



No : 64-115/10-S&M CFA

Dated : 23.06.2011

Subject: Minutes of Meeting regarding issues of USOF PC Bundling scheme of M/s Novatium.

A meeting was held with M/s Novatium in the office of Sr. GM (BB-NWP), BSNL CO on 9th June 2011 to discuss the issues/ complaints raised by the various field units. The list of officers attended the meeting is enclosed at Annex-I.

(A) The following points were discussed in the meeting:

1. Non supply of PCs by M/s Novatium where Payment has been collected by the Franchisee.

It was discussed that the various circles namely Gujarat, HP, Rajasthan, Kerela, Haryana etc. have indicated that M/s Novatium have collected the money from the customers but it is not supplying the PCs. Even the list of the customers with details whom the money is collected is not intimated by M/s Novatium. This problem has become so serious that the customers are approaching to the BSNL and in some cases to consumer court. This has also become the matters of the news papers.

M/s Novatium has submitted that in few of the Circles, the sub-Franchisee who was entrusted with the responsibility of sales, collection and supply/installations of Nova PCs has terminated the agreement without handing over the amount collected from the customers and even the list of the customers have not been shared with M/s Novatium. Even though new sub-ordinate Franchisees either have been appointed or would be appointed in due course, M/s Novatium is facing difficulties in locating such customers from whom the payment has been taken in advance by the earlier sub-ordinate Franchisee. In this regard, following have been decided to resolve this issue

(i) If such customers approach to the BSNL for either return back of money or installations of PCs, BSNL shall collect the photocopy of the payment receipts /documents from the customers. The lists of such customers with the details of address and phone number etc. shall be forwarded to M/s Novatium. M/s Novatium shall either supply & install the PCs or return back the money to customers after due verification of the documents within 15 days after receipt of such customers list from BSNL.

(Action to be taken by BSNL Circles and M/s Novatium)

(ii) Such customer may also directly approach to the M/s Novatium either through their Call centers at 1865-500-6682 or by communicating in writing/telephonically to the office of M/s Novatium at Gurgaon along with payment receipts/details. M/s Novatium may also contact to the customers whose details have been shared with them by their sub franchisees. M/s Novatium shall either supply & install the PCs or return back the money to customers after due verification of the documents within 15 days after reporting by customers.

(Action to be taken by M/s Novatium)

2. Non acceptance of the new orders.

It was informed by field unites namely MP, Punjab, Gujarat and AP Telecom Circles that neither any new order has been taken and nor any new connection has been given by M/s Novatium in the last several months. Some field units have also indicated that all SSA in the circles have not been covered by M/s Novatium. It was indicated by Sr. GM (BB-NWP) that M/s Novatium may directly sign the agreement with BSNL's DSA for selling, supply and installation of their PCs.

M/s Novatium has reported that due to failure of agreements with sub-ordinate Franchisees in the few circles, delay in appointment of new sub-ordinate Franchisee has resulted in stoppage of operation in these Circles. Also, the lack of support from the local BSNL units has delayed the implementation of the PC Bundling schemes in general. However, M/s Novatium has reported that it has already appointed sub-ordinate Franchisees in MP, Chattisgarh and Punjab. In addition it has committed to appoint the sub-ordinate Franchisees in rest of the circles shortly with in a month and to start the acceptance of new orders.

(Action to be taken by M/s Novatium)

3. Non-availability of the call center & service centers for customer complaints Redressal.

It was highlighted by BSNL that customer complaints with respect to already provided PCs are increasing day by day due to non availability of call center and service centers of M/s Novatium at the local level. It was also informed that in some cases DOT is not approving the subsidy amount due to non working of PCs. These complaints need to be addressed instantaneously hence necessary arrangements shall be made by M/s Novatium. It was also informed that many PCs supplied by M/s Novatium in Shimla are reported to have many technical problems. Due to this reason, the subsidy against these PCs has not been made by CCA, HP Circle.

It is suggested to M/s Novatium that the complaints related to these PCs may be addressed at the earliest. The list may be obtained from the BSNL HP Telecom Circle. It was also suggested that at least one service centers should be available in the SSAs in which they are supplying the PCs.

M/s Novatium has informed that till date '42' Service Centers are working in India for redressal of customers complaints and they are also increasing the presence of service centers so that the customer's complaints may be handled immediately. It was also intimated by M/s Novatium that the customers may report their grievances at the following platform:

- Customers may call to their national call center at 1865-500-6682.
- Customers may also send the SMS at 575758 with the format as 'Nova' space 'help'. The executives would give a call on the mobile after receipt of the SMS.
- Customers may also send an email at support@novatium.com

- Customers may also use the Help icon on the screen of the Nova PC , to directly chat with the customers care executive.
- Customers may also make the direct call to their service centers whose details are available on the portal www.novatium.com

(Action to be taken by M/s Novatium)

4. Case of Rajya Shiksha Kendra in Madhya Pradesh.

The delay in supply and installation of around 1480 PCs in Madhya Pradesh for the project of Rajya Shiksha Kendra was discussed with M/s Novatium. Even after receipt of feasibility report for 1150 connections, very little supply has been made in this regard. As advance payment has been received for all these connections, it was suggested that swift progress shall be made to supply and install the PCs for these cases.

It was reported by M/s Novatium that some PCs have been already sent to Chattarpur, Gwalior, Sahdol and Rajgarh area of MP telecom Circle for this project. However due to non availability of the Broadband connection, installation could not be done. For the areas of Panna, Rewa, Siddhi, Satna and Damoh, even though the feasibility report of the provisioning of Broadband is available, the BB connectivity has not been provided by the local units.

Both BSNL and M/s Novatium agreed that till the Broadband is not made available the PC supply alone would not help, hence the circle is requested to make the necessary arrangement for installation of Broadband connectivity within 15 days in the cases where feasibility is OK.

(Action to be taken by BSNL Circles and M/s Novatium)

- 5.** It was also informed that field units are reporting that the sub-ordinate Franchisee of M/s Novatium has made false commitment to customers in Haryana Telecom Circle that no bill will be raised by BSNL for PC and broadband service. It was also indicated that some cases of overcharging by M/s Novatium have been reported to BSNL CO.

M/s Novatium has clarified that those customers who had requested for LCD monitor instead of CRT monitor or asked for additional accessories have been charged the additional amount. M/s Novatium has committed that false commitment cases would not be happen again.

(Action to be taken by M/s Novatium)

- (B)** During the meeting M/s Novatium has also highlighted the following issues faced by them during disposing their responsibilities towards the agreement.

1. The local support is not offered to M/s Novatium in general , especially in HP telecom Circle.
2. Payment to the tune of 10 Crores has not been released for the PCs which have been already supplied and installed in various Circles. It was also indicated that in some cases BSNL has received the subsidy amount from DOT but the same has not been disbursed to M/s Novatium.

3. The process need to be redefined to smooth the flow of implementation as the existing process from sales, collection of upfront amount till the verification and subsidy distribution is very lengthy.
4. Disconnected list of customers is not provided with the details of the connection/customers so that the bill against them is not raised in the subsequent month bill.
5. BB provisioning is too time taking, in some cases it extends to 10-12 days.

In view of the above issues enlisted by the Franchisee the following was suggested by BSNL for smooth roll out:

1. Monthly / weekly meeting shall be held within nodal officers of BSNL at the circle and SSA level so that the trivial issues may be resolved at the root itself.
2. Sales team contacts, Service Centers /maintenance contacts and Novatium local contacts shall be shared with all the Circle and local SSA nodal officers of BSNL.
3. The new proposal for change of process may be forwarded to BSNL CO and deliberated upon. In case, it is found suitable as per agreement, the changes in process flow may be considered.
4. The payment of M/s Novatium may be considered by the telecom Circles for the cases against whom the subsidy has been received from DOT . In this regard the circles may be advised to refer this office letter no 64-115/10-S&M CFA dated 14.06.2011 .

Both the Parties agreed that the project in case is implemented with full zeal, it may increase number of BSNL Broadband customers in the rural /remote areas many fold in a very short time. However for this a sincere effort is required even from the lowest rank officers who communicate with the customers face to face. Both agreed to resolve the above issues on priority and motivate its teams for achieving the desired goals.

Sr. GM (BB-NWP) thanked the participants for attending the meeting and urged them to work sincerely for smooth implementation of PC Bundling scheme.

Sd/-

(S.K. Jain)

AGM (USOF), BSNL CO.

Copy to:

(1) DIR (CFA) for kind information pls.

(2) CGM, ALL Telecom Circles/ Metro Districts for kind information and n/a pls.

(3) All Broadband Coordinator, All Telecom Circles/ Metro Districts for information and n/a please

(4) M/s Novatium for kind n/a pls.

Annexure I

1. Sh Anil Kr Jain , Sr. G.M. (BB-NWP), BSNL CO.
2. Sh Arun Gupta, DGM (P3/Comml), BSNL CO .
3. Sh S. K. Jain , AGM(USOF), BSNL CO .
4. Sh. Anurag Aggarwal , CEO Novatium .
5. Sh Praveen Diwedi , AVP(Sales), Novatium .
6. Smt Runu Ghosh , Advisor Novatium .
7. Sh Arun Singh , VP(Channel Network), Novatium .