i) If detection of default is prior to award of APO</i> | i) Rejection of Bid & ii) Forfeiture of EMD. iii) Banning of business for upto three years which implies Barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for upto three years from date of issue of banning order. |
| | <i>(ii) If detection of default after issue of APO but before receipt of PG/ SD (DD,BG etc.)</i> | i) Cancellation of APO, ii) Rejection of Bid & iii) Forfeiture of EMD. iv) Banning of business for up to three years which implies Barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for up to three years from date of issue of banning order. |
| | <i>(iii) If detection of default after receipt of PG/ SD (DD,BG etc.) .</i> | i) Cancellation of APO ii) Rejection of Bid & iii) Forfeiture of PG/ SD. However on realization of PG/ SD amount, EMD, if not already released shall be returned. iv) Banning of business for up to three years which implies Barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for up to three years from date of issue of banning order |

| | | |
|-----|--|--|
| | (iv) If <i>detection of default after issue of PO/ WO</i> | <p>i) Termination/ Short Closure of PO/WO and Cancellation of APO</p> <p>ii) Rejection of Bid &</p> <p>iii) Forfeiture of PG/ SD. However on realization of PG/ SD amount, EMD, if not released shall be returned.</p> <p>iv) Banning of business for upto three years which implies Barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for upto three years from date of issue of banning order.</p> |
| | Note 3:- However, settle bills for the material received in correct quantity and quality if pending items do not affect working or use of supplied items. | |
| | Note 4:- No further supplies are to be accepted except that required to make the already supplied items work. | |
| 2 | <p>If vendor or his representative uses violent/ coercive means viz. Physical / Verbal means to threatens BSNL Executive / employees and/ or obstruct him from functioning in discharge of his duties & responsibilities for the following :</p> <p>a) Obstructing functioning of tender opening executives of BSNL in receipt/ opening of tender bids from prospective Bidders, suppliers/ Contractors.</p> <p>b) Obstructing/ Threatening other prospective bidders i.e. suppliers/ Contractors from entering the tender venue and/ or submitting their tender bid freely.</p> | Banning of business for 3 years which implies Barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for 3 years from date of issue of banning order. |
| 3 | Non-receipt of acceptance of APO/ AWO and SD/ PG by L-1 bidder within time period specified in APO/ AWO. | Forfeiture of EMD. |
| 4.1 | Failure to supply and/ or Commission the equipment and /or execution of the work at all even in extended delivery schedules, if granted against PO/ WO. | <p>i) Termination of PO/ WO.</p> <p>ii) Under take purchase/ work at the risk & cost of defaulting vendor.</p> <p>iii) Recover the excess charges if incurred from the PG/ SD and outstanding bills of the defaulting Vendor.</p> |
| 4.2 | Failure to supply and/ or Commission the equipment and /or execution of the Work in full even in extended delivery schedules, if granted against PO/ WO. | <p>i) Short Closure of PO/ WO to the quantity already received by and/ or commissioned in BSNL and/ or in pipeline provided the same is usable and/or the Vendor promises to make it usable.</p> <p>ii) Under take purchase/ work for balance quantity at the risk & cost of defaulting vendor.</p> <p>iii) Recover the excess charges if incurred from the PG/ SD and outstanding bills of the defaulting Vendor.</p> |

| | | |
|-----|---|--|
| 5.1 | The supplied equipment does not perform satisfactory in the field in accordance with the specifications mentioned in the PO/ WO/Contract. | <p>i) If the material is not at all acceptable, then return the non-acceptable material (or its part) & recover its cost, if paid, from the o/s bills/ PG/ SD. OR</p> <p>ii) If the material is inducted in network & it is not possible to return it and/ or material is acceptable with degraded performance, the purchaser may determine the price for degraded equipment (Financial penalty = Price – price determined for degraded equipment) himself and/ or through a committee.</p> <p>Undertake recovery of financial penalty from outstanding dues of vendor including PG/ SD.</p> |
| 5.2 | Major quality problems (as established by a joint team / committee of User unit(s) and QA Circle) / performance problems and non-rectification of defects (based on reports of field units and QA circle) | <p>i) If the material is not at all acceptable, then return the non-acceptable material (or its part) & recover its cost, if paid, from the o/s bills/ PG/ SD; OR</p> <p>ii) If the material is inducted in network & it is not possible to return it and/ or material is acceptable with degraded performance, the purchaser may determine the price for degraded equipment (Financial penalty = Price – price determined for degraded equipment) himself and/ or through a committee.</p> <p>Undertake recovery of financial penalty from outstanding dues of vendor including PG/ SD; and</p> <p>iii) Withdrawal of TSEC/ IA issued by QA Circle.</p> |
| 6 | <p>Submission of claims to BSNL against a contract</p> <p>(a) for amount already paid by BSNL .</p> <p>(b) for Quantity in excess of that supplied by Vendor to BSNL.</p> <p>c) for unit rate and/ or amount higher than that approved by BSNL for that purchase.</p> <p>Note 5:- The claims may be submitted with or without collusion of BSNL Executive/ employees.</p> <p>Note 6:- This penalty will be imposed irrespective of the fact that payment is disbursed by BSNL or not.</p> | <p>i) Recovery of over payment from the outstanding dues of Vendor including EMD/ PG & SD etc. and by invoking 'Set off' clause 14 of Section 5 Part A or by any other legal tenable manner.</p> <p>ii) Banning of Business for 3 years from date of issue of banning order or till the date of recovery of over payment in full, whichever is later.</p> |
| | <p>Network Security/ Safety/ Privacy:- If the vendor tampers with the hardware, software/ firmware or in any other way that</p> <p>a) Adversely affects the normal working of BSNL equipment(s) and/ or any other TSP through BSNL.</p> | <p>i) Termination of PO/ WO.</p> <p>ii) Banning of business for 3 years which implies barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for 3 years from date of issue of banning order.</p> <p>iii) Recovery of any loss incurred on this account from the Vendor from its PG/ SD/ O/s bills etc.</p> |
| | <p>b) Disrupts/ Sabotages functioning of the BSNL network equipments such as exchanges, BTS, BSC/ MSC, Control equipment including IN etc., transmission equipments but not limited to these elements and/ or any other TSP through BSNL.</p> | <p>iv) Legal action will be initiated by BSNL against the Vendor if required.</p> |

