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

No.: 7-1/2018-19/S&M-CM/54

Dated: 08.04.2020

To,

The Chief General Managers
All Telecom Circles / Districts
BSNL


Subject: Sale of BSNL pre-paid recharges and post-paid bill payments through Post Offices channel of Department of Post - reg

Kindly find enclosed herewith, the proposal for sale of BSNL pre-paid recharges and post-paid bill payments through Post Offices channel of Department of Post and the approval of DoP for the same proposal. Corporate Office is constantly pursuing with DoP for integrating the system centrally, however, it may take some time.

Hence, in the meantime, Circles are requested to take up the proposal with local DoP Offices and try to start sale of BSNL recharges through post offices at the earliest.

Encl:

1. Proposal submitted to DoP.
2. Approval of DoP.


(KARTIKEYA SINHA)
GM (Sales-CM)

Copy to:

1. PGMs/GMs, All Nodal centers
2. PGM (ERP), BSNL.
3. Sr. GM (Dev), ITPC Hyderabad

Proposal for selling BSNL recharge through Department of Post Channel

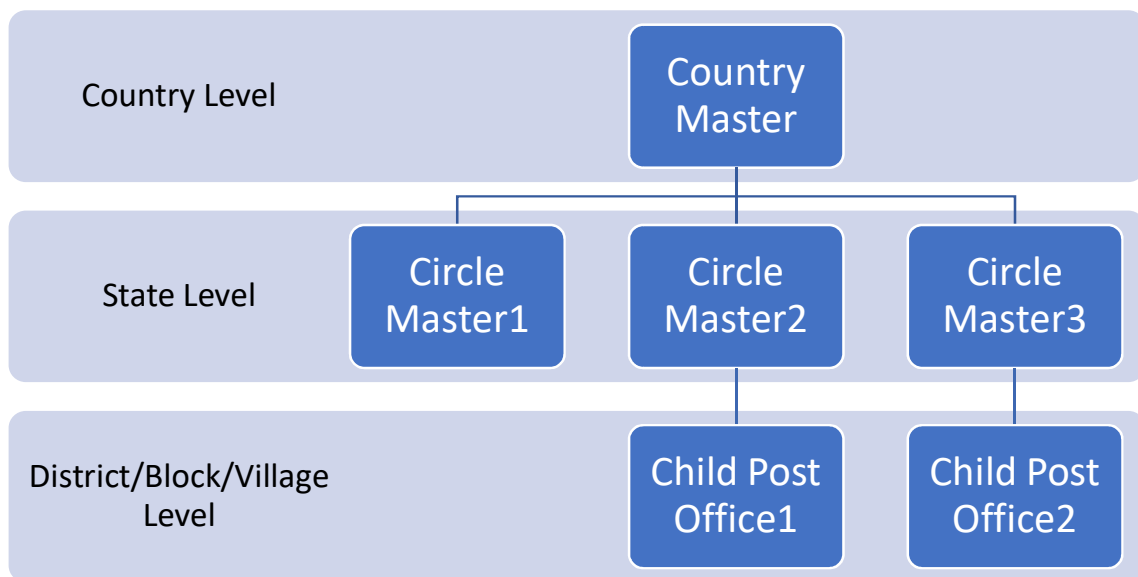
1. Background

In view of current lockdown situation in the country and to avoid any inconvenience to the subscribers of BSNL, especially the subscribers in the rural areas of the country, who do not use digital channels for recharging their phones, it is proposed to sell BSNL recharges / bill payments through the established chain of Post offices of Department of Post, Government of India.

Since both organisations belong to the same parent Ministry of Government of India, hence the arrangement of selling BSNL recharges through Post offices may be continued subsequent to the lockdown period, to demonstrate synergies in operations.

2. Technical Details

BSNL shall provide talk-time to one central Master account and DoP can maintain a three-tier structure as shown below:



When a subscriber visits a post office with a request for BSNL recharge, the officer at post office will recharge the subscriber account utilizing the balance from the country master account.

Technical team of DoP shall provide an item named "BSNL Recharge/ Bill Payment" in the service menu of already working internal system of DoP

for this purpose. Technical integration will be done through API with BSNL recharge system called CTOP-UP system.

Separate master accounts shall be maintained for prepaid recharges and post-paid bill payments.

3. Commercials

Initially, BSNL shall give credit of an agreed amount along with commission of 3.5% of MRP for prepaid recharges in the form of upfront discount which shall be utilized by DoP for selling recharges to subscribers.

For post-paid bill payment there shall be no provision of upfront discount/commission and a commission of 2% or Rs.10/- whichever is lower shall be given in the form of On-the-fly (OTF) commission at the time of each bill payment.

A threshold limit for balance in master account shall be decided below which, DoP shall make payment to BSNL and purchase talk-time.

4. Business Potential

According to the latest TRAI report, BSNL's wireless subscriber base stood at 11.80 crore as of 31st December 2019. Out of these 11.80 crore subscribers 3.74 crore (approx. 32%) are rural subscribers who are currently served by BSNL's Franchisee-Retailer chain. However, the rural subscriber base is underserved due to vast expanse and logistical reasons which make it unviable for Franchisees to develop an extensive retailer network in these areas. These rural subscribers are mostly comfortable doing transactions through post offices, hence it will offer significant synergy to start serving these subscribers through well established post office network. If we assume that 50% of these rural subscribers will utilize post office service for recharging their phones and we assume an ARPU (Average Revenue per User) of Rs.70/-, it gives a potential recharge business of approx. Rs.130 crore per month. This translates into a potential incremental revenue of Rs.4.55 crore per month or Rs.55 crore per annum for DoP, from the already existing infrastructure of post offices.

File No. 36-06/2020-BDD
Department of Posts
Business Development Directorate,
Dak Bhawan, New Delhi-110001

To

Smt. Manisha Sinha,
DDG (PBI),
Dak Bhawan, New Delhi-110001

Dated:01.04.2020

Subject:- Proposal for selling BSNL recharge through Department of Posts channel.

Kindly find enclosed a proposal received from BSNL for selling BSNL recharge through Department of Posts channel for necessary action at your end. This has the approval of the Secretary (P) and DG (P). For any further clarifications on the proposal, Shri Kartikeya Sinha, GM (Sales), BSNL, Mobile No.- 9868126655.

Encl:-As above.


(Nirmaljit Singh)
General Manager (BD)

Copy to:-

✓ **Shri Kartikeya Sinha, GM(Sales), BSNL-for information.He may contact Smt. Manisha Sinha,**
DDG (PBI), Dak Bhawan, New Delhi-110001, Mobile No.-9810288707