



BHARAT SANCHAR NIGAM LIMITED
O/o General Manager (Sales)
BSNL Corporate office, Janpath, New Delhi.

**Expression of Interest
for
Master Franchisee-ship/Super Distributorship of sale of BSNL products and provision
of services to BSNL in Circle.**

EOI No:

Dated: .../.../20...

Signature of Bidder.....

Name of Bidder.....

Last date of submission/Date of opening of Bid.....

Signature and Seal of issuing authority.....

CHECK LIST FOR BIDDERS / APPLICANTS.

This document contains 45 pages including the cover page. Please check that all the pages are intact in the document.

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. The following documents form part of the EOI and should be submitted with EOI:

S. No.	Documents to be submitted	Documents submitted	
		Y / N	Page No. at which Document Attached
1	All pages of this EOI document, duly signed by the authorized signatory in a token of acceptance of all terms and conditions by the bidder. Any other document submitted by the bidder should also be signed by the authorized signatory.		
2.	Duly filled application form for individuals/companies/firms (Section-C, Annexure-G, H&I).		
3	If EOI document is downloaded from Internet, a DD of Rs 5000/- as cost of the bid document from a Nationalized / Scheduled Bank should be attached.		
4.	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.		
5.	Attested copy of Article or Memorandum of Association or partnership deed or proprietorship registration as the case may be.		
6.	Attested copy of LST/GST Registration number, if applicable.		
7.	Attested copy of PAN/GIR Number.		
8.	Attested copy of current & valid clearance from State authorities if applicable.		
9.	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.		
10.	Audited/certified financial statements and annual report of the company/firm for previous three financial years.		
11.	Attested copy from CA of turn over details for the last three years (P&L Account) Turnover certificate item wise.		
12(a))	Certificates for experience in dealing with telecom or FMCG or Electronic/Electrical goods for last 3 years or more as on the date of opening of EOI with duly attested supporting documents.		
12(b))	List of retailers for verifying established retail chain.		
13.	Proof of ownership/rent-deed/supportive documents (acceptance from		

EOI of “ Master Franchisee/Super Distributor Policy – 2018”

	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 Master Franchisee ship/Super distributorship.		
14	Latest Income Tax clearance certificate		
15	Any other supporting documents as asked for or called for.		

3. Every additional document submitted and every page of the EOI document shall be duly signed by the authorized signatory as a token of compliance and acceptance to all terms and conditions.
4. Separate EOI form for each circle should be submitted.



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Details of the Master franchisee ship/Super Distributorship

(To be filled by the applicant)

Name of Circle:-

Name and address of the firm

.....
.....
.....
.....

Phone No. (s) :

Office :

Residence :

Mobile :

Details of the EOI Document Cost and Earnest Money Deposit:

Particulars		Issuing Bank with branch name	Issuing date	Validity	Amount (Rs.)
EOI Document cost	DD No.....			N/A	Rs.5000/-
EMD (in the form of BG)	BG No.			Valid upto

Seal & Signature of Bidder

TABLE OF CONTENTS

S. No.	Title	Page No.
1	EOI (Expression of Interest) for Master Franchisee ship/Super Distributor of BSNL for the Sales Marketing and Distribution	1
2	Check list for bidders / applicants.	2-3
3	Details of the Circle for which the Master franchisee ship/Super Distributor ship is applied	4
Section A		
4	NOTICE INVITING EOI (Expression of Interest) for BSNL Master Franchisee/Super Distributor	7
5	Eligibility Requirement	7
Section B		
	Section 1: Roles and Responsibilities	
6	A. Geographical area	9
7	B. Responsibilities of BSNL Master Franchisee/Super Distributor	9
8	C. Responsibilities of BSNL	11
9	Section-2:- Eligibility Criteria	12-13
	Section 3: Selection process and criteria	
10	D. Expression of Interest Route:	13
11	E. Terms & Conditions with EOI	14
12	F. Extension of Agreement	15
13	G. Requirements after EOI Approval	15
14	H. Roll Out Plan	17
15	I. Selection criteria for Master Franchisee/Super Distributor ship	17
16	J. Scoring Guidelines for Selection Criteria	18
	Section 4 : Target Setting & Performance Management	
17	i. Target Setting	19
18	ii. Performance Management	20
	Section 5: Sale price of BSNL product and Discounts/Margins for Master Franchisee/Super Distributor	
19	K. Penalty	24
20	L. CROSS SELLING/MULTI SIM RECHARGE	24
21	M. General Terms & Conditions	25
Section C		
22	Detailed Terms and Conditions of Eoi	28
23	ANNEXURE-A	33
24	ANNEXURE – B : Bank Guarantee Format EMD	34
25	ANNEXURE – C : Product List for FMCG Industry	36
26	ANNEXURE – D1 & D2: The Master Franchisee/Super Distributor incentives and discount/ margin	37&41

EOI of “ Master Franchisee/Super Distributor Policy – 2018”

27	ANNEXURE – E: The sharing of Master Franchisee/Super Distributor discount/margin	45
28	ANNEXURE – F : FORMAT OF THE Performance Bank Guarantee	46
29	ANNEXURE – G : List of authorized representatives of franchisee	48
30	ANNEXURE – H Covering Letter for Submission of Eoi	49
31	ANNEXURE – I : Particulars of the Applicant seeking Franchisee-ship	50
32	ANNEXURE – J: DECLARATION	52
33	ANNEXURE – K : Primary Area (Location) for Master Franchisee/Super Distributor ship applied for	53
34	ANNEXURE – L : Format of Certificate regarding close relatives working in BSNL	54



Bharat Sanchar Nigam Limited
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SECTION ‘A’

NOTICE INVITING EOI (Expression of Interest) for BSNL Master Franchisee/ Super Distributor Ship

EOI No.

Sealed EOI (location wise) are invited on behalf of CMD BSNL by GM (Sales)-CM, BSNL CO New Delhi for selection of Master Franchisees/Super Distributor for sale of BSNL products and provision of services to BSNL at Circle, as mentioned in Table-I below.