| | | |
|---|--|---|
| | <p>c) tampers with the billing related data/ invoicing/ account of the Customer/ User(s) of BSNL and/ or any other TSP(s).</p> <p>d) hacks the account of BSNL Customer for unauthorized use i.e. to threaten others/ spread improper news etc.</p> <p>e) undertakes any action that affects/ endangers the security of India.</p> | |
| 8 | If the vendor is declared bankrupt or insolvent or its financial position has become unsound and in case of a limited company, if it is wound up or it is liquidated. | <p>iii) Termination/ Short Closure of the PO/ WO.</p> <p>iv) Settle bills for the quantity received in correct quantity and quality if pending items do not affect working or use of supplied items.</p> <p>v) No further supplies are to be accepted except that required to make the already supplied items work.</p> <p>vi) In case of turnkey projects, If the material is commissioned and is usable without any degradation of performance, then settle bills for the acceptable equipment/ material (or its part).</p> <p>vii) In case of turnkey projects, if the material is inducted in network & it is not possible to return it and/ or material is acceptable with degraded performance, the purchaser may determine the price for degraded equipment (Financial penalty = Price – price determined for degraded equipment) himself and/ or through a committee.</p> |
| | | Undertake recovery of financial penalty from outstanding dues of vendor including PG/ SD. |
| 9 | In the event of the vendor, its proprietor, Director(s), partner(s) is / are convicted by a Court of Law following prosecution for offences involving moral turpitude in relation to the business dealings. | <p>i) Termination/ Short Closure of the PO/ WO.</p> <p>ii) Settle bills for the material received in correct quantity and quality if pending items do not affect working or use of supplied items.</p> <p>iii) No further supplies are to be accepted except that required to make the already supplied items work.</p> <p>iv) In case of turnkey projects, If the material is commissioned and is usable without any degradation of performance, then settle bills for the acceptable equipment/ material (or its part).</p> <p>v) In case of turnkey projects, If the material is inducted in network & it is not possible to return it and/ or material is acceptable with degraded performance, the purchaser may determine the price for degraded equipment (Financial penalty = Price – price determined for degraded equipment) himself and/ or through a committee. Undertake recovery of financial penalty from outstanding dues of vendor including PG/ SD.</p> |
| | If the vendor does not return/ refuses to return BSNL's dues: | i) Take action to appoint Arbitrator to adjudicate the dispute. |

| | | |
|--|--|---|
| | a) in spite of order of Arbitrator. | <ul style="list-style-type: none"> i) Termination of contract, if any. ii) Banning of business for 3 years which implies barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL from date of issue of banning order or till the date by which vendor clears the BSNL's dues, whichever is later. |
| | | iii) Take legal recourse i.e. filing recovery suite in appropriate court. |
| | b) in spite of Court Orders. | <ul style="list-style-type: none"> i) Termination of contract, if any. ii) Banning of business for 3 years which implies barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL from date of issue of banning order or till the date by which vendor clears the BSNL's dues, whichever is later. |
| 11 | If the Central Bureau of Investigation/ Independent External Monitor (IEM) / Income Tax/ Sales Tax/ Excise / Custom Departments recommends such a course | Take Action as per the directions of CBI or concerned department. |
| 12 | The following cases may also be considered for Banning of business: | <ul style="list-style-type: none"> i) Banning of business for 3 years which implies Barring further dealing with the vendor for procurement of Goods & Services including participation in future tenders invited by BSNL for 3 years from date of issue of banning order. |
| | (a) If there is strong justification for believing that the proprietor, manager, MD, Director, partner, employee or representative of the vendor/ supplier has been guilty of malpractices such as bribery, corruption, fraud, substitution of tenders, interpolation, misrepresentation with respect to the contract in question. | |
| | (b) If the vendor/ supplier fails to execute a contract or fails to execute it satisfactorily beyond the provisions of Para 4.1 & 4.2. | |
| | (c) If the vendor/ supplier fails to submit required documents/ information, where required. | |
| | (d) Any other ground which in the opinion of BSNL is just and proper to order for banning of business dealing with a vendor/ supplier. | |
| Note 7: The above penalties will be imposed provided it does not clash with the provision of the respective tender. | | |
| Note 8: -In case of clash between these guidelines & provision of invited tender, the provision in the respective tender shall prevail over these guidelines. | | |
| Note 9: Banning of Business dealing order shall not have any effect on the existing/ on going works/ AMC / CAMC which will continue along with settlement of Bills. | | |