

**PUBLIC ACCOUNTS COMMITTEE
(1973-74)**

(FIFTH LOK SABHA)

HUNDRED AND SECOND REPORT

[Action Taken by Government on the recommendations of the Public Accounts Committee contained in their 85th Report (Fifth Lok Sabha) on Posts and Telegraphs].



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PUBLIC ACCOUNTS COMMITTEE

(1973-74)

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Shri M. S. Sundarsena—*Deputy Secretary.*

Shri T. R. Krishnamachari—*Under Secretary.*

*Elected on 29-11-73 vice Shri D. S. Afzalpurkar died.

INTRODUCTION

1, the Chairman of the Public Accounts Committee as authorised by the Committee, do present on their behalf this Hundred and Second Report on action taken by Government on the recommendations of the Public Accounts Committee contained in their Eighty-fifth Report (Fifth Lok Sabha) relating to Ministry of Communications (Posts and Telegraphs).

2. On the 26th May, 1973 an 'Action Taken' Sub-Committee was appointed to scrutinise the replies from Government in pursuance of the recommendations made by the Committee in their earlier Reports. The Sub-Committee was constituted with the following Members:

Shri H. N. Mukerjee—*Convener.*

- | | |
|------------------------------|------------------|
| 2. Shri Sunder Lal | } <i>Members</i> |
| 3. Shri Biswanarayan Shastri | |
| 4. Shri M. Anandam | |
| 5. Shri Nawal Kishore | |
| 6. Shri H. M. Patel | |

3. The Action Taken Sub-Committee of the Public Accounts Committee (1973-74) considered and adopted this Report at their sitting held on 9th January, 1974. The Report was finally adopted by the Public Accounts Committee on the 31st January, 1974.

4. For facility of reference the main conclusions|recommendations of the Committee have been printed in thick type in the body of the Report. A statement showing the summary of the main recommendations|observations of the Committee is appended to the Report (Appendix).

5. The Committee placed on record their appreciation of the assistance rendered to them in this matter by the Comptroller and Auditor General of India..

NEW DELHI;

February 4, 1974.

Magha 15, 1895 (S).

JYOTIRMOY BOSU,

Chairman,

Public Accounts Committee.

CHAPTER I

REPORT

1.1. This Report of the Committee deals with Action Taken by Government on the recommendations contained in their 85th Report of the Comptroller and Auditor General of India for the year 1970-71—Union Government (J&T) which was presented to the House on 24th April, 1973.

1.2. Action Taken Notes have been received in respect of all the 21 recommendations|observations contained in the said Report.

1.3. The replies have been categorised as follows:—

(i) *Recommendations|Observations that have been accepted by Government.*

1, 2, 4, 6, 10-12, 14-18, 20 and 21.

(ii) *Recommendations|Observations which the Committee do not desire to pursue in view of the replies of Government.*

Nil.

(iii) *Recommendations|observations replies to which have not been accepted by the Committee and which requires reiteration.*

7.

(iv) *Recommendations|observations in respect of which Government have furnished interim replies.*

3, 5, 8, 9, 13 and 19.

1.4. The Committee hope that final replies in regard to the recommendations to which only interim replies have so far been furnished will be submitted to them expeditiously after getting them vetted by Audit.

1.5. The Committee will now deal with Action Taken Notes on some of the recommendations.

Malpractices in the operation of Telephone Metres in two Telephone Exchanges at Bareilly (Paragraph 1, 32, S. No. 5).

1.6. While dealing with the malpractices in the functioning of telephone meters in two Telephone Exchanges at Bareilly, the Com-

mittee in paragraph 1.32 (S. No. 5) had made the following observation:

"Although the malpractices in this case came to the notice of the Department in July, 1968, no conclusive action has so far been taken against the eight officers involved in the case. The Committee are dissatisfied with the slow progress in this regard and desire that necessary steps should be taken to expedite the departmental proceedings. The Committee would like to be informed about the action taken against the officers concerned."

1.7. In their note dated the 30th October, 1973 the P&T Board have stated as follows:

"Disciplinary action was initiated against three Gazetted Officers at fault in consultation with the Central Vigilance Commission. Charge-sheets were issued to them on 23-6-1973. Statements of Defence from two officers have been received and are under examination. Since both these officers are Class-I officers, consultation with U.P.S.C. would be necessary. It will, therefore, take some time to finalise these cases. In the case of third officer, who is a Class-II officer, the Central Vigilance Commission has been asked to nominate a Commissioner for Departmental Inquiries for appointment as Inquiry Officer. The enquiry will commence after the appointment of an Inquiry Officer and the Presenting Officer.

Disciplinary action against Non-Gazetted officials is being taken by Postmaster General, Lucknow. These disciplinary cases are still in progress."

1.8. Although the Committee had expressed their dissatisfaction over the slow progress of disciplinary proceedings against the officers involved in malpractices in the operation of telephone meters which came to notice in July, 1968, it is regretted that a finality has not yet been reached. They desire that expeditious action should be taken to finalise the disciplinary proceedings.

Departmental Mail Motor Service at Gauhati (Paragraph 1.45 S. No. 7)

1.9. Commenting on the departmentalisation of the Mail Motor

Service at Gauhati, the Committee, in paragraph 1.45 (S. No. 7) observed as follows:

"The Committee note that one of the considerations for departmentalisation of the Mail Motor Service at Gauhati by using 3 wheeler vehicles was economy in expenditure. The Committee, however, feel that the estimate of the running cost at 40 paise per Kilometre prepared by the Department was on the low side. They desire that the reasonableness of this estimate should be gone into. It is indeed surprising that the departmentalisation was embarked upon without ensuring proper facilities for the repair and maintenance of the vehicles. The Committee desire that it would be thoroughly investigated how the vehicles started suffering frequent breakdowns within five months of the departmentalisation. They would like to know the position regarding the establishment of the workshop and the utilisation of the vehicles."

1.10. The P&T Board in their note dated the 22nd November, 1973, have stated as follows:

"The procedure and standard adopted for the calculation of the cost of running 1 mile or 1 kilometre by a Tempo 3 wheeler, during the year 1965, 1966 and 1967 were as follows:

1. Capital Cost of one Tempo 3 Wheeler vehicles: Rs. 10,000,
2. Cost of servicing and maintenance:—

The life of a Tempo 3 wheeler vehicle in terms of service in mileage is 60,000 miles. It is anticipated that during this entire span of life, cost of servicing and maintenance would work out to 50 per cent of its cost i.e. 10,000—Rs. 5,000

Therefore the cost of servicing and maintenance to run 60,000 miles is Rs. 5000.

Therefore the cost of servicing and maintenance if the vehicle

runs 1 mile will be Rs. $\frac{5000}{60,000} = 8$ paise per mile.

3. Cost of depreciation if the vehicles runs one mile:—

	Rs.
Cost of the Vehicle	10,000
Less residual value after the vehicle completes its life i.e. 10% of the cost	1,000
Balance	9,00

This amount of Rs. 9,000|- depreciates if it runs 60,000 miles. Therefore depreciation per mile:

$$\frac{9,000}{60,000} = 15 \text{ paise per mile}$$

4. Cost of petrol, oil and lubricants for running 1 mile:

The Vehicle would run 26 miles for 1 Gallon. Taking the cost of P.O.L. as Rs. 4.15 per Gallon, the cost for running 1

$$\text{mile} = \frac{4.15}{26} = 16 \text{ paise per mile.}$$

but this rate also varies according to the nearness of the place to the port etc.

5. Interest on capital cost is calculated at the rate of 7 per cent per annum from 1966 and 5.75 per cent. per annum prior to 1966.

6. Cost of Establishment: The pay and allowances of a Driver is calculated as follows:

	Rs.
Average pay of a Driver	146.16
D.A.	58.00
H.R.A..	7.50

Total	211.6

But this is subject to variation if CCA is admissible in that place and the rate of D.A. etc. changes.

7. Charges on account of leave salary and pension contribution and share of control and audit is taken as 40 per cent of the cost of Establishment at 6 above.

8. In small units like Gauhati, where number of vehicles is small, the elements of cost like pay and allowance of the Manager, the office establishment and workshop establishment and indirect charges like interest and depreciation on buildings and garages, plant and machinery and interest on land are not taken into account at the time of estimation, as the S.P.O. of the Division is in charge of the unit and no separate office establishment, workshops, garage, plant machinery are sanctioned to the unit.

The above standards have been uniformly adopted for calculating the estimated cost of running the departmental MMS where tempo 3

wheelers were sanctioned, with slight variations depending upon the year and place in the matter of interest on Capital cost, establishment charges, cost of petrol etc. The detailed calculations in respect of 8 towns where Tempo 3 Wheelers were introduced are given in the statement enclosed (Page 46). It will be seen therefrom and also from the enclosed calculation sheet (page 47) that the standards adopted for estimating the running cost per mile or K.M. of MMS. at Gauhati is the same as those adopted for other places.

A comparative study of the statement would reveal that the cost for running 1 K.M. by a Tempo 3 wheeler decreases as the mileage to be covered in a month increases. In other words the cost is inversely proportional to the distance covered in a month as illustrated below with the figures given in the statement enclosed.

Name of Place	Total Distance covered in a month in miles	Estimated cost per mile Rs. p.	Estimated cost per K.M. Rs. P.
1. Gauhati	7000	0.63	0.40
2. Cochin	6000	0.0	0.44
3. Jaipur	4000	0.70	0.44
4. Mathura	2164	0.79	0.49
5. Kozhikode	3300	0.82	0.51
6. Rajkot	1082	1.11	0.72
7. Jamnagar	1000	1.10	0.70
8. Aligarh	780	1.77	1.11

As the estimated distance to be covered in Gauhati was high namely 7000 miles per month, which was the same as was covered by the contractor before departmentalisation, the estimated running cost of 1 K.M. worked out only to 40 paise on the same procedure and standard adopted for calculation for other units as well. The estimated cost of operation worked out, based on the requirements of vehicles, staff and the proposed mileage to be covered, it would therefore be agreed, was not on the low side.

Regarding the second observation of the P.A.C., that 'it is surprising that the departmentalisation was embarked upon without ensuring proper facilities for the repair and maintenance of the vehicles', it is submitted that before considering the proposal to

introduce the departmental M.M.S., at Gauhati, it was ascertained through the local authorities that the repair facilities through Trade existed in the town. They had intimated that Tempo vehicles could be served and repaired in Gauhati at a firm named M[s. (.....)], who were the authorised dealer for M[s. (.....)]. Further, the contractor who was running the service, between Air Port and Gauhati before departmentalisation was also using Tempo vehicles and hence it was thought that there would be no difficulty in maintaining Tempos, at Gauhati.