Table –I

EMD	Cost of Eoi Document	Last Date & Time for Bid submission	Date & Time of Bid opening	Name of Circle
	Rs.5000/- (inclusive of GST)			

Note- The sale of EOI document will be from ... Hrs to ... Hrs on working days wef

1. Eligibility criteria for Master Franchisee/Super Distributorship of BSNL

- i. It should be an Indian registered proprietorship firm, partnership firms or company.
- ii. Minimum qualification for Master franchisee/Super Distributor shall be 10th standard.
- iii. The company should not have substantial equity stake (10 % or more) in & of any Basic services/Cellular services/Internet services/Unified Access services/National Long Distance services operating company (ies) in India.
- iv The company should not be a Licensed Service Provider to provide Basic services/Cellular Services/ Internet services/ Unified access services/NLD services anywhere in India
- v. It should have an average annual turnover of
 - a. Rs. 10 crores during the last three financial years for NE-1 circle
 - b. Rs. 12.4 crores during the last three financial years for NE-2 circle

vi. Experience: Interested firms must be distributor/dealer of Telecom / FMCG / Electronics / Electrical / any other products with established retail chain for at least three years during last five years. Additional experience shall be counted for getting extra score during selection process.

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 Director (CM) will be considered final.

vii. Space: Interested party must ensure office/ showroom space (carpet area) of minimum size of 300 sqft for BSNL Master franchisee ship/Super distributorship within operational primary allotted area of the circle. Space is to be ensured within 15 days of LOI for award of Master Franchisee ship/ Super distributorship.

2. Bid document will be available from on any working day, on payment of Rs.5000 (non-refundable) in the form of cash/ crossed bank draft in favor of Accounts Officer (Cash), BSNL CO, Janpath New Delhi. In case of cash payment the original cash receipt obtained should be enclosed with application.

3. EOI document may also be downloaded from BSNL site [www. bsnl.co.in](http://www.bsnl.co.in) and cost of document in the form of DD be deposited along with the bid.

4. **Submission of EOI:** – Separate EOI should be submitted for each circle and EOI should be super scribed with “Master Franchisee-ship/Super Distributorship for Circle” and it should be dropped in drop box kept in the office of GM(Sales)-CM, BSNL CO , New Delhi by 11.30 AM On 07.02.2019

5. **Opening of EOI:** – EOI shall be opened circle wise as per schedule given below, in the office of the office of GM (Sales)-CM, BSNL CO New Delhi in the presence of bidders/ authorized representatives of the bidders who wish to be present.

- a. On 07.02.2019 at 3.00 PM for NE-1 circle
- b. On 07.02.2019 at 4.00 PM for NE-2 circle

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

7. EOI document will neither be sent nor be accepted by Post / Courier.

8. Bidders have to submit separate bids for NE-1 and NE-2 circle along with separate document fees.

SECTION-B

Section 1: Roles and Responsibilities

A. Geographic area

- a. Definition of Geographical areas: All Master Franchisees/ Super distributor territory covering nos. of franchisee will be well defined geographical area (as notified in the master franchisee Agreement by Circle). This will be their primary area and the Master franchisee/Super Distributor must fulfill all the requirements as per the policy in this primary area only. Sales by Master franchisees to Franchises should be restricted in the primary area specified by BSNL and C-top-up SIM should be BTS bound.
- b. Master Franchisee/Super Distributor 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 clause (K) & (L) of Sec-5 and the agreement with such Master franchisee/Super Distributor be discontinued and the Master franchisee/Super Distributor may even be barred for further dealing with BSNL for a period of 2 years in case the violation so warrants.
- c. The Master franchisee/Super Distributor and BSNL shall act on a principal to principal basis and at no time, the Master franchisee/Super Distributor shall act in the capacity of an agent of BSNL. The Master franchisee/Super Distributor 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 Master franchisee/Super Distributor:-

- a. Selling of all BSNL Products purchased by Master franchisee/Super Distributor through Franchisees of his/her primary area.
- b. Three tier structure for urban and four tier structure for rural areas by incorporating intermediate channel of RDs.
- c. Master Franchisee/Super Distributor will not be allowed to sell anybody except BSNL franchisee of assigned territory.
- d. Master Franchisee/Super Distributor will be allowed to bring enterprise business directly and incentives shall be governed by Channel Partner Policy dated 08.03.2017 and subsequent modifications of Enterprise Business Vertical of BSNL.
- e. Master Franchisee to make best efforts to actively market and promote the BSNL Products as permitted by BSNL.
- f. Meeting IN revenue target set by Circle for the Master franchisee/Super Distributor franchisee area. Master franchisee/Super Distributor is responsible for meeting these targets through all Franchisees working under him.

- g.** Operation of IT tools and systems like Sanchar Soft/ERP etc.provided by BSNL as specified from time to time, including hiring data entry operator if required.
- h.** Assist and cooperate and with the Franchisees of his/her primary area appointed by BSNL in respect of sale of BSNL products/services, and provide him/her with the required details as specified by BSNL.
- i.** Providing List/Details of authorized representatives of his primary area (i.e. telecom circle/district) Franchisee and BSNL.
- j.** All details and information regarding his primary area of Master franchisee/Super Distributor in BSNL specified system e.g. Sancharsoft/ERP as specified by BSNL from time to time.
- k.** After sales services to Franchisees in its own capacity and at its own cost, which shall include receiving, attending & rectifying complaints from Franchisees.
- l.** All forms of complaint received over phone and walk-in-complaints (hardware related, billing, service, performance related etc.) from Franchisee will be handled directly by Master franchisee/Super Distributor. Master franchisee/Super Distributor 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.
- m.** Serving Franchisees at their doorsteps. Master franchisee/Super Distributor must ensure that BSNL products are available with Franchisees in sufficient quantity on demand. Master franchisee/Super Distributor must ensure that no black-marketing or mal-treatment to Franchisee is done through its network.
- n.** The margin/ discount/ incentives / commissions extended by BSNL to Master franchisee/Super Distributor 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.
- o.** Receiving advertisement/ marketing material from BSNL and distribution among franchisees including displaying it at Master Franchisees showroom.
- p.** Promotion of BSNL Products at Master franchisee/Super Distributor own cost.
- q.** Arranging special promotional events, as per BSNL requirements, at Master franchisee/Super Distributor own cost, which shall include events and camps/canopy in unreached and potential areas.
- r.** Timely submission of bills and claims to the nodal officer
- s.** Storage of SIM's, data cards and other telecom products purchased by the Master Franchisee/Super Distributor from BSNL in a proper manner.
- t.** 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.
- u.** Master franchisee/Super Distributor will be responsible for all the work done through its distribution network in his primary allotted area.

