

**CBB Section 5th Floor
BSNL Corporate Office
Harish Chandra Mathur Lane,
Janpath, New Delhi - 110001**



भारत संचार निगम लिमिटेड
(भारत संचार निगम लिमिटेड)
BSNL
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Undertaking)

No. BSNLCO-CBB/20(17)/2/2025-CBB

Dated: 08.12.2025

To

**The Chief General Manager/IFA,
All Territorial and Non-Territorial Circles**

Sub: Cost rationalization measures for Operating Expenses - reg.

Kindly refer to this office letter of even No. dated **01.09.2025** and **18.09.2025** wherein Circles were requested to closely monitor the OPEX expenditure, ensure reduction, and proactively implement cost optimization measures in their respective Circles with a target of achieving a minimum **10% reduction in OPEX during Q2, FY 2025-26 vis-à-vis Q2, FY 2024-25**.

As a part of the ongoing efforts for cost optimization it is reiterated to reduce the OPEX by minimum **10% during Q3, FY 2025-26 vis-à-vis Q3, FY 2024-25**. In this connection, Circle-wise OPEX cost targets have been calculated and attached at **Annexure-1** for ready reference and strict adherence.

Despite consistent efforts, the Network Operating Expenses especially expenditure booked under pre-paid items (5023609), Electricity (5020302), R&M A&P (5020803), R&M A&P Electricals (5020818), R&M Cable OFC (5020819) and Exp. On Security Guard (5021702) have shown increasing trend in many Circles. Similarly, there is a need to review the booking under Exp. on Upkeep services (5021601) and revenue share for content cost (5023601).

Apart from the above budgetary items, there are few non-budgetary heads under OPEX which require close monitoring. Few such heads are as under: -

- a. Bad debts written off (5022009)
- b. Provision for doubtful debts (1380139)
- c. Revenue share FTTH (5023413)
- d. Commission & Brokerage to distributors (5022200, 5023407)

In this connection, following decisions have been taken by the Management to curtail the expenditure for the period up to 31.03.2026

from the date of issue of the letter:-

- a. Expeditious implementation of energy saving measures as communicated in letter No. BSNLCO-CBB/20(17)/2/2025-CBB dated 23.09.2025.
- b. Implementation of SLA penalty in all revenue share contracts viz. Passive Infrastructure, BTS maintenance, OFC cable maintenance etc.
- c. 25% cost cutting in Security Guard and Up-keep services to be enforced for Q3 and Q4 of FY 2025-26.
- d. The R&M Building work (502801) and R&M A&P Electricals (5020818) budget has been curtailed. Any emergency requirement, if any in the above two heads may be forwarded to this office on budget.corporate@bsnl.co.in.
- e. All provisions made under OPEX need to be reviewed as per extent guidelines and any excess provisions may be written back. A certificate signed by IFA may be sent on email ID budget.corporate@bsnl.co.in by 22.12.2025 in the Format Annexed.

The RE 2025-26 for OPEX will be provided to the Circles keeping in view the above cost rationalization measures.

The efforts of BSNL in Q1 & Q2 FY 2025-26 have been appreciated by the Hon'ble MOC in the review meetings. Let the momentum continue and expenditure be curtailed without compromising the effectiveness by improving cost efficiency.

This has the approval of CMD, BSNL.

Encl.: As above.


Sr.GM (CBB)
BSNL CO,
New Delhi

Copy to:

1. PPS to CMD, BSNL Board for kind information please.
2. PPS/PS to Director (Fin/CFA/CM/EB), BSNL Board for kind information please.
3. PGM (CA) for kind information pl.

Annexure_1

ACTUAL & TARGET STATEMENT FOR Q3, FY 2024-25 & Q3, FY 2025-26

Rs in Crs.

CIRCLE CODE	CIRCLE	Q3 FY 2024-25			Target Exp Q3,2025 26 (10% less than actual exp of Q3, 2024-25)
		EXP BOOKED	NET CROSS CHARGE	EXP BOOKED (Excluding Cross Charge)	
(1)	(2)	(3)	(4)	(5) = (3) -(4)	(6)
1037	Ahdhra Pradesh	215.30	3.22	212.08	190.87
1080	ALTTC	10.33	0.00	10.33	9.29
1011	Andaman & Nicobar	71.31	1.86	69.45	62.50
1013	Assam	86.20	2.45	83.74	75.37
1014	Bihar	123.06	3.79	119.27	107.34
1036	Chennai Telephones	98.06	2.20	95.86	86.27
1015	Chhattisgarh	75.40	2.85	72.54	65.29
1050	Core Network Tx East (CNE)	36.44	0.00	36.44	32.79
1064	Core Network Tx NER (NETF Guwahati)	19.26	0.00	19.26	17.34
1052	Core Network Tx North (CNN)	161.50	0.00	161.50	145.35
1053	Core Network Tx South (CNS)	106.03	0.00	106.03	95.43
1051	Core Network Tx West (CNW)	66.31	0.00	66.31	59.68
1091	DATA NETWORK	20.67	0.00	20.67	18.60
1016	Gujarat	48.05	8.29	39.76	35.78
1017	Haryana	146.06	10.53	135.52	121.97
1018	Himachal Pradesh	54.26	3.57	50.69	45.62
1065	ITPC PUNE	42.61	0.00	42.61	38.35
1019	Jammu & Kashmir	54.63	3.24	51.39	46.25
1020	Jharkhand	72.90	3.92	68.98	62.08
1021	Karnataka	240.16	-7.77	247.93	223.14
1022	Kerala	336.99	-7.95	344.94	310.45
1035	Kolkata Telephones	101.31	0.00	101.31	91.18
1023	Madhya Pradesh	148.14	-0.55	148.69	133.82
1024	Maharashtra	371.68	-23.67	395.36	355.82
1025	North East-I	49.53	2.46	47.07	42.36
1026	North East-II	35.47	1.83	33.64	30.28
1027	Odisha	133.15	0.51	132.64	119.38
1028	Punjab	175.13	8.12	167.02	150.32
1003	QA & INSPECTION	10.61	0.00	10.61	9.55
1029	Rajasthan	175.88	-7.96	183.84	165.46
1038	Sikkim	5.47	0.48	4.99	4.49
1030	Tamil Nadu	284.06	-36.68	320.74	288.66
1012	Telangana	171.03	6.05	164.97	148.48
1031	UP East	245.80	6.15	239.65	215.69
1032	UP West	143.07	0.00	143.07	128.77
1033	Uttarakhand	53.00	3.95	49.04	44.14
1034	West Bengal	124.24	6.12	118.12	106.31
		4313.09	-2.97	4316.06	3884.46

