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No. 119-3/2013-BP-Ent

Dated: 2<sup>nd</sup> April, 2013

## Circular

## <u>Sub: - Withdrawal of the facility of providing free of cost OFC to MNS, Leased Line and MPLS customers.</u>

BSNL had circulated the tariff for BSNL Managed Network Services vide circular No. 10-4/EB/2009-R&C dated 3.6.2009. As per clause 4.3 of this circular it was decided that for better reliability the circuit should be preferably provided on OF network and (additional) OF can be laid at BSNL cost. Further it is mentioned in the above mentioned clause that free of cost OFC will be provided to the customer up to a specified distance (based on circuit bandwidth). For any additional laying beyond specified limit, 50% of the cost/investment will be charged to the customer.

- Vide letter No. BSNL/BD/Dark Fiber/2006 dated 2.2.2010, approval was also conveyed to extend the provisions of the above said clause 4.3 for all kinds of MPLS/Leased circuits subject to minimum commitment of 2 years.
- 3. Now, since BSNL is providing substantial discounts on the tariffs of MNS, MPLS, Leased Lines, etc., it has been decided by the competent authority to withdraw the instructions regarding free of cost OFC laying issued vide clause 4.3 of circular No. 10-4/EB/2009-R&C dated 3.6.2009 and circular No. BSNL/BD/Dark Fiber/2006 dated 2.2.2010.
- 4. If any additional expenditure is to be done exclusively for a customer for providing OFC (or any other type of) connectivity to provide the service to the customer, the same can be done under following conditions.
- 4.1 It will be in the interest of BSNL to lay OFC in such a manner that spare capacity available on OFC should also be utilized to full extent and maximum business is generated so that expenditure incurred on laying OFC is converted into fruitful investment.
- 4.2 In cases where huge amount on OFC laying is incurred by BSNL, longer commitment period may be taken from the customer and the efforts should be made to keep the OFC expenditure a small percentage of the annual revenue and wherever possible the same should be recovered separately as one time charge.

4.3 The whole or part of the additional expenditure may be borne by BSNL provided the business case based on revenue generated over a period of time, volume of business or future business potential warrants this. This has to be approved by the CGM based on business case.

(Devendra Yadav) DGM (Business Planning-Enterprise)

To

All the CGMs BSNL Telecom Circles/Metro Distt./Regions/Projects All the GMs (EB-City) / GMs (Enterprise) Telecom Circles

## Copy to:

- PPS/PS to the CMD / All Directors BSNL Board / All ED BSNL
- 2. Sr.GM (EB-I)/GM (EB-II)/ GM (Fin-Ent) / Sr. GM (CNP)/Sr.GM CNO) BSNL CO.
- 3. OL section for providing Hindi version.