- v. The Master franchisee/Super Distributor will be responsible for intimating their GSTN No. to BSNL for billing purposes.

C. Responsibilities of BSNL

- a. Appoint sufficient number of Franchisee Managers for providing time-to-time guidance, and addressing issues/ concerns raised by Master franchisee/Super Distributor. BSNL shall also appoint other members of the Sales & Marketing team at Circle and SSA level.
- b. BSNL shall communicate to the Master franchisee/Super Distributor the minimum IN revenue required to be made by them on annual basis, in order to remain eligible for the Master Franchisee-ship Agreement. These annual IN revenue target will be communicated by BSNL. Failure to achieve the minimum IN revenue requirement may lead to review / termination of the contract.
- c. Resolution of issues (including supply of SIMs, payments, servicing of Franchisee, cross-selling, etc.) raised by Master franchisee/Super Distributor, and any other member of the Sales & Marketing team. Circle Head must maintain a log of all complaints received from Master franchisee/Super Distributor and provide regular update to Circle Head on action taken to resolve outstanding issues.
- d. It will be the responsibility of the Account Officer to remit the collection from the Master franchisee/Super Distributor to credit to Company's account on as and when purchases of BSNL Products (except post-paid products) are made by the Master franchisee/Super Distributor and ensure realization of the cheque.
- e. The cheque deposited by the Master Franchisees/Super Distributors should be deposited with bank for realization in a manner that it is realized latest by 3rd day (Date of purchase + 2 working days). The Account Officer shall be responsible for ensuring collection, deposit with the bank and realization of the cheque(s).The Account Officer shall maintain an account of inventory sold to the Master Franchisee/Super Distributor and the defective goods received back from the Master Franchisee, and share the same periodically with BSNL's accounts wing along with payment balance statement.
- f. Circle Sales Head (Mobility) to ensure that all sales made by BSNL to Master franchisee/Super Distributor and is recorded in BSNL specified IT system. Further, the sales register/ books of accounts maintained by the Master franchisee/Super Distributor may be called for as and when required by BSNL, for examination and cross-verification of sales made by Master franchisee/Super Distributor in respect of BSNL's products.
- g. The Sancharsoft & stock register giving details of material sold to the Master franchisee/Super Distributor should be properly maintained and monitored on regular basis by Circle Sales Head (Mobility).

Head of Circle will ensure that BSNL Product stocks are available in sufficient quantity with BSNL in required denominations well in advance. The circle should

maintain sufficient stock of inventory so that they can fulfill the demand for provisioning of the stock as required by the Master franchisee/Super Distributor.

No refund requests of any defective or unused stock shall be entertained by BSNL. Defective stock (due to the default of BSNL) with the Master franchisee/Super Distributor shall be replaced at the sole discretion of BSNL after due verification.

- h. In order to manage returns of defective products, BSNL may, with prior approval of the Master franchisee/Super Distributor, inspect the stock at Master franchisee/Super Distributor location to evaluate whether or not the products are maintained in proper condition.
- i. MRP of the products should be displayed. The stocks and distribution of publicity materials like brochures etc., preferably in local languages also should be available in sufficient quantity.
- j. Ensure timely payments to Master franchisee/Super Distributor preferably online.
- k. It will be mandatory on monthly basis to reconcile the account of prepaid product along with IN report.
- l. The following items shall be given free of cost to Master franchisee/Super Distributor for performing their responsibilities, including for demo purpose, and are not linked with the sales targets to be made by the Master franchisees/Super Distributor:
 - i. One rent free landline connections with unlimited on net local calls (LL + Mobile) within circle.
 - ii. One rent free landline connection for incoming calls with Broadband plan – BBG Combo ULD 850 (350 monthly free call with unlimited download/Upload).
 - iii. One rent free VPN over Broadband (512 kbps VPNoBB plan)
 - iv. One rent free GSM post-paid Plan – 525, calls beyond freebies shall be payable.
 - v. Ensure alternate/standby media connectivity to Sanchar-Soft terminals working with Master franchisees.

Note: - Above facility shall be up-to the validity of agreement.

Section 2: Eligibility criteria

- 2.1 It should be an Indian registered proprietorship firm, partnership firms or company.
- 2.2 Minimum qualification for Master franchisee/Super Distributor shall be 10th standard.
- 2.3 The company should not have substantial equity stake (10 % or more) in & of any Basic services/Cellular services/Internet services/Unified Access services/National Long Distance services operating company(ies) in India.
- 2.4 The company should not be a Licensed Service Provider to provide Basic services/Cellular Services/ Internet services/ Unified access services/NLD services anywhere in India
- 2.5 It should have an average annual turnover of Rs. 10 crores for NE-1 and 12.4 Cr for NE-2 circle during the last three financial years.

2.6 Experience: Interested firms must be distributor/dealer of Telecom / FMCG / Electronics / Electrical / any other products with established retail chain for at least three years during last five years. Additional experience shall be counted for getting extra score during selection process.

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 Director (CM) will be considered final.

2.7 Space: Interested party must ensure office/ showroom space (carpet area) of minimum size of 300 sqft for BSNL Master franchisee ship/Super distributorship within operational primary allotted area of the circle. Space is to be ensured within 15 days of LOI for award of Master Franchisee ship/ Super distributorship.