Note:

PAO HQ & DDG BBF and Corporate Accounts have not been considered having negative values as target.

Details of OPEX & SALARY EXP IN Q3 F.Y 2024-25

Circle Code	Circle Name	NETWORK USAGE	ACCESS CHARGE	LF SUC	S&M	OTHER OPEX	SALARY (EMPLOYEE BENEFIT EXP)	TOTAL
1037	Ahdhra Pradesh	475320906	7913230	186992002	141019512	356621518	985114647	2152981815
1080	ALTTC	10194805	0	0	0	10111216	82954278	103260299
1011	Andaman & Nicobar	600999117	0	17896473	574240	96311980	-2650926	713130884
1013	Assam	204462694	3820815	63490024	21553810	126386402	442239210	861952955
1014	Bihar	128282278	42473881	105435333	114803044	226716418	612850075	1230561029
1036	Chennai Telephones	314403641	28995064	96979927	20452897	41404122	478401800	980637451
1015	Chhattisgarh	263281735	70541	61662162	56904701	177475402	194579551	753974092
1050	Core Network Tx East (CNE)	96446233	0	1	150492	5152769	262602278	364351773
1064	Core Network Tx NER (NETF Guwahati)	82617430	0	56371	8835	1616725	108313083	192612444
1052	Core Network Tx North (CNN)	1004069816	25307185	42151393	116278	34432482	508951584	1615028738
1053	Core Network Tx South (CNS)	222971547	0	20281003	385399	384868523	431784678	1060291150
1051	Core Network Tx West (CNW)	337822209	0	390945	65050	12297946	312553546	663129696
1091	DATA NETWORK	22553427	0	1384977	0	11285163	171449874	206673441
1016	Gujarat	627455604	24828609	170986702	151339004	-1401819910	907712468	480502477
1017	Haryana	208926168	38761341	157045138	192367080	394142124	469309798	1460551649
1018	Himachal Pradesh	167385092	3035496	52722007	13829157	103308555	202312947	542593254
1065	ITPC PUNE	111097417	0	1209463	-7594	67794588	245994633	426088507
1019	Jammu & Kashmir	163135252	7717440	41566732	5102102	98558887	230209948	546290361
1020	Jharkhand	164402554	0	46659474	34112247	187222515	296620584	729017374
1021	Karnataka	588712032	70341134	299004410	129173028	323341525	991012651	2401584780
1022	Kerala	1329093446	91904274	351700990	60513271	466760855	1069899581	3369872417
1035	Kolkata Telephones	292855661	49532466	8540537	90906506	97130022	397237945	1013113137
1023	Madhya Pradesh	333609794	16230557	140396531	122362193	371952549	496812212	1481363836
1024	Maharashtra	1386642861	160162422	450537729	380004338	625914264	713587673	3716849287
1025	North East-I	122312081	3626723	31177478	7493474	66347122	264387717	495344595
1026	North East-II	55300152	0	15066038	-2305478	57674195	228992934	354727841
1027	Odisha	435395047	13832058	139915208	48288682	435270904	258787810	1331489709
1010	PAO HQ & DDG BBF	19787533	0	0	8121522	-57504922	481485072	68110795
1028	Punjab	487393468	92128476	126147486	56083948	194526371	795052626	1751332375
1093	QA & INSPECTION	597720	0	0	2415	103637129	106125029	
1029	Rajasthan	601244274	28310038	193532520	104139118	215449697	616170700	1758846347
1038	Sikkim	9286619	0	-591477	877882	4708908	40448871	54730803
1030	Tamil Nadu	1126072957	105797921	323731908	130837205	349195100	804919711	2840554802
1012	Telangana	350279327	53961057	118375417	133694264	209356124	844590704	1710256893
1031	UP East	484604239	40171768	208557917	208074560	769803112	746810577	2458022173
1032	UP West	499324672	32905125	108918555	107895291	115517440	566184446	1430745529
1033	Uttarakhand	130021555	3515	45325185	46540361	131420329	176678812	529989757
1034	West Bengal	304785436	76514481	101458920	81484609	156532625	521580075	1242356146
1099	CORPORATE ACCOUNTS	-398059333	0	0	100000	-873528373	294657183	-976830523
		13365087466	1018345617	3805615479	2467063443	4075643037	17354238485	42085993527



Circle Name:

Annexure-II

Head of Account	Existing Provision	Reversed Provision	Balance Provision

This is to certify that, all provisions made under OPEX have been reviewed and excess provisions have been written back as per details provided above.

Circle IFA