

General Manager (S & M - CM)

Sales & Marketing - Consumer Mobility

3rd Floor, New CTS Building

16, Greams Road, Chennai – 600 006

Phone: 044-28297878 Fax: 044-28297979



भारत संचार निगम लिमिटेड

(भारत सरकार का उद्यम)

BHARAT SANCHAR NIGAM LIMITED

(A Government of India Enterprise)



No.GM/S&M-CM/210/Franchisee corres /10-11/ dted, the 19.05. 2011

To

All Heads of SSAs,
Tamil Nadu Circle.

Sub: Retailer commission payable by the Franchisee –Applicability of TDS on Discount

Ref:1. C.O.S&D Policy 2009 Ir no 27-11/2011/S&M-CM/Pt dt 18.05 2011

2.DGM(CA),TN circle Ir no.TAX/commission /2011-12/ 5 dted 15/3/2011

Kindly refer to the letter cited above under reference (1) wherein revision of Discount/Commission on recharge /Ctopup to Primary Franchisees of BSNL has been communicated .

It is already stated that Franchisee must pass on part of the commission to retailers as per the table available under sl.no(ii) in Section 'P' of S&D Policy 2009.

As per S&D Policy 2009, for the Recharge/CTOPUP product, the retailer share is 70% of Recharge/CTOPUP discount and the Franchisee share is 30% of Recharge/CTOPUP discount.

As per the letter under reference (2), TDS is also applicable for the discount henceforth reclassified as commission from 1/4/2011. The commission amount to be passed on to the Retailer for the CTOPUP product is furnished below.

Calculation sheet:

| | |
|---|-----------------------------|
| Amount Paid by the Retailer to the Franchisee | : Rs.100 |
| Face value of the Product | : Rs.93.60((100*100/106.84) |
| Minimum Commission 3.85% on face value | : Rs. 3.60 |
| Less TDS @10% on the commission | : Rs. 0.36 |
| Net minimum commission payable to Retailer by The Franchisee | : Rs. 3.6-0.36=3.24 |

For the amount Rs.100 /- paid by the retailer, Franchisees are bound to pass on minimum amount of Rs.103.24 with **minimum commission** amount of Rs.3.24/-

The dtae of implementation of the above is 20/5/2011.

(C.V.Vinod)

General Manager (S&M-CM)

Tamil nadu Circle.

Mobile: 94432 00336

Copy TO:Sr.GM(TR),O/oCGM,TN,Chennai.

2. All AGM(sales)/AO(sales),TN circle

3.All Franchisees of TN circle.