2.8 Other requirements:-

- a. Interested party should have a valid PAN. And TAN.
- b. Interested party should have a valid Goods and Services Tax (GST) registration Certificate No. for respective state
- c. Interested party should provide a self-declaration along with the evidence that the bidder is not black listed by the GST authorities
- d. 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 Master franchisees. Further, the Master franchisee will be responsible to indemnify to BSNL any loss incurred by it.
- e. 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

D. Expression of Interest Route:

- a. In order to induct Master franchisee/Super Distributor, BSNL shall invite Expression of Interest (EOI) from the willing parties. BSNL reserves the right to initiate the process for appointing Master franchisee/Super Distributor even if Master franchisees are currently serving the territories of circle.
- b. EOIs are to be floated and finalized at corporate office level. The approving authority will be the Director (CM), BSNL CO.
- c. Selected Master franchisee/Super Distributors has to sign agreement at circle level.
- d. To evaluate the short-listed bidders, a Selection committee at corporate office level comprising of three members will be formed with the approval of Director (CM).
- e. After evaluation by the selection committee, the recommendation of the selection committee shall be approved by Director (CM), BSNL CO. LoI to successful bidder shall be issued by the EOI issuing authority with the instruction to submit the requisite PBG at the concerned circle/district within 15 days time frame for

signing the agreement at circle level. The contract shall be awarded for a period of one year to the successful bidder(s) as per the terms and conditions stipulated in the EOI and in the Master franchisee/Super Distributors policy document.

- f. BSNL reserves the right to revise some sections of Master franchisee/Super Distributors policy according to change in business environment. Circle shall notify all such changes to Master franchisee/Super Distributors. Master franchisee/Super Distributors 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.
- g. Interested party must deposit EMD of
 - i. Rs. 2.52 lacs for NE-1 circle
 - ii. Rs. 3.12 lacs for NE-2 circle

. 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.
- h. BSNL reserves the right to reject any application of Master franchisee/Super Distributors for any reason, without liability, the information provided by the Master franchisee/Super Distributors / 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.
- i. The decision of BSNL will be final and binding.

E. Terms & Conditions with EOI

- a. Master franchisee/Super Distributors will sign Master franchisee/Super Distributors Agreements at concerned Circle for agreement period of twelve months (including one month of Roll Out period) . Master franchisee/Super Distributors must not work with any other telecom operator in the capacity of any role related to sales & distribution anywhere in India.
- b. The demarcated area for which they are appointed should be the telecom circle/district for the Master franchisee/Super Distributors operation, and all contractual obligations and responsibilities as per Master franchisee/Super Distributors policy should remain for this circle/district only.
- c. Periodic performance review must be done and in case of a Master franchisee/Super Distributors not- meeting the BSNL standards, action should be taken in accordance with 'Performance Management System' section of this policy.
- d. Master franchisee/Super Distributors is not allowed to sell BSNL products outside its circle. Any violation will be viewed seriously and action shall be initiated as per Penalty Clause of this document.
- e. BSNL is free to appoint sufficient number of franchisees in the circle.
- f. Master franchisee/Super Distributors must ensure availability of BSNL products/services to all franchisees of the circle.

- g. In case of complaints received from franchisees for not being properly served through Master Franchisee/Super distributor, BSNL shall be free to serve the Franchisee directly.
- h. In case of complaints received from Master Franchisee/Super distributor regarding Franchisees under him is not obeying the direction of Master Franchisee/Super distributor, BSNL shall be free to appoint separate channel in that territory.
- 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 services offered by BSNL. BSNL can directly appoint any other channel(s) to distribute and sale various telecom services and products within Master franchisee/Super Distributors area.
- j. Master franchisee/Super Distributors 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 Master franchisee/Super Distributors Bankers/credit providers and any another sources as to carry out other verifications.

F. Extension of agreement

Master Franchisee/Super distributors shall request to BSNL for extension of its agreement 60 days before the end date of its agreement. The agreement shall be extended for willing Master Franchisee/Super distributors for a period of two years (on year to year basis) with the approval of Director (CM) subject to condition that

- a. 100 % Achievement of the IN revenue targets by the Master Franchisee/Super distributors during previous years or
- b. Master Franchisee/Super distributors has paid applicable penalty (along with GST, if applicable) in full for short achievements of annual target.

G. Requirements after EOI Approval

- a. As mentioned above, selection of the Master Franchisee/Super distributors will be done by a selection committee formed at corporate office level. The agreement will be framed/ customized by concerned Circle based on provisions in this Master franchisee policy.

b. PBG (Performance Bank Guarantee) :

- i. The Bank Guarantee is to be provided within 15 days of signing of the agreement as given below:
 - a. Rs. 8 lacs for NE-1 circle
 - b. Rs. 10 lacs for NE-2 circle

The Bank Guarantee should be valid for **18 months**. No interest is payable on performance bank guarantee. In the event of extension of agreement, BG shall be revalidated for a period commensurate with the extension period.

- c. Master Franchisee/Super distributors 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 Master Franchisee/Super distributors to BSNL at any time. Master Franchisee/Super distributors 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 Master Franchisee/Super distributors.
- d. After approval of EOI by corporate office, the Agreement shall be signed by the circle, PBG (Performance Bank Guarantee) shall also remain in concerned circle, Master Franchisee/Super distributors will be monitored and supported by circle. Payments will be done from circle.
- e. PBG will be treated as security deposit and no supply of BSNL products will be allowed against PBG.
- f. BSNL products can be issued to Master Franchisee/Super distributors against RTGS or Cheque on realization of Money in BSNL account or against DD/Bankers cheque. The preferred mode for fund transfer for the Master Franchisee/Super distributors to get material is RTGS.
- g. To provide Cheque facility to Master Franchisee/Super distributors for issue of stock on credit' The field units shall follow below mentioned procedure in implementation of this facility' circle will take a separate BG for this purpose and issue inventory to Master Franchisee/Super distributors against cheque of value not exceeding the amount of BG.
 - I. To purchase material against cheque, Master Franchisee/Super distributors will have to provide a separate bank guarantee with validity of 180 days more than the period of agreement. Master Franchisee/Super distributors can then purchase material of value up-to bank guarantee. This bank guarantee is separate from PBG.
 - 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 Master Franchisee/Super distributors 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 'ii' 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. CGMs shall submit quarterly report on dishonored cheques.
 - i. Master Franchisee/Super distributors may open an account with RTGS/online transfer facilities in the bank in which BSNL’s account is in concerned circle. Master Franchisee/Super distributors 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.

H. ROLL OUT PLAN: Master Franchisee/Super distributors will install its system, will ensure integration with BSNL network elements like C-Topup system etc., and arrange for successful verification of provisioning, delivery and charging/reconciliation of recharge/topup transactions within a period of **one month** from the date of signing of agreement. The monitoring of annual performance against the sales target will commence from such date of launch of BSNL Product(s).