Thirdly, regarding the thorough investigation pointed out by the P.A.C., to find out how the vehicles started suffering frequent breakdowns within five months of departmentalisation, it is submitted that the vehicles could not be maintained on road regularly, inspite of the best efforts made by the department to get them repaired through the authorised local dealer, and inspite of the special efforts and assistance given by M[s. (.....)] Poona. The main reasons attributable to the breakdowns are as follows:—

- (a) The service rendered by the authorised dealer was unsatisfactory on account of the fact that the set-up of the authorised dealer was not on sound lines.
- (b) The service was also at a disadvantage as there was no general and technical departmental supervision.

It was revealed during the preliminary departmental enquiry that there were certain malpractices in the departmental M.M.S., with a view to engage private taxis for conveyance of mails keeping the mail vans off the road. In order to have a thorough probe into the entire affairs of the departmental M.M.S., and especially to see whether there were any malpractices, the case has been entrusted to the S.P.E. The case is still under investigation and has not yet been finalised. Definite conclusion with regard to the malpractices can be arrived at only when the result of the investigation by the S.P.E. is known.

A departmental mechanic has since been posted to attend to the repairs at Gauhati M.M.S. The major repairs are also being got done through the Trade and also through the authorised agent of M[s. (.....)] Automobiles. To have effective supervision over the maintenance and running of the vehicles, a Dy. Manager conversant with the work has been posted. The departmental vehicles are fully utilised for conveyance of mails and the service is now running satisfactorily. Action has already been taken to recruit a

Technical Manager and as soon as the formalities are over, a technical Manager will be posted to Gauhati. He will be in a position to organise setting up of a workshop for repairing of all vehicles in the Circle including the Mail Motor Vehicles.

The three wheeler tempos have been replaced by Dodge vehicles in December, 1972".

1.11. It has been stated by the Ministry that the main reasons for breakdowns of 3 wheeler mail service vehicles were (a) the service rendered by the authorised dealer was unsatisfactory on account of the fact that the set up of the authorised dealer was not on sound lines and (b) the service was also at a disadvantage as there was no general and technical departmental supervisor. The Committee cannot help feeling that officers concerned ought to have foreseen these factors and taken adequate steps to maintain the vehicles properly.

1.12. The Committee are unhappy to note that the preliminary departmental enquiry revealed that there were certain malpractices committed in departmental Mail Motor Services with a view to engaging private taxis for conveyance of mails keeping the mail vans off the road. The Committee desire that the findings of the Special Police Establishment in this regard and action taken against the persons concerned may be intimated to them.

1.13. Although the post of a Technical Manager for MMS Gauhati was created in 1968, recruitment has not yet been finalised. The Committee would urge that the formalities should be gone through expeditiously and a Technical Manager posted in order to organise the setting up of a repair workshop without delay.

Malpractices indulged in by the Postal staff in connection with Delivery of heavy mails (Paragraph 1.55 S. No. 9)

1.14. In paragraph 1.55 (S. No. 9), the Committee dealt with the irregularities and malpractices indulged in by the Postal staff in connection with delivery of heavy mails in a Head Post Office during 1968-69 and observed as follows:

"From the facts as furnished to the Committee it is evident that there was a regular racket going on in the particular Head Post Office during 1968-69 to cheat Government in connection with the delivery of heavy mails. The

test check by Audit disclosed a variety of irregularities and malpractices indulged in by the postal staff. Departmental investigations have revealed that besides the postal staff, the Treasury contractor and his employees were responsible for the irregularities. As many as sixteen vouchers are stated to be not traceable and a large number of postal employees are said to be involved in this conspiracy to defraud the Government and obtain bogus payments on fake or fictitious vouchers. The departmental enquiry having already established that irregularities were committed, the Committee desire that the case should be handed over to the Police with a view to bringing the offender to book according to the law of the land. Simultaneously departmental action should be taken to punish the staff found guilty of dereliction of duty, negligence or slackness in supervision. The Committee would like to be informed of the final outcome of the case."

1.15. The P. & T., Board have, in their note dated the 5th November, 1973, stated as follows:

In regard to the case being handed over to the Police, as desired by the P.A.C., the matter was discussed informally by the Postmaster General, Lucknow, with the SPE. The SPE, having gone through the case was of the view that the case was not fit for prosecution.

As recommended by the P.A.C., departmental action has already been initiated against the postal officials of Lucknow GPO who were found to be responsible for the irregularities in question. For this purpose, charge-sheets have been issued under the provisions of Rul 14 of CCS(CCA) Rules 1965, to as many as 99 officials of Lucknow GPO. The proceedings against the delinquent officials are in progress and will be completed as soon as possible".

1.16. The Committee desire that the departmental proceedings against the officials responsible for irregularities in delivery of heavy mails should be expedited and the outcome reported to them.

Poor utilisation of trenching machines
(Paragraphs 1.75 & 1.76, S. Nos. 12 & 13)

1.17. While commenting on the poor utilisation of the 8 trenching machines imported in 1965 for digging trenches, the Commit-

tee made the following observations in paragraphs 1.75 and 1.76 (S. Nos. 12 and 13).

“The Committee find that these machines were very poorly utilised on other works to which these were subsequently diverted. In the Southern Region, 4 of the machines were used for digging trenches of 117 kilometers during the period August 1965 to March, 1970 and in the Northern Region, the other four machines were used for trenching 250 kilometers upto December, 1971. The machines have not been used since December, 1971. It was admitted by the Ministry that the poor utilisation of these machines was due to lack of proper planning in not making a survey of the entire route and earmarking the stretches suitable for machine operations and manual labour. In the meanwhile expenditure on the pay and allowances of the operating staff was continued to be incurred by the Department (the upto date expenditure on the staff of the 4 machines referred to in the Audit Paragraph is stated to be Rs. 30,244).

The Committee understand that the Department have a number of coaxial cable schemes in hand both in the northern and southern regions where these machines are proposed to be utilised. The Committee however understand that the machines are capable of digging trench to a depth of 4 ft., while the Department have changed the specification to 5 ft. The Committee presume that it will be found feasible to use the machines for trenching upto 4 ft., depth and manual labour for an extra foot. The Committee would like to be informed about the utilisation of the machines in the new projects and the economics of their operations.”

1.18. The P. & T. Board have stated as follows in their note dated the 3rd September, 1973.

“The work on widening of National and State Highways is going on all over the country. The Department is finding it increasingly difficult to persuade the Road authorities to permit the laying of the cables on the borm of the Highways. The machines as such are likely to be used only in very limited stretches. Instructions have been issued to the Project Organisation to earmark these stretches where these machines could be utilised in projects on hand.

The recommendation of the Committee regarding utilisation of the machines has been noted and the necessary information relating to economics of operation of the trenching machines will be furnished in due course".

1.19. It has been admitted by the Department that the trenching machines are likely to be used only in very limited stretches. Further these machines are capable of digging trench to a depth of 4 ft. as against the Department's changed specification of 5 ft. In view of the restricted utility, the Committee suggest that while working out the economics of the operation of the machines, it should be carefully examined whether it would be worthwhile to retain them and incur expenditure on the pay and allowances of the operating staff.

The Committee desire that strict instructions should be issued to avoid import of non-essential labour saving machines in future.

CHAPTER II

RECOMMENDATIONS|OBSERVATIONS ACCEPTED BY GOVERNMENT

Recommendation

During the year 1970-71 the actual revenue receipts of the Posts and Telegraphs Department exceeded the Budget Estimates by Rs. 14.28 crores which works out to 5.6 per cent as against 3.1 per cent in 1969-70. While the receipts from sale of stamps fell short of the budget estimates by 5.05 crores (7.6 per cent) the telephone rentals, fees etc. exceeded the estimates by Rs. 11.11 crores (10.2 per cent). The Committee regard these variations in the receipts from the sale of stamps and telephone rentals, fees etc. which are the major sources of the revenue to be high. The Committee have been informed that in view of the large number of offices involved, wide-spread activities and ever-changing market trends, there are difficulties in framing estimates with total exactitude. It was admitted during evidence that the present method of preparing the estimates by increasing the previous figures in arithmetical ratio does not hold good in the case of telephone revenue and some research had to be done to arrive at a more precise formula. The Committee hope that the P&T Board will pay serious attention to this question and make efforts to devise a method of framing estimates on a more realistic basis.

[S. No. 1 (Para 1.13) of Appendix to Eighty-Fifth
Report (Fifth Lok Sabha)]

Action taken

The practical difficulties involved in any reasonably exact estimation of revenues from sale of stamps and other postal activities have already been explained to the Committee. In particular, it may be mentioned that the statistics of postal traffic handled in a particular year are necessarily based on sample surveys having regard to the magnitude of undersigned postal traffic actually handled. This allows for a wide margin of error and the actual revenue realisations may not conform to the growth anticipated according to statistical projections. A further complicating factor is the fact that the sale of stamps is made through Civil Treasuries and sometimes

sizeable Accounts of credits remain unadjusted in the accounts received from Treasuries due to errors in classification or other reasons.

2. As regards the method of estimating telephone revenues to which particular reference has been made in the Committee's recommendation, the position is that for working out the revised estimates 1972-73 a different formula was adopted, based on estimated number of direct exchange lines and the average revenue per line determined on the basis of previous years' trend. The R.E. thus worked out turned out to be remarkably close to actuals (Rs. 164.97 crores in March (Supplementary) 1973 against Rs. 166.00 crores in R.E. 1972-73. The same formula is, therefore, proposed to be adopted in future, but whether or not this formula actually represents a more realistic method of estimating can only be determined by the experience over two or three budgets.

[P&T Board, O.M. No. 16-61/73-B, dated 5-11-1973]

Recommendations

The Committee find that the P&T Department are experiencing difficulties in getting adequate quantities of paper, other items of stationery and stores which adversely affect the working of the Department. It has been stated that while other bulk consumers of paper like Railway Board and Defence Ministry have been permitted directly to place their indents on the DGS&D, the requirements of the P&T Department are still canalised through the Controller of Stationery, Calcutta. Because of this additional level between the user (P&T Department) and the suppliers there is inevitable additional time lag. There is also difficulty in supply of paper of low grammage required by the P&T Department for printing of certain forms, because of reluctance of the manufacturers to produce such paper. In view of the fact that P&T Department are bulk users of paper and stationery, the Committee desire that the feasibility of their placing indents direct on the DGS&D, as is being done by the Railway and Defence Ministries, should be examined. As regards the low grammage paper required by the P&T Department, the Committee desire that the difficulties in this regard may be sorted out by the Department of Industrial Development and DGS&D with the manufacturers and necessary action taken in the matter.

[S. No. 2 (Para 1.16) of Appendix to Eighty-Fifth Report (Fifth Lok Sabha)]

Action taken

P&T Department has since been declared as Direct Demanding Unit so far as paper requirements of Subordinate Units are concerned. An assurance was also given that the Ministry of Industrial Development would have no difficulty in getting the commitment of P&T fulfilled to the extent possible. With the declaration of P&T as a Direct Demanding Unit the position is expected to improve considerably in future in regard to both quantity and quality of paper so far as local printing of forms by the P&T Circles is concerned.

