

**No. 30-605/BharatNet/BBNL/74**  
**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**Digital Bharat Nidhi (erstwhile USOF)**

**Room No. 1402, Sanchar Bhawan, New Delhi**  
**Dated: 20.05.2025**

**OFFICE MEMORANDUM**

**Sub: Funding to BBNL from DBN pending its merger with BSNL**

This refers to letter No. BBNLCO-30/22/12/2024-CGM(HR) dated 18.02.2025 and letter No. BBNLCO-30/22/12/2024-CGM(HR)/2 dated 28.03.2025 received from CMD BBNL requesting for the extension of Agreement dated 08.04.2022 between DBN and BBNL. BBNL has requested for extension of the said agreement.

2. In this regard, the undersigned has been directed to convey approval of the competent authority for extending the agreement dated 08.04.2022 between DBN and BBNL with existing scope of work for one-year w.e.f. 01.04.2025 or till the merger of BBNL in BSNL becomes effective, whichever is earlier, subject to the following conditions:

- i) Funding from DBN shall not exceed the activity-wise/component-wise funds approved by the Union Cabinet on 28.07.2017 of the Cabinet Note titled – “Modified implementation strategy of BharatNet towards realization of vision of Digital Bharat”, till the DCC approval for inter-se allocation of funds under different activities of BharatNet Phase-I & II.
- ii) Office/administrative expenditure of BBNL shall be admissible on actual basis.
- iii) The funding for any consultants working in BBNL shall be paid by BSNL (Clause 2.5.9 of the Quadripartite agreement).
- iv) BBNL and BSNL will take all necessary actions for early completion of merger of BBNL with BSNL.
- v) All relevant existing contracts made by BBNL will be novated/transferred in the name of BSNL at the earliest as mentioned in the Quadripartite agreement (Para 2.5.7) and the Umbrella agreement (Para 5.11 (iv)).
- vi) Clause 5.11 (iv) of the BharatNet Umbrella agreement dated 24.01.2024 between USOF and BSNL is amended as under:

Clause no.	Existing clause	Proposed revised clause
5.11 (iv)	The funding for BharatNet vertical shall be governed as per the existing quadripartite agreement	The funding for BharatNet vertical shall be governed as per the existing quadripartite agreement between DoT, USOF,

	between DoT, USOF, BBNL and BSNL dated 16.11.2022 and same shall continue till 31.03.2024 only. No separate funding to BSNL towards manpower costs shall be made other than AE & EC and other incentives etc as approved by Union Cabinet approval dated 04.08.2023 after 31.03.2024	BBNL and BSNL dated 16.11.2022 and the same shall continue on actual basis till the migration of BharatNet Phase-I & II network into Amended BharatNet Program. No separate funding to BSNL towards manpower costs shall be made other than AE & EC and other incentives etc as approved by Union Cabinet approval dated 04.08.2023 after migration of BharatNet Phase-I & II network into Amended BharatNet Program.
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- vii) No fresh liabilities may be created by BBNL, and the bills of PMA & FMA of those states where ABP is being rolled out (e.g. Punjab, Bihar), will be given priority.
- viii) Funding from DBN shall be assigned to BBNL through CNA module in Treasury Single Account (TSA) in RBI based on current liability. Subsequent funding will be assigned upon submission of the utilization certificate of the previous allocated fund to BBNL.
- ix) BBNL shall submit the fund utilization report by 5th of every month positively.

3. This is for information and further necessary action pl.



(Sheel P. Gautam)  
Deputy Administrator (T-II & A), DBN  
011-23310261

To,

**CMD, BBNL/BSNL  
Janpath, New Delhi**

Copy to:

1. PSO to Secretary (T), DoT
2. PPS to Administrator, DBN
3. Jt. Administrator (T), DBN
4. Jt. Administrator (F), DBN
5. DDG(SP), DBN