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

File No: BSNL CO DDG (BB)/64-73/08-Broadband

Dated 09-03-2009

To:
All Heads of Territorial Circles
BSNL

Subject: Nova Net PC for “New Broadband Rural Plan under USOF scheme”.

Ref: This office letter of even no. dated 02.03.2009

This has reference to the letter issued to M/s Novatium as mentioned above . Detailed of the approved scheme are furnished hereunder for the information of all field units:

- (1) This is an extension of the existing agreement signed between BSNL and M/s Novatium on 24th of December, 2008 for offering thin client based computing services to the customers. All the terms and conditions of the existing agreement shall be applicable subject to modifications / revisions as mentioned in the following clauses.
- (2) The scope of this revised agreement is upto 31 Broadband connections/ DSLAM in the rural Broadband network of BSNL for which USO subsidy is applicable.
- (3) Following shall be the costing of the PC.

S.No.	Item	
1	Amount payable to M/s Novatium (upfront)	Rs. 6,400/-
	(a) USO fund subsidy component	Rs. 4,500/-
	(b) Refundable security (interest free) to be paid by customer	Rs. 1,900/-
2	Equated monthly installment payable by customer	Rs. 175/-
	(a) Amount payable to M/s Novatium	Rs. 102.25
	(b) Revenue share payable to BSNL	Rs. 72.75
3	Installment Period	Till the continuance of subscription
4	Installation charges	Nil
5	Taxes, Octroi and other local levies	As per actuals to be paid upfront by customer

(4) Deliverables

S.No.	Item
1	Novanet PC
2	USB keyboard
3	USB Mouse
4	CRT Monitor
5	Software and utility applications
A	Firefox browser for Internet Access
B	E-Buddy email tool
D	Linux Operating system
E	Open Office
F	File manager
G	Media Player and Photo viewer
H	Calender, notepad & Calculator

(5) Procedure:

- a. BSNL shall forward all requests (including customer details) to M/s Novatium for delivery of Novanet PC to the customer premises upon request from the customers.
- b. The shipment of equipment to the doorsteps of the customer shall be done by M/s HCL within 21 days of the receipt of the intimation.
- c. The installation of the equipment at the customer end shall be completed within 3 days of the arrival of the equipment at customer location.
- d. The intimation about installation of the equipment at customer location shall be forwarded by M/s HCL to BSNL by:
 - i. In writing (furnishing details of the equipment, CPU no. etc.)
 - ii. By submitting a copy of the agreement between M/s Novatium, the customer and insurer

(6) Payments

- a. M/s Novatium will generate a consolidated invoice to BSNL for the USO component against which payment is to be made by BSNL.
- b. USOF subsidy component (of Rs. 4,500/- per unit) will be claimed by BSNL and will be paid to M/s Novatium on receipt of the same.
- c. The refundable advance (one time), monthly installment will be billed by BSNL in the Broadband Bills and will be paid to M/s Novatium on producing the claim and after realizing the same from the customers.
- d. BSNL shall deduct its revenue share due to it before making payments to M/s Novatium as in (c) above.

(7) Commission/ administrative charges to be paid to BSNL :

Rs. 72.75/- (Rs. 50/- + 13% of Rs. 175/-) per month on the equated monthly installment paid by the customer.

(8) Maintenance:

- a. M/s Novatium shall provide 36 months nationwide warranty from the date of installation of the equipment at the customer premises.
- b. The warranty shall be available on site
- c. Post 36 months, the warranty will continue, however any part replacement shall be done on actuals.

(9) Replacement

M/s Novatium shall be liable to replace the customer end equipment in case of any upgrade in the equipment/ end of support for the existing version.

(10) Insurance

- a. In case of discontinuance of the Nova utility service by the customer during the lock-in period, BSNL will not have any responsibility for either the recovery of Nova Net PC or to pay the charges to Novatium for the balance period.
- b. In order to ensure the payment of monthly amount, the product might be insured through an insurance agency by M/s Novatium.

(11) Collection of Net PC on surrender by customer:

The intimation of surrender of the Net PC by the customer will be forwarded by BSNL to M/s Novatium which will collect the equipment & store the same till handing over to the next customer.

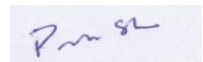
(12) Penalty

The penalties in case of delay by M/s Novatium in delivery/ installation/ warranty support etc. shall be finalized in due course and intimated separately.

(13) Other terms and conditions:

- a. Each customer subscribing to this scheme shall agree to lock-in period of 36 months.
- b. M/s Novatium will be responsible for the marketing of the scheme.
- c. This agreement will come into force with immediate effect.
- d. The Agreement between M/s Novatium and BSNL is on non-exclusive basis.
- e. Representatives of M/s Novatium will contact BSNL Circle Heads within 15 days from the date of issue of this letter to workout the logistics.

This issues with the approval of competent authority.


(P.K. Shah)
DGM(BS)

Copy to:

- (1) CMD/ Dir(Plg.), BSNL for kind information please.
- (2) GM(BD), BSNL C.O. for kind information please.
- (3) GM(Broadband), All Territorial Circles for kind information and necessary action please.
- (4) M/s Novatium