During the meeting held on the 5th & 6th February, 1973, with the representatives of Paper Mills at Udyog Bhavan, Shri R. K. Talwar, Joint Secretary, Ministry of Industrial Development stated that the Paper Mills had the capacity of 8 lakh tons of production out of which almost about one lakh metric ton of paper was set apart for use by the Government Organisations. Shri Talwar further observed that at the present rate of production no more allocation could be made to the Government. He, however, assured that he would persuade the mills to supply the full quantity of paper allocated to the Government of India Presses and the DGS&D.

As regards the non-availability of the low grammage paper for the P&T, the matter has been referred to both the Ministry of Industrial Development and the DGS&D for persuading the mills to manufacture the paper of specific grammage required for printing of certain P&T forms and the matter is being pursued.

As regards stationery articles, main source of supply to the Government of India including P&T, Railway Board and Defence Ministry is the Controller of Stationery, Calcutta|its Regional stationery Depots and not the DGS&D. The question of placing indents for stationery articles on DGS&D does not therefore, arise. The matter has, however, been taken up with the Deputy Controller of Stationery, Calcutta for expedite the supply and is being pursued.

[P&T Board, O.M. No. 22-3|70-MI, dated 15-10-1973]

Recommendations

The Committee take a serious view of this case of alleged fraud in two Telephone Exchanges at Bareilly involving 8 gazetted and non-gazetted officers resulting in considerable loss of revenue (about Rs. 2.67 lakhs). The officials concerned deliberately kept the telephone metres out of order so that all calls made from certain specific numbers were not registered. The Department suspect a conspiracy

between the officials concerned and the subscribers. Although the average calls per quarter registered a sharp decline from July, 1966 (the average calls per quarter declined from 29810 in 1965-66 to 3680 in 1966-67 and 2285 in 1967-68 quarter ending June 1968), this went unnoticed till July, 1968, when the Department investigated the matter on receipt of a complaint and attributed the decline to faulty functioning of metres which had not been properly tested. It is evident that the malpractice would have continued even after July, 1968 but for the complaint made by a staff member to the Department. The Committee have been informed that after detection of this case, all the 1034 manual exchanges in the country were checked and 67 were found faulty. The Committee desire that the Department should thoroughly review the present procedure of testing metres and inspection of telephone exchanges with a view to plugging loopholes and strengthening vigilance over the exchanges.

[S. No. 4 (Para 1.31) of Appendix to Eighty-Fifth Report (Fifth Lok Sabha)]

Action taken

Instructions for introduction of daily tests and maintenance of charts in exchanges have already been issued vide this office letters No. 5-44/72-PHB(1) and (2) both dated 10-7-1972 and No. 27-5/71-PHB dated the 18th December, 1972 (copies attached).

[P&T Board, O.M. No. 27-5/71-PHB, dated 18-10-1973]

COPY

Most Immediate

D.O. No. 5-44/72-PHB(1)

H. C. MATHUR
DIRECTOR OF PHONES(E)

**BHARTIYA DAK TAR VIBHAG
OFFICE OF THE DAK TAR MAHANIDESHAK
(D. G. P&T)
DAK TAR BHAVAN
PARLIAMENT STREET
NEW DELHI-1**

Dated: 10th July, 1972.

CHECK ON METERING IN CB MANUAL EXCHANGES

My dear

(All Heads of Circles/Telephone Districts).

On a recent investigation into the sudden drop in the revenue

from a CB Manual exchange, it was observed that a number of cord circuits used on the positions were not operating the subscribers' meters on effective calls. On a detailed investigation, it was found that in the Cord circuit No. TD/HSG 1092, contacts 'J-1' and 'M-2' of relays 'J' and 'M' associated with the metering circuit of certain cords had burnt out. As such, metering pulse was not being extended to the subscribers meters. Since the 'J-1' contact is of platinum and the metering circuit is also protected by a spark quench, the only inference regarding the cause of burning out of 'J-1' contact was that it would be due to direct short-circuit at same point on the metering lead, either on the meter itself or on the meter wire at the IDF or at the I&CO relay rack.

2. The Short circuit at any of these points could be accidental or could have been deliberately done to prevent a particular meter from operating with a view to giving benefit to the subscriber concerned. Once the meter lead of any particular subscriber had been shorted, as individual cord circuits on the positions came to be used to connect calls from that particular number, it would result in heavy sparking on the J-1 contact, which would ultimately burnt out and prevent any further pulse being extended to the meter. Thereafter whenever such a cord circuit is used for connecting calls, there would be no metering.

3. The failure of the metering portion of the cord circuit would not come to notice in the daily routine tests, which are primarily for speech and signalling. This would not also be noticed during the routine tests of meters. They would, however, come to notice only if the prescribed monthly test for metering is carried out effectively (under Engineering Instructions No. R 5001).

4. It is now desired that immediate check be made on every CB manual exchange in the country to ensure that every cord circuit on every position is extending the meter pulses correctly to the subscribers meters. As a first step in each CB manual exchange under your charge please arrange for ten tests calls to be made from each cord circuit fitted on every positions. The calls should be originated from one test telephone to another using all the cord circuits in the exchange. With every call, it should be ensured that the subscriber's meter for the test number is operated. Immediate action should be taken to take out the service all cords which fail to operate the test meter. These cords should be kept out of service till such time as the metering circuit is put right.

5. A compliance report indicating the number of cords found faulty in each CB manual exchange should be sent to the under-

signed by telegram latest by 20th July, 1972. This should be followed by a detailed report in the form of the following table :

Name of Exchange	Position number	Number of cords	No. of cords actually in service	No. of cords found to be effective in metering.
1	2	3	4	5

Yours sincerely,

Sd|-

(H. C. MATHUR)

Copy to:—

All DE'ST and DE'SP in circles.

COPY

“BHARTIYA DAK TAR VIBHAG”

OFFICE OF THE DAK TAR MAHANIDESHAK

(DIRECTOR GENERAL OF POSTS & TELEGRAPHS)

D. G. Engineering Technical Circular No.

Dated

SUBJECTS:—*Testing of Cord Circuits in C.B. Manual Exchanges for metering.*

As a result of recent investigations it came to notice that cord circuits in CB Multiple Boards sometimes fail to generate metering pulse while the other functions of the cord are unaffected. This happens if contacts 'J-1' and 'M-2' of the relays 'J' and 'M' associated with the cord are faulty or burnt out. The existing instructions for routine testing of cords do not provide daily tests to detect, satisfactory metering conditions. Meter routine tests also do not reveal this defect which ultimately results in short metering and loss of revenue to the Department.

2. In partial modification of the existing instructions on the subject, the following instructions are hereby issued and these should be strictly adhered to.

I. Daily test: check of 'speak key' and metering equipment.

A test call should be established between two test telephones to verify that the following functions of cord circuit are satisfactory :

- (i) Through speech.
- (ii) Ringing of the called number.
- (iii) Ring trip on the called party lifting the receiver off the cradle.
- (iv) Metering of call (Note the meter reading of the calling test number before and after the test.)
- (v) No excess metering due to tapping of the hook switch.
- (vi) Operation of the total all meter on each test call.

II. Traffic meters

Traffic meters are installed at CB Multiple Boards for registering total effective traffic, Hitherto, regular readings of these meters are not being taken or taken once a month which does not serve any purpose since these meters would complete several cycles of 10,000 calls during the month. Henceforth, reading of these traffic meters should be taken daily for all boards and any reduction in the daily traffic recorded should be examined to see if any cord circuits have gone faulty.

III. Divisional Engineers in-charge of manual exchanges with metering facility should maintain a progressive chart of weekly totals of local call traffic for each exchange on an annual chart. Any steep fall in these figures should be examined to ascertain its causes and any technical defects leading to metering defects should be promptly rectified.

IV. AOTR's of each division will scrutinise quarterly figure of local call revenue and any short fluctuations not explained by known reasons should be brought to the notice of DET for investigation.

Sd/-

(H. C. MATHUR)

Director of Phones (E)

Advance copy to:—

1. All Heads of Circles/Telephone Districts.
2. All DETs/DEPs in Circles.
3. M-1 Section for publication and circulation to all concerned.

"BHARTIYA DAK TAR VIBHAG"

OFFICE OF THE DAK TAR MAHANIDESHAJ
(DIRECTOR GENERAL POSTS & TELEGRAPHS)
NEW DELHI-110001.

No. 27-5/71-PHB

at New Delhi, dated 18-12-1972.

To

All Heads of Circles/Districts.

SUBJECT:—*Maintenance of chart of monthly local call revenue earned by exchanges.*

In a recent case brought to the notice of Public Accounts Committee it was observed that local call revenue of a CMB exchange had fallen steeply due to defects in the metering circuits resulting in short recording of local calls. The engineering defect continued due to shortage of spares resulting in heavy loss of local call revenue. The engineering officers incharge did not observe local call revenue figures to take timely action till audit pointed out the loss.

2. With a view to guard against such occurrences and also to enable the exchange incharge to closely watch the trend of originated traffic of different system and in turn enabling him to investigate the reasons of sharp changes in its pattern, it is hereby ordered that the D. E. Telegraphs/Telephones incharge of Telephone exchange shall maintain following graphs separately in respect of each system under their charge:—

- (a) Average no. of subs. per month.
- (b) Local calls per subs. per month.
- (c) Average local call revenue per subs. per month.

Any steps fall in these figures must be immediately investigated to ascertain its reasons & taken such action as deemed necessary.

3. Suitable instructions may kindly be issued to all D. E. Telegraphs/Telephones.

Sd/-

(H. C. MATHUR)

Director of Phones (E)

Recommendation

The Committee find that there are complaints from subscribers in Delhi about excess billing. One of the reasons for excess billing is the piracy of the telephone, which is made possible by a subscriber tampering with connecting wires in the junction box either with the help of the line staff or without it. As a remedial measure the Department have started raising the height of the junction boxes to 10—12 feet so that nobody standing on the ground can open them. The Committee desire that apart from this, vigilance over the junction boxes should also be made more effective by periodical and random checking.

[S. No. 6 (para 1.33) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action taken

Detailed instructions for keeping vigilance over unauthorised telephone calls and malpractices including diversion of lines of junction boxes had already been issued to all Heads of Circles|Districts under this office letter No. 20-8|71-PHB dated 2-7-1971 (copy enclosed). Need for strict vigilance over the junction boxes by periodical and random checks has again been stressed upon the GMT New Delhi vide this office letter No. 27-5|71-PHB dated 10-5-73 (copy enclosed).

