

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

STARRED QUESTION NO:374
ANSWERED ON:06.12.2010
OUTSTANDING DUES OF MTNL BSNL
Agarwal Shri Jai Prakash

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the outstanding dues on account of telephone bills of the Mahanagar Telephone Nigam Limited (MTNL)/Bharat Sanchar Nigam Limited (BSNL) have increased;
- (b) if so, the details thereof alongwith the outstanding dues during the last three years and the current year, State-wise; and
- (c) the steps taken by the Government to recover the outstanding dues?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT, SCIENCE AND TECHNOLOGY AND EARTH SCIENCES AND COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI KAPIL SIBAL)

(a) to (c) A Statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO. 374 FOR 6TH DECEMBER, 2010 REGARDING "OUTSTANDING DUES OF MTNL/BSNL"

(a) & (b) Mahanagar Telephone Nigam Limited(MTNL)'s outstanding dues against its subscribers on account of telephone bills is as given below:-

Outstanding details for last three years and current year.

(Figures in "Rs.Crores")

Year 2007-08 2008-09 2009-10 2010-11 (upto 30.09.2010)

Delhi 761.67 767.10 736.17 745.10

Mumbai 426.96 406.63 383.43 394.58

Total 1188.62 1173.73 1119.60 1139.68

It can be seen from the above details that MTNL's outstanding dues have shown a downward trend from 2007-08 to 2009-10 and have increased slightly at the end of September 2010.

Bharat Sanchar Nigam Limited (BSNL)'s total outstanding dues against its subscribers on account of telephone bills is as given below:-

Outstanding details for last three years and current year.

(Figures in "Rs.Crores")

Year 2007-08 2008-09 2009-10 2010-11 (upto 30.09.2010)

Total 5142.72 4635.57 4749.23 5351.39

BSNL's state-wise outstanding dues against its subscribers on account of telephone bills is given in Annexure. It is seen from above details that BSNL's outstanding dues decreased from 2007-08 to 2008-09 and have shown an upward trend after that.

(c) BSNL has been taking following steps to effect recovery of outstanding dues from its customers on regular basis:-

- 1) Payment reminders through Interactive Voice Response System (IVRS) are being issued to persuade the customers to make payment before disconnection of their telephones and phones are disconnected as per the schedule in case of non payment of dues by customers.
- 2) Connections remaining disconnected for non-payment are permanently closed after three months from bill issue date and accounts regularized by adjusting Security deposit, if any available.
- 3) Graded discount scheme regarding grant of discount to defaulting customers, for clearance of old outstanding dues has been introduced.
- 4) Incentive scheme to employees of BSNL for recovery of outstanding arrears from defaulters is also in existence.
- 5) Legal proceedings, wherever required are initiated against the defaulters for recovery of dues.
- 6) The State Governments have been requested to amend their respective land revenue acts so that the Telephone dues of BSNL can be recovered as land revenue arrears.
- 7) Circle-wise and Year-wise target for liquidation of outstanding dues are fixed to get the maximum realization and the progress in regard to liquidation of outstanding dues is closely monitored and units are addressed periodically.
- 8) Instructions have been issued to ensure timely issue of telephone bills.
- 9) Procedure for settlement of defaulter cases through Lok Adalat has been introduced for recovery of outstanding telephone dues in respect of permanently closed connections.
- 10) In addition to the above, during the current year (2009-10), a new recovery scheme under the brand name 'Project Kuber' has been launched to recover the outstanding dues over 3 months to 3 years through experienced private recovery agents/agencies in respect of closed connections.

MTNL has been taking following steps to effect recovery of outstanding dues from its customers on regular basis:-

- 1) Strong monitoring of outstanding dues is done at the corporate level and in the units.
- 2) Recovery agents are employed for making recoveries.
- 3) A Revenue Assurance program is also being implemented in MTNL wherein efforts are being made to ensure that maximum Revenue Billing and Revenue Realization takes place. In Mumbai a professional agency has implemented this program on MTNL's initiative.
- 4) Telecom Revenue Action Plan is also being implemented wherein MTNL has been launching various schemes from time to time to recover the outstanding and adjusting their Security Deposits against their outstanding bills.
- 5) Convergent Billing System is being introduced for achieving further control on Revenue Assurance and realization of outstanding dues.
- 6) Automated telephonic reminders are sent to subscribers who default in making payments of their bills. However, if Customers do not pay even after reminder, then the telephone line is disconnected within 35 days from the date of the bill. For first 30 days of disconnection customer's incoming facility is kept open. If payment is not received even after 30 days from disconnection, then incoming is also disabled. If subscriber pays the outstanding amount, the telephone line is reconnected on the same day. If subscriber fails to pay then a recovery procedure is followed.
- 7) In the event of the above efforts not yielding results, recovery suits are filed in the court of law wherever feasible.