

Corporate Marketing

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भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

To,

The Chief General Manager,
All Telecom Circles,
BSNL

No. CA/Mktg/14-1/ 2013

Dated: 26th February 2014

Sub: Delegation of Financial Powers of CGMs of Telecom Circles

We had received letter from CGM Jharkhand, wherein, delegation of financial powers to SSA level was sought. He had also enclosed our DO No 16-54/2010B which contained instructions at item No 8 that "Head of the circle alone may exercise the powers under Business Promotion and Marketing activities.

The matter was reviewed and following has been decided with the approval of CMD:-

- I. For ATL activities, head of circle will be the competent authority for expenditure approval; this may not be further delegated.
- II. For non ATL activities , a plan of marketing activities, along with financial outlay –within budget allotted by the circle to the respective SSA for non ATL activities, will be prepared by SSA heads and approval obtained from circle head for execution. Financial powers as approved in the plan would stand delegated to the SSA head (No further delegation) for the budget period, only.
- III. Responsibility for ensuring that total expenditure incurred by all units of the circle remain within the budget, allotted by Corporate office, will be that of Circle head.

You are requested to consider above points while planning expenditure for the business promotion and marketing activities.

Vivek Singh
26/02/14
(Vivek Singh)

DGM (Corp. Marketing)

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भारत संचार निगम लि
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BHARAT SANCHAR NIGAM L
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गोपाल दास

अध्यक्ष एवं प्रबंध निदेशक

Gopal Das
Chairman & Managing Director

D.O.No.16-54/2010-B
Dated:15-12-2010

Dear Shri

This is in continuation of my D.O No.16-54/2009-B dated 03.11.2010, seeking your review on measures to reduce cash deficit of your circle. Vide D.O No.16-54/2010-B dated 22.10.2010, EID (Pin) had also suggested a brain-storming at your level to reduce expenditure and generate more revenue. While Bihar Circle has reviewed the response and fixed responsibility centres, response of other Circles to this challenge is unknown. However, a review of the periodical cash requisitions and remittances suggest that much more needs to be done. Corporate Office has already pruned the revised budget allotment 2010-11 and Circles are to scrupulously limit the item-wise expenditure as per revised allotment. You may also judiciously utilize available cash as per priority and monitor SSA wise position and allocation of funds to individual SSAs.

While the embargo on expenditure on the items mentioned in my DO cited above will continue till 31.03.2011 or further review, whichever is later, the following additional guidelines may be implemented during the same period

1. **Capital Expenditure:**

- Sanction of all Capital Estimates may be centralized under the Head of Circle (HOC). No SSA will sanction estimates, except those specifically authorized/approved by Corporate Office.
- All loss making Projects may be reviewed and further expenditure incurred only after approval from HOC.
- No expenditure may be incurred for administrative buildings, new Exchanges, Staff Quarters, Inspection Quarters etc.
- Expenditure on overlay networks may be put on hold except where absolutely essential, with permission of CGM.
- Total ban on purchase of new vehicles to be strictly followed.

2. **Expenditure Sanction:**

Availability of Revised allotment should be ensured before any expenditure sanction. Expenditure may be incurred only within Revised Budget allotments under all Heads of Accounts.

3. **Sub Delegation of Financial Powers:**

Sub delegation of financial powers to officers below GM/Head of SSA level should be reviewed in consultation with IFA and withdrawn till further orders.

4. **Temporary Advance :**

All temporary advances may be sanctioned at GM/SSA head level only, in absolutely essential cases. Outstanding temporary advances may invariably be adjusted within one month or the amount recovered along with penal interest from the holder. Cash payment through Temporary Advances should be avoided for payment of fuel, electricity charges etc.

5. **Electricity & Fuel Charges :**

- Energy audit may be done by the Electrical wing to ensure load optimization and reduction of expenditure and reports submitted to HOC. Prompt corrective actions, wherever required are to be taken immediately.

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- b) Load factor of the electric connection may be reviewed/analyzed by Electrical wing so as to minimize the expenditure on electricity bills.
- c) A committee under EE/SE (Ele) may be formed to review and suggest measures to minimize consumption of fuel at BTS/Exchanges and fix ceilings on consumption.
- d) Payment for fuel may invariably be effected through 'SMART CARD'.
6. **Vehicle Hiring:**
- a) Hiring of vehicles to be restricted to maximum 75% of the shortage in justified and approved number of vehicles.
- b) Pooling of vehicles may be undertaken wherever possible.
- c) Maximum ceiling on usage of vehicles in KMs, based on some rational yardstick like earlier usage etc may be prescribed for all vehicles. The idea is to limit the expenditure without affecting operational efficiency.
7. **Repair & Maintenance of Buildings :**
- a) Repairs and Maintenance Expenditure may be deferred, except to secure building safety.
- b) Rented Buildings : Justification may be reviewed and wherever possible, these offices may be vacated and shifted to Departmental buildings.
- c) Depts. HQs and Holiday Homes to be treated at par with Residential buildings for the purpose of exercising financial powers for repairs, additions and alterations.
8. **Marketing Expenses :**
- Head of the Circle alone may exercise the powers under 'Business Promotion & Marketing' activities. Expenditure may be limited to the committed liability to date, within revised budget allotment of the circle.
9. **Travel Expenses:**
- All tour approvals may be done at GM & above/SSA head only. Travel expenses may be restricted to the bare minimum by extensive use of Tele and Video Conferencing. The recently launched Web-based virtual class-room platform in BSNL to be utilized. Tours may be approved only in cases where journeys are unavoidable.
10. **Security Guards :**
- Security Guards may be engaged only on need basis and strictly as per norms issued by Corporate Office, within revised budget allotment.
11. **Seminars & Conferences :**
- Expenditure on Seminars and Conferences, Exhibitions, Workshops and Meetings may be minimized and departmental facilities utilized fully.
12. **Local purchase:**
- Local purchase may not be resorted to in cases where items are available/ being produced in Telecom Factories.
13. **Hiring of Towers:**
- a) Avoidable expenditure on non-radiating and anchor tower hiring needs to be strictly curtailed.
- b) All efforts to be made to share at least 75% of the USO towers with other private operators to reduce fuel/electricity and other charges.
14. BSNL is having huge network and assets base. At this juncture, emphasis has to be on how to monetise our existing network/assets and use them for additional revenue generation. All CGMs may take appropriate action in this direction and provide feedback to Corporate Office.

You are requested to review the cash inflow vis-à-vis the outflow in the Circle and implement above measures to bridge the deficit.

I shall be personally monitoring the cash flow of the circles and action taken by you to overcome the cash crisis presently being faced by the company.

With regards.

Yours sincerely,

(GOPAL DAS)

To

Shri

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