[P&T Board O.M. 27-5|71-PHB dated 30-10-1973]

COPY

(No. 211/250)

Confidential

INDIAN POSTS AND TELEGRAPHS DEPARTMENT OFFICE OF
THE DIRECTOR GENERAL OF POSTS & TELEGRAPHS

No. 20-8|71-PHB

Dated, New Delhi, the 2nd July, 1971.

To

All Heads of Circles|Telephone Districts.

SUBJECT:—Unauthorised telephone calls and malpractices.

A number of complaints are being received in this office from subscribers particularly from stations having STD service, alleging

suspected unauthorised calls being made from their telephone connections with the collusion of P&T Staff. There are strong grounds for suspicion that malpractices of these types are occurring to some extent especially in STD stations. Recently, as a result of investigations conducted by the Delhi Telephones with the assistance of anti-corruption Department of Central Bureau Investigation and an informant, it became possible to catch a few officials red-handed while illegally offering long distance calls to certain persons. In one case a long distance call from Delhi to Jaipur was offered to the informant from the DP and in another case a call to Bombay was put through by interchanging two subscribers' lines.

2. To give the public a clean and efficient service and to avoid loss of revenue to the Department, an anti-corruption drive has to be launched. The attached note identifies the different fields in which corruption can take place, the possible *modus operandi*, and the remedial measures that have to be taken. Expeditious action on these points should be taken at all places particularly at stations where STD services have been introduced.

3. Additional copies of this letter for circulation to Divisional Engineers Telegraphs|Telephones incharge of Telephone Exchange are enclosed:

4. Fortnightly progress reports in respect of implementation of the measures outlined in the annexure should be sent for information of the Minister (Communications). The first report for the fortnight ending 15th July should be received in the Directorate by the 25th July, 1971.

5. Receipt of this letter should be acknowledged.

Sd/-

(N. V. SHENOI)

Senior Member (Telecom. Operations)

Copy to:—

DCE(MX)|DPHT|DCE(M), P&T Directorate, New Delhi.

ANNEXURE

MALPRACTICES AND REMEDIES FOR THE SAME

1. The malpractices that are generally indulged in by unscrupulous

pulous subscribers in collusion with the Telephone Staff and the remedial measures to be taken are given below:—

1.1. *Free Local and STD calls*:—Free local and STD calls are allowed to certain subscribers by the following methods:—

- (i) Diversion of subscribers' line with the working lines| temporary lines|or spare lines at the M.D.F.
- (ii) Diversion of lines in the outdoor Plant.
- (iii) Paralleling subscribers' line to out-going STD junctions at the MDF.
- (iv) By tampering with the meter wires of the subscribers' line circuit. This tampering is done at the STDF, U|S racks Incoming Tag-blocks and the subscribers meters. The tampering may be of the following nature:—
 - (a) Dis-connection of 'M' Wire.
 - (b) Short circuiting of M and MI wires. These are detected by the meter tester.
 - (c) Inter-change of meters.
 - (d) Inter-change of M and P wires.
 - (e) Disconnection of M wire and Bunching of K-4 contacts in the subscribers line circuits.

These are not detected by the meter tester.

- (v) Tampering with the circuitry of the U|S, G|S and F|S. This is done as follows:—
 - (a) By bunching K-21, 22 and 23 springs of the subscribers line circuits with a broken 'U' link after a STD call is established.
 - (b) Busing the switch carrying the STD call or stepping up manually another switch at the outlet and busing the switch.
 - (c) Preventing the operation of 'D' relay of the F|S but allowing the operation of 'F' relay by using a gadget at the subscribers' premises.
 - (d) By operation of 'H' relay of the FS manually on a deliberately made C.H.S. Line. (Supposing a call is required for subscriber 'A' and subscriber 'B' is chosen

as the victim for the billing purpose. STD call is originated from the subscriber B's U|S and subscriber A is asked to dial subscriber B's number. Subscriber A will get the subscriber B busy. He is put on the line forceably by operating 'H' relay in the Final selector.

(vi) *Tampering T & Z Selector in the STD rack:—*

- (a) By shifting of the T & Z selector to a spare outlet.
- (b) Interchanging or breaking 'Day' and 'Night' metering wires in the T & Z selector.

(vii) *Use of Spare Levels:—*Outlets from spare levels are connected to 1st Selectors|Outgoing STD junctions|SLOD and MLOD selectors. This is done through tie circuits in the local exchange|STD Exchange. Sometimes, even working levels have been found to be used for this purpose.

1.2. Following remedies are suggested for this purpose:—

- (i) The access to the MDF should be restricted to the Staff which is absolutely necessary for the maintenance of the MDF and for giving tests for the lines. Entry should not be allowed to other traffic and out-door staff. Possibility of having a single entry point between Test Board and the MDF may also be considered.
- (ii) SIDF should not be freely accessible to the staff.
- (iii) Surprise inspection of the MDF should be carried out frequently by the supervisory staff. Such inspection may be carried out at least once a month. Any extra jumpers or wires should be traced. A list of spare numbers observed during the physical check should be forwarded to A.O.T.R. for him to cross-check with his ledger.
- (iv) For connections closed due to non-payment N.U. tone should be provided immediately while the jumpers should be removed from the MDF after a week. For telephone temporarily disconnected under safe custody also the jumpers should be removed if the period of safe custody is more than one month. Labels may be put on the exchange side for all the telephones disconnected tempora-

rily due to non-payment or under safe custody. An up-to-date list of these temporarily disconnected numbers should be made available on the MDF for any inspecting officer to check.

- (v) Entry into the Exchange should be restricted to Mechanics on duty. A watch may even be kept that the Mechanics remain in the Section allotted to them.
- (vi) Force release feature of the STD out-going relay sets may be checked frequently. At least one relay set from each shelf of the out-going relay sets may be tested daily for the delay feature.
- (vii) Metering pulses may be provided on the spare banks of the T & Z selectors.
- (viii) Two meter testers to check the tampering of the meter wires and the mechanical operation of the meter have been designed by Delhi Gate Exchange of the Delhi Telephones. TRC is being asked to examine these. Instructions regarding the use of these testers will be issued when the design is approved/finalised. In the meantime surprise physical inspection may be carried out the place enumerated earlier where the meter wires are tampered with.
- (ix) The Meter Rooms should be normally locked and the access should be provided only to authorised persons. Keys of the meter room should be in the personal custody of an official not below the rank of ESP. Glass covers on the meter rack on the front side should be provided. The back side of the racks also should be suitably covered to prevent unauthorised access to the meter terminals.
- (x) It should be ensured that the modifications to the test Desks and test selector circuits as communicated in this office circular No. 8-9/68-PHM dated 3-3-1971 are carried out to prevent unauthorised connections of STD calls by test desks operators.

1.3. *Diversion of lines on DPs, Cabinets and Pillars:*

Diversion of lines is possible on the cabinets, pillars and DPs in the external plant. The following action is necessary to check the malpractices:—

- (a) Cabinets and Pillars should be locked and keys should be kept with ESP.

- (b) All the DPs should be raised. The instructions to this effect have already been issued. It had been decided that the DPs, should normally be provided at position not more than 1.25 meter from the top of the post. The raising of DPs should be completed as soon as possible.
- (c) All the DPs should be locked. It is found that the external locks provided get removed. It is, therefore, decided that the internal type of locks should be provided on DPs so as to avoid the possibility of loss. The arrangement of keeping the keys may be decided depending on the local conditions. An immediate start may be made for locking the DPs, in areas where diversion of lines is suspected to be more frequent.
- (d) Spare pairs in the Cabinets and Pillars should be tested twice a year.
- (e) Jumpers of the closed numbers should be removed in the Cabinets and Pillars.
- (f) Loop of the closed telephones should be removed as a part of the closing work.
- (g) The climbing of post by lineman should normally be restricted to day time. The exact timing may be decided locally.
- (h) Every lineman should be issued with and should carry a photo identity card. A jurisdiction card should also be given to him. This should indicate his name, identity card number and the numbers of DPs under his jurisdiction and permissible hours of duties.
- (i) Lineman attending to emergency faults beyond the above-specified hours should be given red passes, which should be issued to lineman on night duty.
- (j) All linemen on duty should be in proper official uniform.
- (k) All DPs should be numbered.
- (l) Wide publicity should be given to the scheme of issue of passes and authorised hours of work so that any member of public or a policeman on seeing a lineman on a post beyond the restricted hours could question his bonafides and ask for his identity card alongwith red pass, which

gives the authority for climbing the post in the restricted hours. This publicity should be done soon after the action on sub paras (g) to (k) has been completed.

2. Free Trunk Calls with the help of Trunk Exchange Staff.

2.1. Some unscrupulous subscribers in collusion with the operating staff in the exchange manage to get the calls which are not booked at all or for longer duration than recorded on docket or on out of turn priority.

2.2. The following remedial measures may be taken:—

- (a) Frequent monitoring of the Trunk Positions.
- (b) Monitors should be rotated frequently.
- (c) Deterrent action against delinquent staff should be taken.

3. Sale of Instrument and other telephone accessories:

3.1. Complaints have been received about our staff and some shops selling instruments and telephone parts and other telephones accessories presumably stolen from our stores. Not only is there loss to the department by way of leakage but these are used as unauthorised accessories on the subscribers' lines.

3.2. The following remedies are suggested:—

- (a) Action as provided in ATR should be taken against the subscribers having the unauthorised accessories.
- (b) Telephone instruments should be promptly recovered from the closed connections. In case it is impossible to recover the instruments after making several attempts, A.O.T.R. should be advised to charge the subscriber for the same. The subscriber should also be informed that this is being charged for the instruments not recovered.

4. Gratification for opening of new connections and declaring of cases technically not feasible due to non-availability of cable pairs and subsequently making them feasible.

4.1. It is observed that some of our staff get advance information from the office regarding release of new connections and then approach the applicants on the waiting list for illegal gratification.

Similarly cases are declared technically not feasible due to non-availability of cable pairs and subsequently made feasible for some consideration.

4.2. The following remedial action may be taken:—

- (i) Advance publicity should be given to any release of connections as soon as the release is decided.
- (ii) Cases may be declared non-feasible because of the records being not correct and uptodate with the feasibility section. It is, therefore, necessary that uptodate records of the cable utilisation are kept.
- (iii) When a case is declared technically not feasible because of faulty cable pairs, this point should be high-lighted in the feasibility report. Supervisory officers should test check some of such cases to see whether pairs are actually faulty.

5. *Incorrect billing:*

5.1. It is also noted that leakage of revenue is occurring due to the following:—

- (a) Deliberate wrong calculations in the local call billing.
- (b) Deliberately leaving out the meter rotation.
- (c) Mis-placing Trunk Call Tickets so as to avoid billings.

5.2. Necessary procedures to prevent these may be laid down and followed.

6. *Unauthorised connections:*

In order to obviate any possibility of opening unauthorised connections by unscrupulous, departmental A.O.T.R. should keep a watch on the progressive meter readings of the lines so as to find out whether any calls have registered on non-working connections. Such cases should be referred to the D.E.T. concerned for his personal investigation.

