



No.27-3/2012-S&M-CM/18

Date: 09.07.2012

To

Chief General Managers,
All Telecom Circles / District
BSNL

Subject: Clarification "CM Sales & Distribution Policy 2012"

Based upon the queries received from the circles, following clarifications are hereby issued:

Case I - Circles has filled up franchisee territories through EOIs and whose agreement is for 3 year tenure, is in force till year 2013 / 2014.

1. The franchisees that came through EOIs and signed the agreement for 3 years are to be migrated again from current date or to be continued to their previous agreement.
 - **Franchisees are to be migrated as per new policy guidelines w.e.f. 01.07.2012**
2. What happen to previous agreement of the franchisee, if he does not succeed for migration on the basis of performance & kept out (bottom 20%)
 - **CGM may decide:**
 - a. **May remove immediately**
 - or
 - b. **Continue by giving migration for balance period as per new agreement. No further extension / migration shall be given and Eoi may be floated well in time.**

Case II- Franchisee provisionally migrated after March-2012 and agreement signed for one year, whose agreement will expire in year 2013.

- a) Whether EOI is to be floated for such cases on expiry of agreement or to be migrated for 3 year ?
 - **To be migrated w.e.f. 01.07.2012, based on the performance from 01.12.2011 to 31.05.2012.**
- b) Whether the said instructions of migration for 3 years are also applicable in these cases or not?
 - **Yes**

Case III- For the territories under already floated EOIs, and the territories are almost at the final stage. What should be the migration criteria & Which agreement will be signed new or 2009?

- **Wherever Lol issued, will have to sign the agreement as per the "CM-S&D Policy 2012". In rest cases where EOI finalized / yet to be finalized under "S&D Policy 2009" Eois are to be refloated**

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Case IV- For the territories which are vacant due to recent migration in May 2012 (Under 20% bottom) and currently under look after arrangement. Eol shall be floated for these territories as per "CM S&D Policy 2012". Is there any further instructions?

- No

Case V – In Circles there are franchisee whose agreements through Eol were recently executed i.e. after 01.12.2011. In such cases performance cannot be calculated before 01.07.2012. In this case how the migration will be carried out.

- **Migrate for three years w.e.f. 01.07.2012 without evaluation of performance.**

Case VI - Migration is to be done on the basis of performance for last six months. What will be the period?

- **For migration w.e.f. 01.07.2012, the performance may be evaluated for the period from 01.12.2011 to 31.05.2012**

Case VII - Whether any undertaking is to be taken from the franchisees for switch over to new Policy?

- **"CM S&D Policy 2012" is in the supersession with the "Franchisee S&D Policy 2009". Franchisee has to sign new agreement w.e.f. 01.07.2012 and PBG is to updated accordingly. Those franchisee does not want to work with new policy may withdraw as per para 7.2. of existing agreement**

Case VIII – Franchisee who are working under one year look-after arrangement with signing of agreement how migration will be done?

- **Performance will be evaluated after completion of six month as per the performance criteria defined in the said letter of look-after arrangement. On meeting the performance parameters extension will be given for a period upto 30.06.2015 subject to the condition that maximum territory should not more than the territory defined in "CM S&D Policy 2012".**

Case IX – *Modification in para D (g) of Section 2 in "CM S&D Policy 2012" which states: "Franchisees are allowed to migrate in all the existing territories (upto three territories) as per the procedure. In case the numbers of migrated territories are three then he can't participate in the EOI but can be given one look after territory depending on need. If he has migrated in two territories then he can participate for one territory in the 2nd round of Eol and can be given one look after territory as needed."*

- ***Modified as "Franchisees are allowed to migrate in all the existing territories (upto two territories) as per the procedure. Franchisee can participate for one more territory in the 2nd or subsequent round of Eol. The total number of territories including look-after (with signing of agreement or without signing of agreement) will not be more than four."***

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