

Broadband Cell, Corporate Office  
211, Bharat Sanchar Bhavan, Janpath  
New Delhi: 110001  
Ph: 23734094 Fax: 23734284



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

IndiaBroadband<sup>2007</sup>  
Linking India >>

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No: 64-17/09-Broadband

Dt: 11-05-09

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To  
The Dy.General Manager(Broadband)  
Tamil Nadu Circle.

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Sub: Rural broadband under USOF-reg  
Ref: Lr. No: BB/USOF/2008-09/33 dt at Chennai, the 29-04-09

With reference to the above clarifications are furnished for your information pl.

1. **Query:** Vide lr dated 17.03.2009, it was clarified that subsidy can be claimed for the connections provided after 20.01.2009 in any plan. In those cases, a) the free modem and the rebate on computing device could not have been extended. And also, b) installation charges, security deposit could have been collected from the customer. Is it mandatory to extend (a) and (b) in order to claim subsidy. If yes, how to account/adjust the same?

**Reply:**

- a) As per clarifications taken from USOF authorities, subsidy can be claimed under only Plan-99 & Plan-150 launched as USOF plans.
  - b) The free modem needs to be provided to all the customers for whom network subsidy is being claimed as is clear from Annexure1/6 of the agreement.
  - c) The rebate on the computing device also needs to be provided to the customers provisioned under special USOF plans only. However, it may not be the same set of customers. In effect, CPE forms part of the package & computer doesn't. Subsidy on computing device can be claimed separately.
  - d) Security deposit, installation charges and modem rental/outright purchase cost needs to be waived off for the customers for whom USO subsidy is asked for. Whatever has been collected from such a customer, the same needs to be adjusted in the customer's subsequent bills.
2. **Query:** Are the network subsidy and the subsidy on CPE/Computing device interlinked? Is it possible to have different customer data for claiming the subsidy for each of the above?

**Reply:** Network subsidy and CPE subsidy are interlinked, computing device isn't. Computing device subsidy can be claimed separately for the customers provided connections under USOF schemes-Plan 99 & Plan 150

3. **Query:** Some of the computing devices have in-built modem. In that case is it possible to claim subsidy for modem and computing device separately and additively?

**Reply:** Yes.

4. **Query:** For the network subsidy, is it correct to consider the 20.01.2009 to 31.03.2009 as the first quarter? And is it necessary to consider connections provided prior to 20.01.2009 in col 10 of Attachment 1/6 of Annexure-I.

**Reply:** Yes, consider the 20.01.2009 to 31.03.2009 as the first quarter. No, do not consider connections provided prior to 20.01.2009 in col 10 of Attachment 1/6 of Annexure-I.

5. **Query:** The USOF agreement mandates min speed of 512 Kbps to the 31 customers with the contention ratio of 10:1 .And also as per para 15.5 ,it is mentioned as that it shall be possible to enhance the bandwidth dynamically for any of the users on demand upto 2 Mbps or higher for a specified duration. In that case what shall be the backhaul requirement?

**Reply:** - Backhaul enhancement would be done in phases and planning of the Broadband network has to take care of this enhancement.

6. **Query:** Is the min speed include both uplink and downlink? Free download also includes both uplink and downlink?

**Reply:** The term “Minimum speed’ refers to the speed as in the case of normal BB connection only.

7. **Query:** What is the mechanism to claim the subsidy? Will it be claimed by individual circles? Claim statement requires affidavit and attachment requires the signature of authorised signatory, certification by DGM (TR)/GM (TR). The procedure and the responsibility of the officers involved may clearly be defined.

**Reply:** Subsidy will be claimed by individual Circles. The other procedure & the responsibility of officers will be same as that followed in case of USOF subsidy for landlines/VPT & USOF agreement no 30-160-8/Wireline-BB/2006-usf dt 20-01-09

**8. Query:** It is necessary to have 64P DSLAM to claim subsidy? Are the 32P/48P DSLAMs sufficient?

**Reply:** 32 P DSLAM is sufficient. But, if necessary, the capacity should be extendable up to 64 ports.

**9. Query:** Is it correct to say that the Equated Annual subsidy is for maintenance of connection? Is the amount indicated is for quarter?

**Reply:** Yes. Subsidy indicated in the table is quarterly subsidy. Equated Annual subsidy is to be claimed for which rates are indicated.

**10. Query:** Pl refer para 7.1 which calls for the requirement to furnish documents, accounts, estimates, reports or other information. Kindly amplify on estimate, accounts etc.

**Reply:** It is a regular clause and no extra efforts beyond what we are indulging in at present regarding plan, estimate etc needs to be taken care off.

**11.** Rs.4500 has been fixed as the subsidy for computing device. Whether this will be eligible only if the computing device is procured thru the BSNL tie up partners? Or If the customer prefers to buy thru local vendors/open market on EMI basis, whether the subsidy can be extended? Some customers would have already paid the EMI to local vendor (who is other than BSNL tie up partner) in that case, is it still possible to extend subsidy? Pl clarify.

**Reply -** Rs.4500 subsidy for computing device will be eligible only if the computing device is procured through the BSNL tie up partners i.e. Agreement with HCL, Novatium for rural BB or any agreement signed by the CGM of the circle with Computer Company.

If the customer prefers to buy thru local vendors/open market on EMI basis then he will not get Rs.4500 subsidy for computing device. Same rule is applicable to those customers who have already purchased computer.

**12.** Please refer set-off clause para 13.2:”The aforesaid sum of money payable to the Universal Service Provide shall include any valuable security, which can be converted into money”. Kindly clarify whether it is ‘by’ or ‘to’?

**Reply:** - This should be read in conjunction with set-off clause para 13.1 which talks of payments to as well as by the USP.

**13.** Para 14.6 calls for the self-certification by USP? Whether circle need to submit such a certificate?

**Reply:** - Refer letter no. 64-17/09- Broadband dated 10/02/2009 issued from this office.

**14.** Whether circle need to furnish tariff plans as called for in Para 14.7?

**Reply-** same as above

**15.** Please elaborate on refund mechanism as in para 14.9

**Reply:** - The process of developing web site is being done centrally by the BSNL C.O. New Delhi. The information would be available in public domain & circles would be able to upload the information

**16.** Query: Para 15.4.6 and 15.6, it is mentioned as 32 fixed users per DSLAM. Is it correct?

**Reply:** - Yes, the agreement provides for subsidy for wire-line broadband connections given to individual & institutional users limited to 31 & at least one kiosk over the period of this agreement making a total of 32.

**17. Query:** Kindly refer para 16.12. What kind of support i.e instruments, equipment need to be provided by USP?

**Reply:** - No extra instruments, equipment need to be provided in addition to normal tools field units utilize.

**18.** Query: Pl clarify on rebate as enunciated in para 18.9(a).

**Reply:** Rebate will be on pro-rata basis as is calculated for land line phone in VPT schemes.

**19.** Query: Column 17 of Attachment 2/6 of Annexure-I: Is the formulae correct?

**Reply-** Kindly refer to the corrigendum issued to the agreement issued vide this office Lr No-64-17/09-BB dt 12-5-09

*M. S. T. Sundari*

M.S.T. Sundari

AGM (BSP)

Copy to:

1. All CGMs, Telecom Circles/ Metro District
2. Dir (Plg & NS) for information please.
3. GM (BB) for information please.