I. Selection criteria for Master Franchisee/Super distributors -ship

- a. The maximum marks for eligible bidders in selection criteria for selection of Master Franchisee/Super distributors will be as follows:

i	Experience of firm	15 marks
ii	Turnover	15 marks
iii	Qualification	10 marks
iv	Interview / Presentation	10 marks

- b. Short listing will be done on the basis of point number (i) to (iii) 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.

J. Scoring Guidelines for Selection Criteria:**a. Experience of firm (Total Marks: 15)**

	Distribution Experience	Telecom/ FMCG/ Electronic /Electrical equipment Distribution
a.	Fulfillment of Minimum Criteria and up to 1 year in excess	10
b.	Greater than 1 years in excess but less than 2 years in excess	12
c.	Greater than 2 years in excess	15

For telecom experience, in case of proprietor firm, the firm/proprietor should have experience of distribution of telecom services directly with any telecom operator. 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.

For distribution experience of any product other than Telecom/ FMCG/ Electronic /Electrical equipment, 6 marks shall be awarded.

b. Turnover (Total Marks = 15)

a.	Fulfillment of Minimum Criteria up to 25 percent in excess	5
b.	Greater than 25 percent in excess but less than 50 percent in excess	9
c.	Greater than 50 percent in excess	15

c. Weight-age of educational qualification. (Total marks-10)

Qualification	Weight-age
10 th Pass	3
12 th Pass	5
Graduate	7
PG	10

Bidder should have registration of GST/Trade license/Shop establishment license within same Circle.

d. Interview / presentation before the selection committee

(Total Marks – 10)

e. Selection Tie-Breaker: The Master Franchisee/Super distributors 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 ‘Experience’, ‘Turnover’ and lastly ‘Qualification’.

Note: - However in case of further tie after executing the criteria at **para-e** above, quantum of experience, quantum of turnover, and qualification shall be considered for selection of Master Franchisee/Super distributors However, BSNL reserves the right to select any of the Master Franchisee/Super distributors based on the committee report after the approval of Director (CM) BSNL CO.

Section 4: Target Setting and Performance Management

i. Target Setting:

Considering last 12 (twelve) months IN revenue of the circle at the time of agreement as ‘X’ Annual Target for Master Franchisee/ Super distributor for the total IN Revenue for the agreement period of 1 year will be 1.3*X.

However, Master Franchisee/ Super distributor have to achieve quarterly growth rate for IN revenue as given below:-

At the end of Quarter	Growth Rate w.r.t. X
1	7.5%
2	15.0%
3	22.5%
4	30.0%
	30.0%

In case of extension of the agreement, the target shall be set with mutual consent, subject to a minimum 10% increase over previous 12 months IN revenue.

ii. Performance Management: Circle must conduct a review meeting every month to review the target.

iii. Performance based termination: If Master Franchisee/Super distributors has not achieved the cumulative target of growth in IN revenue for first six months after roll out period as per the above table, Master Franchisee/Super distributors shall be terminated giving 30 days notice and PBG shall be forfeited.

Section 5: Commission / Sale price of BSNL products

- i. The Master Franchisee/Super distributor shall purchase CTOP-UP stock from BSNL at the same discount as offered to primary franchisee of BSNL (presently 4.66% of MRP) and pass on the entire discount to the primary franchisee.
- ii. The Master Franchisee/Super distributor shall raise an invoice for 3% + taxes (Three percent plus applicable GST), of the quarterly IN revenue on achievement of targets as above.
- iii. The price at which BSNL products shall be offered to Master Franchisee/Super distributors 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.
- iv. Such price shall be announced as and when new products are being launched by any unit of Consumer Mobility or as may be published from time to time.
- v. 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.
- vi. BSNL and Master Franchisee/Super distributors shall observe the following procedure in connection with purchase and sale of BSNL Products:
 - a. The Master Franchisee/Super distributors shall place an order for purchase of products from BSNL.
 - b. Upon dispatch of ordered products, BSNL shall raise an invoice on the Master Franchisee/Super distributors, net of applicable discount to be provided to the Master Franchisee/Super distributors. 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 Master Franchisee/Super distributors. BSNL would raise sale invoice for sale of BSNL products to the Master Franchisee/Super distributors. 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 Master Franchisee/Super distributors 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 Master

Franchisee/Super distributors for sale of BSNL Products and the same will be treated as a sale consideration

- f. Payment will be received by BSNL from the Master Franchisee/Super distributors preferably through ECS / Direct credit to account or cheque.
- g. GST paid by Master Franchisee/Super distributors to BSNL shall be available to the Master Franchisee/Super distributors as ITC, which can be set off against the GST charged by Master Franchisee/Super distributors to the Franchisee.
- 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 Master Franchisee/Super distributor 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 Master Franchisee/Super distributors 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 master franchisees/super distributor (refer point h above)
- l. GST paid by Master franchisees to BSNL and by BSNL to master franchisees (as the case maybe w.r.t. secondary/ subsequent incentive granted by BSNL) shall be available to master 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 for Franchisees.**
- 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 Master Franchisee/Super distributors 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 master franchisee to issue GST compliance credit note within the reasonable time and take tax adjustment. In case the master 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 master franchisee.

- q.** Master Franchisee/Super distributors 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. Master Franchisee/Super distributors 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 Master Franchisee/Super distributors 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.
- vii.** In case of secondary/ subsequent incentives provided to the master franchisee, it shall be the responsibility of the master 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 master franchisees. Further all invoices should be sent to BSNL promptly and in no case beyond 30 days of Invoice date.
- viii.** Further the Supplier is required to comply following requirements w.r.t. issuance of invoice:

 - a. All the details of master franchisees (name, address, GSTIN/ unregistered vendor, place of supply, SAC/ HSN code etc.) and other mandatory details shall be mentioned on the invoice;
 - b. Invoice/DN/CN need to be issued timely within the time prescribed under GST law;
 - c. In case of any deficient supply, BSNL shall convey the same in a reasonable time to enable the master franchisee to issue credit note and take tax adjustment;
 - d. It would be the responsibility of the master 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 master franchisee, the same would be recovered by BSNL from the master franchisee;
 - e. Registered location of the both the parties i.e. BSNL and master franchisee should be mentioned in the agreement with GSTIN No. Further, master 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;