7. *Rotational Transfer of Staff:*

7.1. It is felt that a number of malpractices are due to some staff having been in the same position for decades. It is, therefore, necessary that staff on all sensitive points viz. meter readers, MDF Staff, Line-Staff, trunk operators and STD mechanics, PIs associated with the repair shop and new connections should be rotated once a year.

Copy of letter No. 27-5|71-PHB dated 10-5-1973 from ADG (PHB) to the GMT New Delhi.

SUB: PAC Consideration of Report of C&AG for the year 1970-71 Paras 8 and 9 of Chapter III—Malfunctioning of meters at Bareilly Exchange.

In continuation of this office letter No. 20-8|71-PHB dated the 2nd July, 1971, I am directed to forward herewith a copy of an extract of recommendations received from the Public Accounts Committee regarding vigilance over junction boxes. It is requested that a strict vigilance over these boxes should be made more effective by periodical and random checkings. In this connection portion marked 'C' of the report refers.

Recommendation

The Committee note that the review conducted in other Post Circles has revealed irregularities in one Postal Division, in Bihar. The Committee desire that the P&T Board, should, in consultation with audit, tighten up the procedure regarding delivery of heavy mails so that recurrence of such irregularities and malpractices would be obviated.

[S. No. 10 (para 1.56) of Appendix to Eighty-fifth Report (Fifth Lok Sabha)]

Action taken

With a view to check commission of such irregularities in future, instructions have been issued to all Heads of Circles demi-officially to tighten up the supervision and also to take other stringent measures. A copy of D.O. letter No. 7-3|71-CI dated 31-5-73 issued in this connection is enclosed.

[P&T Board O.M. No. 7-3|7-CI, dated 5-11-1973]

P. S. RAGAVACHARI,
Dy. Director-General (I).

GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
P&T DIRECTORATE
PARLIAMENT STREET, DAK-TAR BHAVAN,
NEW DELHI-110001.

D.O. No. 7-3|71-CI

Dated the 31st May, 1973

Dear Shri

In the Report of the Comptroller and Auditor-General of India

for the year 1970-71, there was an Audit para on unusually high expenditure on the delivery of heavy mails in a post office in U.P. Circle. When this Audit para came up for consideration by the Public Accounts Committee, they desired that the procedure for incurring expenditure in connection with delivery of heavy mails, should be tightened up so that there are no irregularities and mal-practices in the incurring of such expenditures.

Generally, there is a tendency on the part of unscrupulous staff to obtain bogus payments towards coolie charges on fake or fictitious vouchers. It is, therefore, very essential to see that before payment for coolie charges are authorised by the Postmasters, they should satisfy themselves that coolies were actually engaged and that the amounts claimed towards payment to the coolies are in the circumstances reasonable and fair. The prescribed procedure for the payment of such charges to the correct person should be scrupulously observed by the treasurer. The inspecting and visiting officials should make it a point to see that these instructions are followed in the post offices visited by them.

In post offices, the expenditure towards payment of coolie charges are classified as countersigned contingencies. The monthly detailed bill which is prepared in respect of such countersigned contingency charges are submitted to the controlling officer for scrutiny and countersignature. It will be the duty of the controlling officer to satisfy himself that the charges incurred in this regard are *prima facie*, reasonable and not excessive before countersignature. If the expenditure on this account shows perceptible jump, the controlling officers should ascertain the reasons for this increase and satisfy himself that these reasons adduced are, *prima facie*, genuine. If on the other hand the increase in the expenditure under this head is unexplained, a detailed probe should be made and irregularities, if any, detected, noticed properly. It is requested that necessary instructions in this regard may kindly be issued to all concerned.

It is also felt that there should be intensive supervision over payments of coolie charges to postmen. For this purpose, the supervisory officials, including Postmasters, ASPs and IPOs should be asked to carry out surprise checks and verify the weights carried by the postmen when they just come out of the post office with the weights recorded in the post offices for payment of coolie charges. If the weights determined physically during such surprise checks by the supervisory officials differ considerably from the weights recorded in the post offices for payment of coolie charges,

it will, *prima facie*, indicate prevalence of irregular practices in the payment of coolie charges, and such instances should be investigated in detail and appropriate remedial action initiated. Even at the time of the periodical inspection of the post offices, the inspecting officers should determine the weights carried out by the postmen of a few important and heavy beats and compare these weights with the average weights on these beats during the previous months after making due allowance for seasonal fluctuations and other variations.

Kindly acknowledge receipt of this letter.

With kind regards,

Yours sincerely,

Sd/- P. S. RAGHAVACHARI.

All Heads of Circles.

Copy to AGP&T Delhi for information.

Recommendation

This case indicates lack of planning in ordering and utilisation of imported machines. Eight trenching machines imported in 1965 for digging trenches with a view to expeditiously completing the coaxial cable laying projects in the Third Plan arrived after the trenching work had been completed. The Committee are surprised how the P&T Department expected at the time of placing the indent in February 1964 that the machines would arrive in time to be utilised for the projects.

[S. No. 11 (para 1.74) of Appendix to Eighty-Fifth Report
(Fifth Lok Sabha)]

Action taken

The machines were ordered for expediting cable laying works in Bombay-Madras and a portion of Delhi-Bombay coaxial routes. It was felt that the machines would come very handy in expediting cable laying works because at that time lot of difficulties were being felt by the field organisation in mustering labour for trenching work. However, in retrospect it appears that there was perhaps an error of judgement in going for the purchase of machines for use specifically on Bombay-Madras and a portion of Delhi-Bombay Coaxial routes.

[P&T Board O.M. No. 39-7|71-TPL(CX), dated 31-8-1973]

Recommendation

The Committee find that these machines were very poorly utilised on other works to which these were subsequently diverted. In the Southern Region, 4 of the machines were used for digging trenches of 117 kilometers during the period August 1965 to March 1970 and in the Northern Region, the other four machines were used for trenching 250 kilometers upto December 1971. The machines have not been used since December 1971. It was admitted by the Ministry that the poor utilisation of these machines was due to lack of proper planning in not making a survey of the entire route and earmarking the stretches suitable for machines operations and manual labour. In the meanwhile expenditure on the pay and allowances of the operating staff was continued to be incurred by the Department (the upto date expenditure on the staff of the 4 machines referred to in the Audit Paragraph is stated to be Rs. 30,244).

[S. No. 12 (para 1.75) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action taken

The work on widening of National and State Highways is going on all over the country. The Department is finding it increasingly difficult to persuade the Road authorities to permit the laying of the cables on the berm of the Highways. The machines as such are likely to be used only in very limited stretches. Instructions have been issued to the Project Organisation to earmark these stretches where these machines could be utilised in projects on hand.

[P&T Board O.M. No. 39-7|71-TPL (CX), dated 31-8-1973]

Recommendation

The Committee must place on record their displeasure at this example of sheer incompetence. They would like the case to be studied in depth with a view to issuing instructions to all concerned indicating how such matters should be handled so as to avoid frustration and infructuous expenditure.

[S. No. 14 (Para 1.77) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action taken

The recommendation of the Committee regarding issuing of instructions as to how such matters should be handled in future has also been noted and instructions have since been issued. Copy of the instructions is enclosed for information.

[P&T Board O.M. No. 39-7|71-TPL (CX), dated 31-8-1973]

COPY

INDIAN POSTS AND TELEGRAPHS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF POSTS &
TELEGRAPHS

Memo No. 39-7/71-TPL (CX)

Dated the 20th June 1973.

SUB: *Purchase of Labour saving devices.*

1. Some time back certain labour saving devices were ordered with the object of expediting works which were not making good progress due to shortage of labour. After the devices were received at site, they were not found suitable for extensive use because of the type of terrain and nearness of the treeline to the berms of the roads. The Public Accounts Committee have noted this purchase with great displeasure.

2. There are a number of labour saving devices and machinery in the market but all such machines are not fully versatile in their applications, when considering purchase of any such machinery all factors including utility of the machines for the particular applications, availability of spare parts, repair facilities, maintenance and operating costs, etc. will have to be gone into carefully. Where practicable a demonstration of the use of the devices should also be arranged; in all cases the technical literature on the machines should be studied carefully so that the ordering authority can be fully aware of the implications.

Sd/-

L. C. SATIJA

Director (TX)

Copy for information and necessary action to :

1. DDG(S)|DDG(MM)
2. Directors (L) |RD|BT|X|XP|E|SL
3. Asstt. Directors General (CX|TX|EL|P|TL|CP-I|CP-II|EE|L|MW|UHF|EA|BT|XP|XX.
4. General Managers, P&T Projects, Kidwai Bhavan, 36 Janpath, New Delhi-1|4 New Road, Alipore, Calcutta-27|3, Commander-in-Chief Road, Egmore, Madras-8|White Hall, Kemp's Corner, August Kranthi Marg, Bombay-36.

5. Director of Telegraphs, Coaxial Cable Project, Kidwai Bhavan, 36 Janpath, New Delhi-1|3 Commander-in-Chief Road, Egmore, Madras-8|10-4-2, Masab Tank Hyderabad-28|Shakti Mills Compound, Chamar Baug P.O. Lane, Parel, Bombay-12.

Recommendation

15. The Committee find that in this case there has been lack of foresight in designing the new equipment and inordinate delay in utilising it. The net result has been that 49 seats of teleprinter signal generators manufactured at a cost of Rs. 7.48 lakhs had remained unutilized for several years after their manufacture. The telecommunication Research Centre which designed the Teleprinter signal generator tested it on the semi-automatic telex available with them but ignored the fact that the local teleprinter exchanges for whom the equipment was meant were not equipped with the requisite machinery to operate. The P&T Department placed orders for the manufacture of sets on the Indian Telephone Industries without going into the question whether the users have the wherewithal to use them, as the literature on the equipment was not completed by the Telecommunication Research Centre. It was realised that auxiliary access relay sets were also required to make it operational.

16. The first batch of sets was received from ITI in March 1965 without any hand-book about using them. The department did not issue the sets to the users till May 1967, and the question of method of using the set was taken up by the user only in September, 1967 with ITI who surprisingly did not give accurate information to the Department. It was not till January, 1969 that the matter was brought to the notice of the P&T Board. This bald narration of the story of the equipment from the design stage with stage of utilisation is enough to show how very inefficient all concerned have been and how utterly unmindful every one has been of the extent of delay at every stage of the cost to the Public exchequer of the delay and of the inconvenience to the user. The Committee can only place on record its utter dismay at so much indifference and incompetence, and hope that well conceived measures will hereafter be taken to effect better co-ordination between the Telecom. Research Centre, ITI and the field organisation to obviate recurrence of such lapses.

Action taken

All the 49 sets supplied by ITI have been since installed and commissioned. The Committees remarks have been conveyed to the units concerned and all concerned have been addressed to ensure better co-ordination and to avoid recurrence of such incidents.

[P&T Board O.M. No. 6-12|71-ML, dated 14-8-1973]

Recommendation

The Committee observe with regret that this is another case where an equipment designed by the Telecommunication Research Centre has not been used for several years. 162 Key-senders ordered to be manufactured by the Bombay-Telecommunication Factory in 1961 at a cost of Rs. 14.75 lakhs on the basis of the design prepared by the Telecommunication Research Centre have not yet been put to use. It was admitted during evidence that there were some operational snags in the equipment and the operators do not like it. The Committee consider that a procedure should be devised where-by a new equipment is tested in the field on pilot basis and results evaluated before undertaking bulk manufacture.

[S. No. 17 (Para 1.99) of Appendix to the Eighty-fifth Report—
(fifth Lok Sabha)]

Action taken

The recommendations of the Committee are now being followed very rigidly. A new procedure for development in Telecommunication side has now been evolved under the guidelines of the recommendations of the P.A.C. The procedure evolved is summarised below :—

- (a) Before undertaking actual development work, the TRC will consult the operations and Planning Branches in finalising the facility schedule and take into consideration all technical and operational requirements.
- (b) The prototypes after evaluation in the laboratory will be put through a field trial in co-operation with the operations Branch and all the operational aspects evaluated before finalising it for bulk manufacture.
- (c) Even after bulk manufacture and supply to the field units, the TRC will keep a watch in the initial stages about the performance of the first few installations.

[P&T Board O.M. No. 24-10|70—PHT|Vol. II (i), dated 14-9-1973]

Recommendation

The Committee have been informed that Telecommunication Research Centre has been directed to study and suggest minor modification to the Key-sender equipment and try the modifications in the equipment installed at Delhi to see whether better utilisation can be made of the equipment. The Committee should like to be informed about the outcome of the modifications proposed to be made in the equipment.

[S. No. 18 (Para 1.100) of Appendix to Eighty-fifth Report—
(fifth Lok Sabha)]

Action Taken

For better utilisation of the key-sender equipment T.R.C. proposed the following modifications :—

- (a) Increase of storage capacity of key-senders from six to 12 digits.
- (b) Making available one key-sender per position instead of three key-senders being shared by four positions on a pool basis.

In addition, to prevent the timing out of the registers in a cross bar exchange or a T.A.X. before the receipt of digit from the key-sender, a change in the operating procedure was necessary. The above change is not acceptable since this would necessitate an operator having to use a different procedure with two different calls. The modifications were, however, carried out on one out-going position and given a field trial in Delhi Trunk Exchange. The operator's handling time per call was found to be higher by about 15 per cent on a successful call, and by as much as 50 per cent on an unsuccessful call. With the normal percentage of busy circuits encountered in practice, this results in a reduction in the productivity of an operator by about 33 1/3 per cent. Moreover the cost of the equipment per position would also increase considerably, as the modifications required were fairly major in nature it is therefore, not considered advantageous to try to use modified equipment in practice. As earlier indicated, it is now proposed to dismantle the racks and relay plates and use the component parts in manufacture of other circuits.

[P&T Board O.M. No. 24-10|70—PHT (Vol. II) (11) T.R.C. 30-8|73,
dated 17-9-1973]

Recommendation

The Committee regret to note that inspite of the formation of a full-fledged engineering wing since July, 1963 having 21 divisions

with about 178 gazetted officers and 1758 non-gazetted staff, the progress in the utilisation of the vacant plots has not been satisfactory. The Committee find that as many as 134 plots acquired between 1873 and 1966 are still lying vacant. While it may be true that land values have appreciated over the years and the Department has been a gainer to that extent, the fact remains that the various objects for which the lands were acquired *viz.* construction of office buildings and telephone exchanges, providing amenities to staff etc. have not been fulfilled. Moreover the cost of the construction has been rising rapidly from year to year and the department is required to incur expenditure in safeguarding the plots against unauthorised encroachment and to pay heavy rent for hired accommodation for offices in places where these plots exist, besides incurring expenditure on house rent allowance to the staff for whom quarters were envisaged. In the interest of speedier utilisation of the vacant plots, the committee would urge the P. & T. Board to draw up a perspective plan for the next ten years, allocate *inter se* priority for various buildings and take up construction with due regard to resources available every year.

[S. No. 20 (Para 1.108) of Appendix to Eighty-fifth—Report—
(fifth Lok Sabha)]

Action Taken

All Heads of Circles have been requested to draw up a perspective plan for the next ten years, as suggested by P.A.C. *vide* letter No. 482-34/71-TPS(BG) dated 10/13-7-1973.

(Copy enclosed).

[P&T Board O.M. No. 482-34/71—TPS (BG), dated 27-8-1973]

Copy of letter No. 482-34/71-TPS (BG) from the O/o the D.G.P&T, New Delhi to All Heads of Circles/Telephone Districts, Chief Engineer, Civil P&T Dte, New Delhi, Director (XP), E, PRP &B on dated 10/13th July, 1973.

SUB: Public Accounts Committee 1972-73 Eighty Fifth Report (5th Lok Sabha) on Report of the Comptroller & Auditor General of India for the year 1970-71 Central Government (P&T) Action taken on the recommendations.

Kindly find enclosed in Annexure observations/recommendations of Public Accounts Committee regarding non-utilisations of vacant plots of lands. It may be ensured that no plot of land remains unutilised for long. As suggested by Public Accounts Committee, in the interest of speedier utilisation of vacant plots, it is requested to draw

draw up a perspective plan for the next 10 years for construction of buildings on plots under your possession, allocate interse priority for various buildings and send it to this office. The proposals will be approved with due regard to resources available every year.

Sd/- S. N. RANGANATHAN
Member (TD)

ANNEXURE

Observations|recommendations of Public Accounts Committee regarding non-utilisations of vacant plots of lands.

The Committee regret to note that inspite of the formation of a full-fledged engineering wing since July, 1963 having 21 divisions with about 178 gazetted officers and 1758 non-gazetted staff, the progress in the utilisation of the vacant plots has not been satisfactory. The Committee find that as many as 134 plots acquired between 1873 and 1966 are still lying vacant. While it may be true that land values have appreciated over the years and the Department has been a gainer to that extent, the fact remains that the various objects for which the lands were acquired viz. construction of office buildings and telephone exchanges providing amenities to staff etc. have not been fulfilled. Moreover the cost of construction has been rising rapidly from year to year and the Department is required to incur expenditure in safeguarding the plots against unauthorised encroachment and to pay heavy rent for hired accommodation for offices in places where these plots exist, besides incurring expenditure on house rent allowance to the staff for whom quarters were envisaged. In the interest of speedier utilization of the vacant plots the Committee would urge the P&T Board to draw up a perspective plan for the next ten years, allocate *interse* priority for various buildings and take up construction with due regard to resources available every year.

Recommendation

Admittedly the procedure prescribed by the P&T Department in May 1964 regarding the issue of teleprinters to the indenting officers, was defective as it did not envisage that the release of indents by the Circles within the one month of allotment was not practicable in all cases. This lacuna in the procedure resulted in extra payments of sales tax to the tune of Rs. 16.68 lakhs during the period 1964-65 to 1970-71. The Committee are surprised to find that even though the case was reported to the P&T Directorate by the Audit in October 1969, no action was taken to rectify the mistake till April 1972. Had the Directorate moved in the matter promptly they could have

at least saved the additional sales tax of Rs. 6.37 lakhs which they had to pay during the year 1970-71. This is clearly indication of a lack of planning on the part of the P&T Directorate on the one hand and of coordination between the different authorities on the other. The Committee consider it a lapse which calls for investigation with a view to avoiding a recurrence of such cases in future.

[S. No. 21 (Para 1.113) of Appendix to Eighty-fifth Report—(fifth Lok Sabha)]

Action taken

The case has been re-examined in detail. It is true that the procedure adopted in 1964 was not being followed fully as indents were not being released by Circles|Districts in time. It was at that time felt that indents could be released within stipulated period if Circles|Districts could take vigorous and prompt action. All Heads of Circles|Districts were reminded from time to time by the Directorate as is apparent from number of letters and instructions issued between August 1969 & April 1971. (9-1|70-NA|TI dated 26-3-1970, 14-2|68-TI dated 4-8-1970, 2-2|68-TI dated 6th August, 1970, 2-2|68-TI dated 10th August, 1970, 2-1|70-TI dated 9th December, 1970, 2-2|70-TI dated 20th March 1971 and 2-24|69-TI dated 5th April, 1971).

However it was seen that despite this, about 15 per cent of indents were delayed. The case was again, taken up in November 1971 with Heads of Circles| Districts calling for reasons for this delay. From the replies it was observed that there was practical difficulty in releasing indents in certain cases like leased circuits. The procedure was subsequently modified under letter No. 2-25|TI dated 28th December, 1971 and 20th April, 1972 (copies enclosed). This arrangements is expected to avoid delays pointed out by the P.A.C.

[P&T Board O.M. No. 49-1|71-TI (MMC), dated 5-11-1973].

INDIAN POSTS AND TELEGRAPHS DEPARTMENT OFFICE OF THE DIRECTOR GENERAL OF POSTS & TELEGRAPHS

(Sardar Square, Parliament Street)

No. 2-25|71-TI

Dated at New Delhi-1, the 28th Dec. 1971.

To

M|S. Hindustan Teleprinters Ltd.,
Guindy, Madras.

Sub: *Procedure relating to indenting|delivery of teleprinters machines and teleprinter attachments.*

Sir,

In continuation of this office letter Nos. 2-25|71-TI dated 25th

November, 1971 and 14-4/71-TI dated 2nd December, 1971, I am directed to inform you that to avoid extra sales tax imposed by Tamil Nadu state on T|P machines and attachments it has been decided that in future when indents are not received from the indentors, the teleprinter machines and teleprinter attachments need not be dumped to CTS Madras. After meeting the demands of the indenter whose indents are received in time, the rest of the available teleprinter machines and teleprinter attachment should proportionately be despatched to all the remaining four stores depots viz., C.T.S. New Delhi|Bombay|Calcutta and Jabalpur under intimation to CTS Madras and this office. CTS Madras will continue to arrange payment for the machines etc. as before in respect of supplies made by HTL for all the store depots.

Kindly acknowledge receipt.

Yours faithfully, ..

Sd|-

A. P. MURTHY,

Asstt. Director-General (T).

Copy forwarded for information and necessary action to:—

1. The C.T.S., Madras.
2. The C.T.S., N. Delhi|Bombay|Calcutta|Jabalpur. Extra sales tax, if any charged by their respective states on teleprinter machines and teleprinter attachments may please be intimated.
3. The CCTS., Calcutta.
4. All Heads of Circles.
5. The RDT N. Delhi|Calcutta|Bombay|Madras.
6. The all Heads of Telephone Districts.
7. The Director, P&T Srinagar.
8. NA Section of the Directorate.
9. File No. 14-4.71—TI 14-3|68-TI.

Sd|- A. P. MURTHY

Asstt. Director General (T)

INDIAN POSTS AND TELEGRAPHS DEPARTMENT OFFICE OF
THE DIRECTOR GENERAL OF POSTS & TELEGRAPHS

No. 2-25|71-TI

Dated. New Delhi-1. the 20th April 1972.

To

M|s Hindustan Teleprinters Ltd.,
Guindy, Madras.

SUB: Procedure relating to indenting|delivery of teleprinter machines and teleprinter attachments.

Sir,

Reference is invited to this office letter No. 2-25|71-TA dated 28-12-71 in which it was stated that after meeting the demands of the indentors whose indents are received in time, the rest of the available teleprinter machines and teleprinter attachments should be proportionately be despatched to all the remaining four store Depots viz., CTS, N. Delhi|Bombay|Calcutta and Jabalpur under intimation to the CTS., Madras and this office.

It has now been decided that with immediate effect all the available stock of Teleprinter Machines and attachments after meeting the demands of the indentors whose indents are received in time, may be despatched to other store depots in consultations with the C.T.S., Madras who will advise distribution of stores in cases where consignee particulars are not given.

Kindly acknowledge receipt.

Yours faithfully,

Sd|- U. R. SAINI,

Asstt. Director-General (T)

Copy forwarded for information to :—

1. The CTS., Madras with reference to his letter No. T|F|3044|51 dated 22.2.72.
2. The CTS., N. Delhi
3. The CTS., Calcutta
4. CTS, Jabalpur.
5. CCTS., Calcutta
6. NA Section of P & T Directorate
7. File No. 14-4|71-TI & 14-3|68-TI.

Sd|- U. R. SAINI,

Asstt. Director-General (T)

CHAPTER III

Recommendations|Observations which the Committee do not
desire to pursue in view of the replies of Government

Nil

CHAPTER IV

RECOMMENDATIONS|OBSERVATIONS IN RESPECT OF WHICH REPLIES HAVE NOT BEEN ACCEPTED BY COMMITTEE AND WHICH REQUIRE RE-ITERATION.

Recommendation

The Committee note that one of the considerations for departmentalisation of the Mail Motor Service at Gauhati by using 3 wheeler vehicles was economy in expenditure. The Committee however feel that the estimate of the running cost at 40 paise per kilometer prepared by the Department was on the low side. They desire that the reasonableness of this estimate should be gone into. It is indeed surprising that the departmentalisation was embarked upon without ensuring proper facilities for the repair and maintenance of the vehicles. The Committee desire that it should be thoroughly investigated how the vehicles started suffering frequent break-downs within five months of the departmentalisation. They would like to know the position regarding the establishment of the workshop and the utilisation of the vehicles.

[S. No. 7 (para 1.45) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action Taken

The procedure and standard adopted for the calculation of the cost of running 1 mile or 1 kilometer by a Tempo 3 wheeler, during the year 1965, 1966 and 1967 were as follows:—

1. Capital Cost of one Tempo 3 Wheeler vehicle: Rs. 10,000.
2. Cost of servicing and maintenance:—

The life of a Tempo 3 wheeler vehicle in terms of service in mileage is 60,000 miles. It is anticipated that during this entire span of life, cost of servicing and maintenance would work out to 30 per cent of its cost i.e.

10,000
———— =Rs. 5,000|-

2

Therefore the cost of servicing and maintenance to run 60,000 miles is Rs. 5,000|-

Therefore the cost of servicing and maintenance if the vehicle runs 1 mile will be: Rs. 5,000

$$\frac{5,000}{60,000} = 8 \text{ paise per mile.}$$

3. Cost of depreciation if the vehicle runs one mile:—

Cost of the Vehicle	Rs. 10,000
Less residual value after the vehicle completes its life i.e. 10% of the cost.	Rs. 1,000

Balance	Rs. 9,000

This amount of Rs. 9,000- depreciates if it runs 60,000 miles. Therefore depreciation per mile -
 $\frac{9,000}{60,000} = 15 \text{ paise per mile}$

4. Cost of petrol, oil and lubricants for running 1 mile:—

The Vehicle would run 26 miles for 1 Gallon. Taking the cost of P.O.L. as Rs. 4.15 per Gallon, the cost for running 1 mile -4.15

$$\frac{4.15}{26} = 16 \text{ paise per mile.}$$

but this rate also varies according to the nearness of the place to the port etc.

5. Interest on capital cost is calculated @ 7 per cent per annum from 1966 and @ 5.7 per cent per annum prior to 1966.

6. Cost of Establishment: The pay and allowances of a Driver is calculated as follows:

Average pay of a Driver	Rs. 146.16
D.A.	58.00
H.R.A.	7.50

Total	Rs. 211.66

But this is subject to variation if CCA is admissible in that place and the rate of D.A. etc. changes.

7. Charges on account of leave salary and pension contribution and share of control and audit is taken as 40 per cent of the cost of Establishment at 6 above.
8. In small units like Gauhati, where number of vehicles is small, the elements of cost like pay and allowances of the Manager, the office establishment and workshop establishment and indirect charges like interest and depreciation on buildings and garages, plant and machinery and interest on land are not taken into account at the time of estimation, as the S.P.O. of the Division is in charge of the unit and no separate office establishment, workshop, garage, plant machinery are sanctioned to the unit.

The above standards have been uniformly adopted for calculating the estimated cost of running the departmental MMS where tempo 3 wheelers were sanctioned, with slight variations depending upon the year and place in the matter of interest on Capital cost establishment charges, cost of petrol etc. The detailed calculations in respect of 8 towns where Tempo 3 Wheelers were introduced are given in the statement enclosed (Annexure A). It will be seen therefrom and also from the enclosed calculation sheet (Annexure-B) that the standards adopted for estimating the running cost per mile or K.M. of M.M.S. at Gauhati is the same as those adopted for other places.

A comparative study of the statement would reveal that the cost for running 1 K.M. by a Tempo 3 wheeler decreases as the mileage to be covered in a month increases. In other words the cost is inversely proportional to the distance covered in a month as illustrated below with the figures given in the statement enclosed.

Name of Place	Total Distance covered in a month in miles	Estimated cost per mile Rs. P.	Estimated cost per K.M. Rs. p.
1. Gauhati	7000	0.63	0.40
2. Cochin	6000	0.70	0.41
3. Jaipur	4780	0.70	0.44
4. Mathura	2164	0.79	0.49
5. Kozhikode	3300	0.82	0.51
6. Rajkot	1082	1.11	0.70
7. Jamnagar	1000	1.10	0.70
8. Aligarh	780	1.77	1.11

As the estimated distance to be covered in Gauhati was high namely 7000 miles per month, which was the same as was covered by the contractor before departmentalisation, the estimated running cost of 1 K.M. worked out only to 40 paise on the same procedure and standard adopted for calculation for other units as well. The estimated cost of operation worked out, based on the requirements of vehicles, staff and the proposed mileage to be covered, it would therefore be agreed, was not on the low side.

Regarding the second observation of the P.A.C. that 'It is surprising that the departmentalisation was embarked upon without ensuring proper facilities for the repair and maintenance of the vehicles', it is submitted that before considering the proposal to introduce the departmental M.M.S., at Gauhati, it was ascertained through the local authorities that the repair facilities through Trade existed in the town. They had intimated that Tempo vehicles could be serviced and repaired in Gauhati at a firm named M|s (. . . .) who were the authorised dealers for Bajaj Tempo Ltd. Further, the contractor who was running the service, between Air Port and Gauhati before departmentalisation was also using Tempo vehicles and hence it was thought that there would be no difficulty in maintaining Tempos, at Gauhati.

Thirdly, regarding the thorough investigation pointed out by the PAC, to find out how the vehicles started suffering frequent breakdowns within five months of departmentalisation, it is submitted that the vehicles could not be maintained on road regularly, inspite of the best efforts made by the department to get them repaired through the authorised local dealer, and inspite of the special efforts and assistance given by M|s (. . . .) The main reasons attributable to the breakdowns are as follows:—

- (a) The service rendered by the authorised dealer was unsatisfactory on account of the fact that the set-up of the authorised dealer was not on sound lines.
- (b) The service was also at a disadvantage as there was no general and technical departmental supervision.

It was also revealed during the preliminary departmental enquiry that there were certain malpractices in the departmental M.M.S. with a view to engage private taxis for conveyance of mails keeping the mail vans off the road. In order to have a thorough probe into the entire affairs of the departmental M.M.S. and especially to see whether there were any malpractices, the case has been entrusted to the S.P.E. The case, is still under investigation and has not yet been finalised. Definite conclusion with regard to

the malpractices can be arrived at only when the result of the investigation by the S.P.E. is known.

A departmental mechanic has since been posted to attend to the repairs at Gauhati M.M.S. The major repairs are also being got done through the trade and through the authorised agent of Premier Automobiles. To have effective supervision over the maintenance and running of the vehicles, a Dy. Manager conversant with the work has been posted. The departmental vehicles are fully utilised for conveyance of mails and the service is now running satisfactorily. Action has already been taken to recruit a Technical Manager and as soon as the formalities are over, a technical Manager will be posted to Gauhati. He will be in a position to organise setting up of a workshop for repairing of all vehicles in the Circle including the Mail Motor Vehicles.

The three wheeler tempos have been replaced by Dodge vehicles in December 1972.

[P&T Board O.M. No. 30-2/71-MS Dated 5-11-73]

Name of Place	No. of Tempo 3 Wheeler sanctioned	Capital cost.	Total distance to be covered by the Dept. MMS in a month in miles.	Interest on Capital cost @7% per Ann. or 5.75% as the case may be	Cost of servicing & maintenance @8 paise per mile & cost of depreciation @15 P. per mile, i. e. a total of 23 P. per mile.
1	2	3	4	5	6
		Rs.		Rate	Amt. Rs.
Rajkot	2	20,000/-	1082	@ 7%	117 249
Jamnagar	2	20,000/-	1000	@ 5.75%	96 230
Jaipur	4	40,000/-	4780	@ 7%	233 233 1099
Mahura	3	30,000/-	2164	Do.	175 498
Aligarh	3	30,000/-	680	Do.	175 156
Kozhikode	4	40,000/-	3300	@ 5.75%	192 759
Cochin	5	50,000/-	6000	@ 5.75%	240 1380
Gauhati	5	50,000/-	7000	@ 7%	292 1610

—'A'

Cost of P.O.L.	Estt. Sanctioned	cost of Estt.	Leave salary & pensions Cont. & control & Audit charges @ 42% or 40% of Col. 9	Misc. contingent expenditure etc.	Total	Average cost per mile i. e. col. 12-by Col. 4	Average cost per K.M	
7	8	9	10	11	12	13	14	
Rate	Amt.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
@16P.	173	2 Drivers @Rs. 212/- p.m.	424 42%	178	50	1191	1.11	0.70
@15P	150	2 Drivers @ Rs. 179/- P.M.	358 40%	143	123	1100	1.10	0.70
@19P	908	3 Drivers @Rs. 259/66 p.m.	778 40%	311	21	3350	0.70	0.44
@16P	346	2 Drivers @ Rs. 224/- 1.m.	448 40%	179	54	1700	0.79	0.49
@18P	123	2 Drivers @Rs. 245/- p.m.	490 40%	196	60	1200	1.77	1.11
@15P	495	3 Drivers @Rs. 179/- p.m. 1 clerk @206/- p.m.	743 40%	297	214	2700	0.82	0.51
@15P	900	4 Drivers @Rs 179/- p.m. 1 clerk @206/- p.m.	922 40%	369	389	4200	0.70	0.44
@16P	1120	4 Drivers @ Rs. 224/- p.m.	896 42%	376	106	4400	0.63	0.40

ANNEXURE B

Monthly Mileage
7000 miles.