- f. It shall be the responsibility of master franchisee to raise invoice within the prescribed timelines.
- ix. Master Franchisee/Super Distributor to share the monthly information (w.r.t. incentive) with BSNL which would be uploaded by the master 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 master 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

K. Penalty (along with GST, if applicable):

DAMAGES: Where the Master Franchisee/Super distributors fail to provide services or breach of contract & achieve the quarterly growth in IN revenue targets as specified above in clause (i) of section-4 BSNL without prejudice to other remedies available to it shall be entitled to recover damages, as pre-estimated damages along with the applicable GST (if any) at the rate & circumstances mentioned below:

- a. The imposition of damages will come into force after expiry of roll-out period.
- b. In case of short achievement of IN revenue target in any quarter after roll out period the damages will be calculated as below:-
 - i. For first quarter – If the growth in IN revenue is less than 7.5% then the Master Franchisee/Super distributor will not be entitled for any discount/ commission.
 - ii. For second quarter - If the growth in IN revenue during two quarters combined is less than 15% then the Master Franchisee/Super distributor will not be entitled for any discount/ commission.
 - iii. For third quarter - If the growth in IN revenue during three quarters combined is less than 22.5% then the Master Franchisee/Super distributor will not be entitled for any discount/ commission.
 - iv. For fourth quarter - If the growth in IN revenue during four quarters combined is less than 30% then the Master Franchisee/Super distributor will not be entitled for any discount/ commission.
 - v. However, if the combined growth up to the current quarter is more than desired growth up to the current quarter then the Master Franchisee/Super distributor shall be entitled for discount/commission for previous quarters too.

L. CROSS SELLING/Multi-SIM recharge:

- A. If Master Franchisee/Super distributors is found involved in cross selling/Multi SIM recharge/selling to anybody except franchisee of assigned territory i.e., selling BSNL Products in area beyond the authorized area of operation or selling to anybody except franchisee of assigned territory, BSNL may Black-list such Master Franchisee/Super distributors.

B. Action against Cross-selling:

- a) If Master Franchisee/Super distributors is found selling outside his territory:
- (i) **1st offence** explanation of the Master Franchisee/Super distributors to be called giving ten days time to submit response. C-TOPUP number of all such retailers is to be disconnected and their balance is to be forfeited under intimation to Master Franchisee/Super distributors, if either no reply is received or the explanation of Master Franchisee/Super distributors is not satisfactory
 - (ii) **2nd offence**: - Explanation of the Master Franchisee/Super distributors to be called giving ten days time to submit response. C-TOPUP numbers of all such retailers to be disconnected and their balance is to be forfeited also a penalty of Rs. 3000/- per retailer will be imposed on Master Franchisee/Super distributors under intimation to Master Franchisee/Super distributors, if either no reply is received or the explanation of Master Franchisee/Super distributors is not satisfactory and.
 - (iii) **3rd offence and beyond**:-C-TOPUP numbers of all such retailers to be disconnected under intimation to Master Franchisee/Super distributors, and their balance will be forfeited and agreement with Master Franchisee/Super distributors shall be terminated and PBG shall be forfeited.
- b) If Master Franchisee/Super distributors is found selling to anybody except franchisee of assigned territory :
- i. 1st Offence: A penalty of total discount/ commission offered to the Master Franchisee/Super distributor for previous month shall be recovered.
 - ii. In case the same Master Franchisee is found involved in selling to anybody except franchisee of assigned territory repeatedly, his Master franchisee ship shall be terminated and PBG shall be forfeited.
- c) If Master Franchisee/Super distributors is found selling through Multi SIM device:
- i. A penalty @ 30% of total discount/ commission offered to the Master Franchisee/Super distributors at the time of sale of BSNL products shall be recovered.
 - ii. The C-TOPUP SIM of the retailers indulging in this system will be blocked with available balance.
 - iii. The action will be taken after investigation by BSNL. In case the same Master Franchisee is found involved in using Multi SIM Mobile Automatic Recharge System repeatedly, his Master franchisee ship shall be terminated and PBG shall be forfeited.

M. 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. Master Franchisees/Super distributor may be given right to view Master 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 Master Franchisees/Super Super distributor in case of any pending disputes in matters relating to activations or cancellations.
- e. In case of dispute arising between the Master Franchisee/Super Distributor 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 Master Franchisees/Super Super distributor.
- g. The payment by the Master Franchisees/Super Super distributor will be made through a cheque / ECS.
- h. All Master Franchisees/Super Super distributors will report to Circle Head through the nodal officer appointed by him.
- i. All taxes, present & future, that may be levied by the govt./ local authorities etc. will be applicable to the Master Franchisees/Super Super distributor a/c.
- j. The Master Franchisees/Super Super distributor 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.
- k. The Master Franchisees/Super Super distributor has to fully cooperate with BSNL to investigate any complaint from the public, retailers or BSNL's sales teams.
- l. Master Franchisees/Super Super distributor 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.
- m. The Master Franchisees/Super Super distributor 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 Master Franchisees/Super Super distributor agreement by Master Franchisees/Super Super distributor or its agents, employees, offices.
- n. 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 Master Franchisees/Super Super distributor to comply with the relevant laws/ regulations applicable in India or overseas, Master Franchisees/Super Super distributor

undertakes to indemnify BSNL for an amount equal to amount payable by BSNL and the same shall be recovered by BSNL

- o.** GST (if applicable) on account of liquidated damages due to delay in supply would be borne by Master Franchisees/Super Super distributor.
- p.** BSNL shall not be liable for any act of commission or omission of any third party.
- q.** During the currency of agreement, Master Franchisees/Super Super distributor will not be permitted to provide services to any other telecom service provider.
- r.** That Master Franchisees/Super Super distributor 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.
- s.** That Master Franchisees/Super Super distributor 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 Master Franchisees/Super Super distributor & BSNL. The same shall be adjustable by the Circle Head or official appointed by Circle Head.
- t.** The Master Franchisees/Super Super distributor will have to abide by the policy rules, regulations & instructions of BSNL as revised/modified from time to time, without any prior notice to the Master Franchisees/Super Super distributor in respect of all matters including security deposit / PBG, incentive payable to the Master Franchisees/Super Super distributor etc.
- u.** In case of any deviation, default or negligence on the part of Master Franchisees/Super Super distributor due to which it is liable to pay penalty to BSNL, the same shall be recovered by BSNL from Master Franchisees/Super Super distributor along with applicable GST tax (as may be applicable)
- v.** Master Franchisees/Super Super distributor must enter list of material received, sold and available with him and all his retailers on a daily basis through BSNL – specified IT system.
- w.** BSNL shall deduct tax at source if required under GST Act and GST regulations, any law or any regulation.
- x.** Master Franchisees/Super Super distributor who have not migrated or surrender Master Franchisees/Super Super distributor-ship, the cost of the products available with him and losses to BSNL shall be recovered from PBG.
- y.** Those who were terminated / not migrated may be barred to participate in EOI for that territory only for next two years.
- z.** In case of successful completion of Master Franchisees/Super Super distributor -ship-agreement agreement period, PBG shall be returned after ensuring that penalty/damage/dues/claims if any are cleared.
- aa.** PBG shall be forfeited, in case Master Franchisees/Super Super distributor does not start business within stipulated time frame as mentioned under agreement.
- bb.** PBG shall be refunded in the cases where Master Franchisees/Super Super distributor surrenders his territory/circle/zone with mutual consent of BSNL and a Master Franchisees/Super Super distributor after prior notice to BSNL for surrendering after ensuring that penalty/damage/dues/claims if any are cleared.
- cc.** PBG shall be forfeited if Master Franchisees/Super Super distributor -ship is terminated on performance based evaluation mentioned under agreement.

SECTION C

1. Detailed Terms & Conditions of the Eoi

- I. In case the successful Master franchisee/Super Distributor 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 Master franchisee/Super Distributor shall be forfeited and the consideration for Master franchisee/Super Distributor 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 Master franchisee/Super Distributor 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 Master franchisee/Super Distributor will have to sign contract agreement within 15 days of the acceptance of the Master franchisee/Super Distributor acceptance document
- V. The PBG is liable to be forfeited in case the Master franchisee/Super Distributor 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 one year from the date of agreement.
 - b. Numbers of Master franchisee/Super Distributor can be increased or decreased as per BSNL requirement.
- IX. Right of the Director (CM), BSNL CO New Delhi:
 - a. Director (CM), BSNL CO New Delhi , reserves the right to accept or reject any or all the Master franchisee/Super Distributor ship request in part or full, without assigning any reason whatsoever.
 - b. Director (CM), BSNL CO New Delhi, 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, Director (CM), BSNL CO New Delhi, reserves the right to terminate the contract at any time and forfeit the PBG.
- X. In case of selection. The BSNL Master franchisee/Super Distributor will sign an agreement with BSNL on non judicial stamp paper of Rs.100/- to be arranged by Master franchisee/Super Distributor.

- XI.** Other conditions:
- a. The Master franchisee/Super Distributor ship shall initially be for a period one year from the date of execution of agreement and is subjected to review of performance as prescribed by BSNL.
 - b. Master franchisee/Super Distributor should provide his present permanent address and bank account number at the time taking Master franchisee/Super Distributor.
- XII.** All Master franchisee/Super Distributor 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 Master franchisee/Super Distributor 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 Master franchisee/Super Distributor ship for BSNL products and provision of service to BSNL at any time without assigning any reason.
- XVI.** All disputes arising out of Master franchisee/Super Distributor 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.

2. Dispute Resolution/Arbitration

I. ARBITRATION (Applicable in case of supply orders/Contracts with firms, other than Public Sector Enterprise) (Not applicable in cases valuing less than Rs. 5 lakhs)

Except as otherwise provided elsewhere in the contract, if any dispute, difference, question or disagreement arises between the parties hereto or their respective representatives or assignees, in connection with construction, meaning, operation, effect, interpretation of the contract or breach thereof which parties unable to settle mutually, the same shall be referred to Arbitration as provided hereunder:

- (1)** A party wishing to commence arbitration proceeding shall revoke Arbitration Clause by giving 60 days' notice to the designated officer of the other party. The notice invoking arbitration shall specify all the points of disputes with details of the amount claimed to be referred to arbitration at the time of invocation of arbitration and not thereafter. If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee for the purpose of constitution of the arbitral tribunal.

(2) The number of the arbitrators and the appointing authority will be as under:

Claim amount (excluding claim for counter claim, if any)	Number of arbitrator	Appointing Authority
Above Rs. 5 lakhs to Rs. 5 crores	Sole Arbitrator to be appointed from a panel of arbitrators of BSNL.	BSNL (Note: BSNL will forward a list containing names of three empanelled arbitrators to the other party for selecting one from the list who will be appointed as sole arbitrator by BSNL)
Above Rs. 5 crores	3 Arbitrators	One arbitrator by each party and the 3 rd arbitrator, who shall be the presiding arbitrator, by the two arbitrators. BSNL will appoint its arbitrator from its panel.

(3) Neither party shall appoint its serving employee as arbitrator.

(4) If any of the Arbitrators so appointed dies, resigns, becomes incapacitated or withdraws for any reason from the proceedings, it shall be lawful for the concerned party/arbitrators to appoint another person in his place in the same manner as aforesaid. Such person shall proceed with the reference from the stage where his predecessor had left it both parties consent for the same; otherwise, he shall proceed de novo.

(5) Parties agree that neither party shall be entitled for any pre-reference or pendent-lite interest on its claims. Parties agree that any claim for such interest made by any party shall be void.

(6) Unless otherwise decided by the parties, Fast Track procedure as prescribed in Section 29 B of the Arbitration Conciliation Act, 1996 for resolution of all disputes shall be followed, where the claim amount is uptoRs. 5 crores.