Gauhati

Capital Investment

5 Tempo @Rs. 10,000 each—Rs. 50,000

(a) Cost of maintenance and Servicing 50%

$$\frac{10,000}{2} \times \frac{100}{60,000 \text{ miles}} = \frac{50 \text{ or } 8 \text{ paise per mile}}{6}$$

(b) Cost of Depreciation

less 10% residual value (—) $\frac{1,000}{9,000} \div 60,000 \text{ miles} = 15 \text{ paise per mile}$

(c) Cost of petrol etc @ Rs. 4.15 per gallon.

415 miles per gallon—or 16 paise per mile. @7%

26

Recurring R. penditure

Monthly Rs.

1. Interest @7%

$$50,000 \times \frac{7}{100} \times \frac{1}{12} = \frac{875}{3} \text{ or } 292$$

2. Maintenance & Depreciation @ 23 paise per mile for 7000 miles 1610

3. Cost petrol etc @ 16 paise per mile for 7000 miles 1120

4. Cost of Establishment Average pay DA HRA Total

<u>4 Drivers</u>	Rs. 146.16	70	7.50	223.66	
				or	
				Rs. 24x4	= 896

5. Leave Salary Pensionary Charges etc. @42% of item No. 4 376

6. Misc. Charges like Registration, garage rent etc. 106

Total Rs. 4400

Average Cost Rs. 4400

7000 miles or 63 paise per mile
or 63x 10 = 40 paise per K.M.

16

CHAPTER V

RECOMMENDATIONS|OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

As regards the delay experienced by the P&T Department in procurement of other items of stores through D.G.S&D., the Committee desire that Government should go into this question thoroughly and take necessary steps to minimise delays, so that efficiency of the Posts & Telegraphs Services is not allowed to suffer for want of timely and adequate supply of vitally needed stores. The Committee would like to be informed of the action taken and improvements effected.

[S. No. 3 (para 1.17) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action Taken

As regards the delay experienced by the Department in the procurement of the items of stores through D.G.S.&D., the supply position has improved in respect of different types of bags, locks and letter boxes. As regards other articles wherever there is any delay the matter is taken up with D.G.S.&D. through the Liaison officer of Posts and Telegraphs Department and is pursued vigorously.

With a view to go into the question thoroughly, an officer on special Duty was appointed to review the working of Postal Stores Depot and the present system of procurement of various items of stores. He has submitted his report which is under examination.

[P&T O.M. No. 21-16|72-MII, dated 17-9-1973]

Recommendation

Although the malpractices in this case came to the notice of the Department in July, 1968, no conclusive action has so far been taken against the eight officers involved in the case. The Committee are dissatisfied with the slow progress in this regard and desire that

necessary steps should be taken to expedite the departmental proceedings. The Committee would like to be informed about the action taken against the officers concerned.

[S. No. 5 (para 1.32) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action Taken

Disciplinary action was initiated against three Gazetted Officers at fault in consultation with the Central Vigilance Commission. Charge sheets were issued to them on 23-6-1973. Statements of Defence from two officers have been received and are under examination. Since both these officers are Class-I officers, consultation with U.P.S.C. would be necessary. It will, therefore, take sometime to finalise these cases. In the case of third officer, who is a Class-II officer, the Central Vigilance Commission has been asked to nominate a Commissioner for Departmental Inquiries for appointment as Inquiry Officer. The enquiry will commence after the appointment of an Inquiry Officer and the Presenting Officer.

Disciplinary action against Non-Gazetted officials is being taken by Postmaster General Lucknow. These disciplinary cases are still in progress.

[P&T Board O.M. No. 27-5/71-PBH, dated 30-10-1973]

Recommendation

The Committee find that certain irregularities in the running of Mail Motor Service are under investigation by the Special Police Establishment. The Committee desire that the investigation should be completed expeditiously. The Committee would like to be informed about the outcome and the action taken against the officials concerned.

[S. No. 8 (para 1.46) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action Taken

It has been reported by the Postmaster General, Shillong that the case is still under investigation by S.P.E. The result will be communicated as soon as the case is finalised.

[P&T Board O.M. No. 30-2/71-MS, dated 15-10-1973]

Recommendation

From the facts as furnished to the Committee it is evident that there was a regular racket going on in the particular Head Post Office during 1968-69 to cheat Government in connection with the delivery of heavy mails. The test check by Audit disclosed a variety of irregularities and malpractices indulged in by the postal staff. Departmental investigations have revealed that besides the postal staff the Treasury contractor and his employees were responsible for the irregularities. As many as sixteen vouchers are stated to be not traceable and a large number of postal employees are said to be involved in this conspiracy to defraud the Government and obtain bogus payments on fake or fictitious vouchers. The departmental enquiry having already established that irregularities were committed the Committee desire that the case should be handed over to the Police with a view to bringing the offenders to book according to the law of the land. Simultaneously departmental action should be taken to punish the staff found guilty of dereliction of duty, negligence or slackness in supervision. The Committee would like to be informed of the final outcome of the case.

[S. No. 9 (para 1.55) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action Taken

In regard to the case being handed over to the Police, as desired by the P.A.C., the matter was discussed informally by the Postmaster General, Lucknow, with the SPE. The SPE, having gone through the case, was of the view that the case was not fit for prosecution.

As recommended by the PAC, departmental action has already been initiated against the postal officials of Lucknow GPO who were found to be responsible for the irregularities in question. For this purpose, charge-sheets have been issued under the provisions of Rule 14 of COS(CCA) Rules 1965, to as many as 99 officials of Lucknow GPO. The proceedings against the delinquent officials are in progress and will be completed as soon as possible.

[P&T Board O.M. No. 7-3/71-CT, dated 5-11-1973]

Recommendation

The Committee understand that the Department have a number of coaxial cable schemes in hand both in the northern and southern regions where these machines are proposed to be utilised. The

Committee however understand that the machines are capable of digging trench to a depth of 4 ft., while the Department have changed the specification to 5 ft. The Committee presume that it will be found possible to use the machines for trenching upto 4 ft. depth and manual labour for an extra foot. The Committee would like to be informed about the utilisation of the machines in the new projects and the economics of their operations.

[S. No. 13 (para 1.76) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action Taken

The recommendation of the Committee regarding utilisation of the machines has been noted and the necessary information relating to economics of operation of the trenching machines will be furnished in due course.

[P&T Board O.M. No. 39-7|71-TPL(CX), dated 31-8-1973]

Recommendation

The Committee find that a high powered Committee was appointed in March, 1972 to review the research and development work being done in the field of telecommunications by various organisations under the Ministry of Communications, including the Telecommunications Research Centre of the P&T Department. The Report of the Committee was due by the end of December, 1972. The Committee would like to be informed about the action taken on the recommendations of the high-powered Committee in so far as these relate to the Telecommunication Research Centre.

[S. No. 19 (para 1.101) of Appendix to Eighty-fifth Report
(Fifth Lok Sabha)]

Action taken

The Report of the High powered Committee is still awaited. Action taken on the Report, when received, will be intimated to the Committee.

[P&T Board O.M. No. 24-10|70-PHT (Vol. II) (iii),
dated 17-9-1973]

NEW DELHI;
February 4, 1973.

Magha 15, 1895 (Saka)

JYOTIRMOY BOSU,
Chairman.
Public Accounts Committee.

APPENDIX

SUMMARY OF MAIN CONCLUSIONS|RECOMMENDATIONS

S. No.	Par a. No.	Ministry/Department concerned	Conclusion/rec-ommendation
1	2	3	4
1.	1.4.	P&T Board	The Committee hope that final replies in regard to the recom- mendations to which only interim replies have so far been furnished will be submitted to them expeditiously after getting them vetted by Audit.
2.	1.8.	—do—	Although the Committee had expressed their dissatisfaction over the slow progress of disciplinary proceedings against the officers involved in malpractices in the operation of telephone meters which came to notice in July, 1968, it is regretted that a finality has not yet been reached. They desire that expeditious action should be taken to finalise the disciplinary proceedings.
3.	1.11.	—do—	It has been stated by the Ministry that the main reasons for breakdowns of 3 wheeler mail service vehicles were (a) the service rendered by the authorised dealer was unsatisfactory on amount of the fact that the set up of the authorised dealer was not on sound lines and (b) the service was also at a disadvantage as there was no general and technical departmental supervisor. The Committee

cannot help feeling that officers concerned ought to have foreseen these factors and taken adequate steps to maintain the vehicles properly.

4. I. 12.

—do—

The Committee are unhappy to note that the preliminary departmental enquiry revealed that there were certain 'malpractices' committed in departmental Mail Motor Services with a view to engaging private taxis for conveyance of mails keeping the mail vans off the road. The Committee desire that the findings of the Special Police Establishment in this regard and action taken against the persons concerned may be intimated to them.

5. I. 13.

—do—

Although the post of a Technical Manager for MMS Gauhati was created in 1968, recruitment has not yet been finalised. The Committee would urge that formalities should be gone through expeditiously and a Technical Manager posted in order to organise the setting up of a repair workshop without delay.

6. I. 16

—do—

The Committee desire that the departmental proceedings against the officials responsible for irregularities in delivery of heavy mails should be expedited and the outcome reported to them.

7. I. 19.

—do—

It has been admitted by the Department that the trenching machines are likely to be used only in very limited stretches. Further these machines are capable of digging trench to a depth of

P&T Board

4 ft. as against the Department's changed specification of 5 ft. In view of the restricted utility, the Committee suggest that while working out the economics of the operation of the machines, it should be carefully examined whether it would be worthwhile to retain them and incur expenditure on the pay and allowances of the operating staff.

The Committee desire that strict instructions should be issued to avoid import of non-essential labour saving machines in future.