[29B. Fast track procedure –

- i. *Notwithstanding anything contained in this Act, the parties to an arbitration agreement, may, at any stage either before or at the time of appointment of the arbitral tribunal, agree in writing to have their dispute resolved by fast track procedure specified in sub-section (3).*

- ii. *The parties to the arbitration agreement, while agreeing for resolution of dispute by fast track procedure, may agree that the arbitral tribunal shall consist of a sole arbitrator who shall be chosen by the parties.*
 - iii. *The arbitral tribunal shall follow the following procedure while conducting arbitration proceedings under sub-section (1):-*
 - (a)*The arbitral tribunal shall decide the dispute on the basis of written pleadings, documents and submissions filed by the parties without oral hearing;*
 - (b)*The arbitral tribunal shall have power to call for any further information or clarification from the parties in addition to the pleadings and documents filed by them;*
 - (c)*An oral hearing may be held only, if, all the parties make a request or if the arbitral tribunal considers it necessary to have oral hearing for clarifying certain issues;*
 - (d)*The arbitral tribunal may dispense with any technical formalities, if an oral hearing is held, and adopt such procedure as deemed appropriate for expeditious disposal of the case.*
 - iv. *The award under this section shall be made within a period of six months from the date the arbitral tribunal enters upon the reference.*
 - v. *If the award is not made within the period specified in sub-section (4), the provisions of sub- sections (3) to (9) of Section 29 A shall apply to the proceedings.*
 - vi. *The fees payable to the arbitrator and the manner of payment of the fees shall be such as may be agreed between the arbitrator and the parties.]*
- (7)** The arbitral tribunal shall make and publish the award within time stipulated as under:

Amount of Claims and Counter Claims	Period for making and publishing of the award (counted from the date the arbitral tribunal enters upon the reference)
UptoRs. 5 crores	Within 6 months (Fast Track procedure)
Above Rs. 5 crores	Within 12 months

However, the above time limit can be extended by the Arbitrator for reasons to be recorded in writing with the consent of parties and in terms of provisions of the Act.

- (8)** In case of arbitral tribunal of 3 arbitrators, each party shall be responsible to make arrangements for the travel and stay, etc. of the arbitrator appointed by it. Claimant shall also be responsible for making arrangements for travel/stay arrangements for the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.

In case of sole arbitrator, BSNL shall make all necessary arrangements for his travel/stay and the expenses incurred shall be shared equally by the parties.

- (9) The Arbitration proceeding shall be held at New Delhi or Circle or SSA Headquarter (as the case may be).
- (10) Subject to the aforesaid conditions, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof shall apply to the arbitration proceedings under this clause.

- II. In the event of any dispute or difference relating to interpretation and application of the provision of commercial contracts between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/ Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No.4(1)/2013 (GM)/FTS-1835, Dated 22.05.2018.

III. APPLICABLE LAW AND JURSDICTION

(a) The supply order for Goods 'or' Services, including all matters connected with this supply order shall be governed by the Indian law both substantive and procedural, for the time being in force and shall be subject to the exclusive jurisdiction of Indian Courts at the place from where the Purchase Order has been placed.

(b) Foreign companies, operating in India or entering into Joint Ventures in India, shall have to obey the law of land and there shall be no compromise or excuse for the ignorance of the Indian legal system in any way.

ANNEXURE – A**NUMBER OF FRANCHISEE TERRITORIES IN CIRCLE**

S. No.	Telecom Circle / District	Number of Franchisee Territories
1	Andaman & Nicobar	5
2	Andhra Pradesh	182
3	Assam	58
4	Bihar	115
5	Chennai	24
6	Chhattisgarh	31
7	Gujarat	111
8	Haryana	59
9	Himachal Pradesh	33
10	Jammu & Kashmir	22
11	Jharkhand	39
12	Karnataka	134
13	Kerala	80
14	Kolkata	22
15	Madhya Pradesh	134
16	Maharashtra	173
17	NE-1	18
18	NE-2	25
19	Orissa	124
20	Punjab	74
21	Rajasthan	181
22	Tamil Nadu	96
23	UP (East)	210
24	UP (West)	93
25	Uttaranchal	29
26	West Bengal	62

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 INTEREST(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 an 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 / AGREEMENT, 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

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 “ Master Franchisee/Super Distributor”) 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 Master Franchisees/Super Distributor for providing BSNL service on the terms and conditions exclusively mentioned therein for the area(Name of the circle for Master Franchisee/Super Distributorship).

It has been agreed between the parties that a Bank Guarantee for Rs. (Rupees lakh only) shall be given by the Master franchisee/Super Distributor 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 Master franchisee/Super Distributor (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 Master franchisee/Super Distributor 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 Master Franchisee/Super Distributor 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 Master Franchisee/Super Distributor 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 Master Franchisee/Super Distributor 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 18 months** 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 Master franchisee/Super Distributor 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 Master franchisee/Super Distributor 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 Master franchisee/Super Distributor or through any forbearance, act or omission on the part of BSNL or any indulgence by BSNL to Master franchisee/Super Distributor 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 1½ 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

ANNEXURE – E

List of authorized representatives of Master franchisee/Super Distributor

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

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

ANNEXURE - F

To
General Manager (Sales)-CM
Bharat Sanchar Nigam Limited
Room No.-816, 8th Floor
Bharat Sanchar Bhawan
Janpath, New Delhi-110001

Sub: Submission of EOI for Master franchisee/Super Distributor ship (Name of the circle)

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.

Thanking you,

Yours sincerely,

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 5000/- in case Eoi document downloaded from site.
- (ii) EMD of Rs.

ANNEXURE – G

Particulars of the Applicant seeking Master franchisee/Super Distributor -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 circle for Master Franchisee/Super Distributor:-
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 five years (with supporting documents)
9. Names of the Directors along with %age share
10. Name of the Executive Director / Proprietor:
(Who will manage the Master franchisee/Super Distributorship)
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/ Master franchisee/Super Distributor etc.
15. Total manpower on roll employed / engaged by the firm / organization.
16. Work experience of minimum..... with full details thereof. (supporting documents to be submitted)

17. Are you existing franchisee of BSNL, if yes, please give details.
18. Details of the required office space-
 - (a). Ownership Category
Owned Rented

(b). Possession

Already in possession

Possession can be taken within..... days

(c) Address of the office

ANNEXURE – H

DECLARATION

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

Name of the Signatory

For and on behalf of

ANNEXURE - I

Location for Master franchisee/Super Distributor ship applied for

(As per details given in ANNEXURE - H)

Name of the Circle:-

Declaration

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

Dated this Day of 20...

Seal and Signature:

ANNEXURE - J

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: