

SIXTY-FOURTH REPORT
PUBLIC ACCOUNTS COMMITTEE
(1981-82)

(SEVENTH LOK SABHA)

**EXPANSION OF SRINAGAR TELEPHONE
EXCHANGE AND ARREARS OF TELEPHONE
REVENUE**

**MINISTRY OF COMMUNICATIONS
(P & T BOARD)**



*Presented in Lok Sabha on
Laid in Rajya Sabha on*

**LOK SABHA SECRETARIAT
NEW DELHI**

December, 1981/Agrahayana 1903 (Saka)

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CORRIGENDA TO 64TH REPORT OF THE PUBLIC
ACCOUNTS COMMITTEE (SEVENTH LOK SABHA)

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44	2.40	4	<u>Add</u> 'of' after 'absence'	
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42	2.38	4	earlies	earliest
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*Not printed. One cyclostyled copy laid on the Table of the House and Five copies placed in the Parliament Library.

PUBLIC ACCOUNTS COMMITTEE

(1981-82)

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2. Shri D. C. Pande—*Chief Financial Committee Officer*
3. Shri K. K. Sharma—*Senior Financial Committee Officer* .

INTRODUCTION

1. The Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Sixty-fourth Report of the Public Accounts Committee (Seventh Lok Sabha) on Paragraphs 6 and 14 of the Report of the Comptroller and Auditor General of India for the year 1979-80, Union Government (P&T) relating to "Arrears of Telephone Revenue" and "Expansion of Srinagar Telephone Exchange."

2. The Report of the Comptroller and Auditor General of India for the year 1979-80, Union Government (P&T) was laid on the Table of the House on 5 May, 1981.

3. In this Report, the Committee have expressed concern over the increasing arrears of telephone revenue. They have recommended establishment of a separate cell in each Telephone Circle/District to review the arrears on a regular basis. Commenting on the increasing complaints regarding short/excess billing, the Committee have felt that the billing system of the Department needs to be completely overhauled. A time-limit for disposal of complaints and representations from the subscribers has been suggested. The Committee have recommended supply of fortnightly meter readings to all the subscribers on nominal payment. To start with, it has been suggested that the system may be introduced on an experimental basis in some selected metropolitan cities.

4. Regarding Srinagar Telephone Exchange, the Committee have expressed their unhappiness over the fact that although the building was completed in 1962, the First Floor of the building is still not being utilised for the purpose for which it was intended. The likely deficiency in the load bearing capacity of the First Floor of the building was not noticed for well over ten years. The Committee have recommended that the load bearing capacity of the First Floor of the building should be got tested by an outside agency.

5. The Public Accounts Committee (1981-82) examined the above paragraphs at their sitting held on 12 August, 1981. The Committee considered and finalised this Report at their sittings held on 16

October and 26 November, 1981. The Minutes of Sittings of the Committee form Part II* of the Report.

6. A statement containing conclusions and recommendations of the Committee is appended to this Report (Appendix III). For facility of reference these have been printed in thick type in the body of the Report.

7. The Committee place on record their appreciation of the assistance rendered to them in the examination of these paragraphs by the Office of the Comptroller and Auditor General of India.

8. The Committee would also like to express their thanks to the officers of the Ministry of Communications (P&T Department) and the Ministry of Works and Housing for the cooperation extended by them in giving information to the Committee.

NEW DELHI;
December 5, 1981.

Agrahayana 14, 1903 (S).

SATISH AGARWAL,
Chairman,
Public Accounts Committee.

*Not printed. One cyclostyled copy laid on the Table of the House and five copies placed in the Parliament Library.

REPORT

CHAPTER I

Expansion of Srinagar Telephone Exchange

Audit Paragraph:

1.1. To meet the growing demand for telephone connections at Srinagar, the Director General, Posts and Telegraphs (DGPT) sanctioned (June 1973) a project estimate for Rs. 28.86 lakhs for the expansion of the existing telephone exchange from 4,800 to 6,000 lines. On completion, the project was expected to yield a net revenue of Rs. 3.04 lakhs per annum. The project comprised apparatus and plant (Rs. 10.97 lakhs), cables (Rs. 13.21 lakhs) and lines and wires (Rs. 4.68 lakhs).

1.2. The indent for the supply of exchange equipment was placed by the DGPT on the Indian Telephone Industries (ITI) in August 1973 for delivery during 1973-74. The supply of the equipment commenced from December 1973. The equipment was proposed to be installed on the first floor of a building which had been constructed by the Central Public Works Department (CPWD). While preparing the project estimate, the suitability of the first floor for installation of the equipment was assumed by the Department on the basis of original building drawings and specifications without verifying its load bearing capacity. In August 1974, when stores worth Rs. 4.91 lakhs had arrived, the department found that the first floor did not have the specified load bearing capacity (200 lbs. per square foot).

1.3. The ITI was, therefore, informed in October 1974 that the exchange was to be installed on the ground floor and not on the first floor of the existing building. By that time, the ITI had already processed the indent according to the original specifications and, therefore, informed the DGPT (November 1974) that it would not be possible for them to redo the job according to the revised specifications and to effect supply during 1974-75. In April 1975, the DGPT fixed January 1976 as the target for the commissioning of the exchange. The revised plan involved certain civil works to be carried out on the ground floor before the installation work could be taken up. These civil works were completed in September 1976.

1.4. Since substantial portion of the equipment had been received by June 1975, the department decided to put through an interim expansion of 200 lines by utilising part of the equipment. Installation of the exchange for 200 line expansion was commenced in December 1975 and completed in March 1976 and that for 1,000 lines was taken up in April 1976 and completed in March 1977.

1.5. The cable scheme was finally submitted by the General Manager Telephone to the General Manager Projects (GMP) in May 1975 and approved by the GMP in June 1975. Indents for the supply of primary and distribution cables were placed (July 1975) on Controller of Telegraphs Stores. The work of laying primary cables was completed in December 1976 and that of distribution cables in June 1977. The project was completed (June 1977) at a cost of Rs. 72.43 lakhs, the increase in cost over the original estimate (Rs. 28.86 lakhs) being mainly due to enhancement of the cost of stores and equipment. The revised estimate had not been sanctioned by the DGPT so far (July 1980), the department stated (July 1980) that it was being processed for sanction.

1.6. The failure of the department to verify the suitability of the first floor at the time of preparation of the project estimate for expansion programme resulted in a delay of 14 months in commissioning the exchange resulting in loss of potential revenue of Rs. 9.50 lakhs during January 1976 to March 1977.

[Paragraph 14 of the Report of the Comptroller and Auditor General of India for the year 1979-80, Union Government (Posts and Telegraphs)]

Construction of the Building for the Srinagar Telephones Exchange.

1.7. Asked when the decision to construct the building was taken and when the building was actually constructed, Member (Telecom. Development) P and T Board stated before the Committee:

“The decision was taken in July, 1959 when the administrative approval and expenditure sanction was issued, at a cost of Rs. 7.28 lakhs. The estimate envisaged completion in 18 months time. The construction work was with the CPWD because they undertook the P and T work at that time. The work was handed over with the administrative approval and expenditure sanction on 21 July,

1959. The building construction was completed in October, 1962. A revised sanction was issued in January, 1961 at a cost of Rs. 8.31 lakhs."

1.8. Asked to intimate the estimated cost, actual cost and escalation, if any, in the cost of the building, the Committee have been informed in a note by the P and T Directorate as follows:—

"The estimated cost of the Srinagar Telephone Exchange building was as under:

	Lakhs
Original Estimated cost of phase (Ground Floor and 1st Floor except Switch Room Hall)	1959 Rs. 7.25
Revised Estimated cost of the above	1961 Rs. 8.30
Revised Estimated cost of phase I and phase II	1963 Rs. 12.08
Estimated cost of phase II (Switch Room Hall on 1st floor and part of 2nd floor) only	1965 Rs. 3.80
Total revised estimated cost of phase I and phase II	Rs. 8.30 Rs. 3.80
	----- Rs. 12.10 -----

As regards the actual final cost efforts were made to obtain the figures from the Dy. Director Audit and Director of Postal Accounts Kapurthala and the Office of Chief Engineer CPWD, New Delhi but in the absence of any records no information as to the actual cost on construction could be obtained. An officer of P and T Directorate could be obtained. An officer of P and T Directorate was also deputed to search the records in the office stationed at Ambala but no additional information could be obtained and the records reported to be not traceable. Since the revised estimate of Rs. 12.10 lakhs combined for Phase I and Phase II was prepared after completion of Phase I of building, it could be presumed to be based on approximate actual cost of Phase I. We may, therefore, presume actual cost on construction is around Rs. 12.10 lakhs.

There was an increase of approximately Rs. 1 lakh (i.e. Rs. 7.25 lakhs) to Rs. 8.30 lakhs in respect of phase-I which was mainly due to increase in the price index for Srinagar from 144 in 1959 to 171 in November 1970. Also the original estimate envisaged construction of two storey building while the revised estimate included strengthening of foundation for taking up a third storey on a portion of the building."

It has been further stated in a written note that:

“The building had originally been constructed in 1962-63 by the CPWD and according to the architectural drawings and preliminary estimate, provision had been made for the first floor slab for a load of 200 lbs. per sft. There was no reason for the Planning Branch to have any doubts in regard to the suitability of the first floor of the building to take the expansion. The equipment had accordingly been allotted and the orders placed on I.T.I. for the equipment for the expansion of the exchange from 4800 to 6000 lines.”

1.9. The Committee wanted to know the circumstances in which doubts about the capacity of first floor to bear load of 200 lbs. per sq. ft. were expressed and what efforts were made by P and T Department to ascertain the actual load bearing capacity of the first floor of the building. In reply, the P&T Directorate has stated in a note as follows:

“The first doubt about the capacity of the first floor to bear a load of 200 lb per sq. ft. required for telephone exchange equipment was expressed by Shri R. J. Bakhru, the then Supdt. Engineer P and T (Civil) Circle-IV, New Delhi during a meeting held at Srinagar in June, 1974 with Director, P&T, J. and K. Circle Srinagar to coordinate the works relating to expansion of Srinagar Telephone Exchange from 4800 to 6000 lines. He was asked to undertake a detailed investigation and confirm whether or not the switch room slab could take 200 lbs per sq. ft. The Supdt. Engineer P and T Civil confirmed vide his letter dated 18-7-74 that the structural provision made in the building was inadequate to take a super imposed load of 200 lb per sq. ft. He also informed that the relevant structural drawings and other records were not available with the Asst. Engineer CPWD Srinagar and that his report was based on actual observations of certain portions of the slabs and beams which was cut to ascertain the reinforcement in these members. The P and T naturally accepted this advice not only because of the specific opinion about the load bearing capacity of the floor but also because the work was originally awarded when Shri Bakhru was himself the Executive Engineer, CPWD in that Circle. The case was taken up in September, 1974 with Additional Chief Engineer-III

CPWD, New Delhi who was controlling Srinagar building works to investigate the matter and to intimate the reasons for deviation from the specification on actual construction and to furnish the structural details. No reply was received from Additional Chief Engineer CPWD inspite of several reminders till July, 1976, when the Chief Engineer, CPWD informed vide his letter dated 23-7-76 that inspite of their best efforts the old records could not be traced as these were transferred to Supdt. Surveyor of Works-II, whose headquarters has been shifted from New Delhi to Calcutta. He advised that a test of the involved structural members for the extent of desired loading may be made to ascertain load bearing capability of the exchange floor. This advice was referred to P&T Civil. Since it was not possible to vacate the Ground floor equipment of the working exchange, it was considered not feasible to conduct the load test. The matter was again referred to Chief Engineer P and T Civil Wing in January, 1980 when he advised that there is a risk involved in loading the slab as the pockets of weakness in the RCC slab could not be ruled out and therefore he would not recommend loading of the first floor slab when the ground floor below was still in occupation. Since the first floor slab was not considered adequate for exchange equipment, various alternative lay out etc. were examined but were not found feasible. It has been proposed to use the first floor for auto manual and trunk exchange which requires about 80 lb. load only which is the safe strength as estimated by Civil Wing on the basis of exposed structural members."

1.10. The Committee wanted to know if the construction of the building was defective/sub-standard and why was this aspect not examined in detail earlier. The P and T Directorate has stated in a written note:

"The construction of the building was apparently normal. The drawings and specifications of the building clearly indicated the loading of first floor to be 200 lbs/sq. ft. As such the suitability of this aspect of construction was assumed as there was no reason to suspect that any deviations in the construction of the building had taken place."

1.11. When asked if after the completion of the building, any inspection was done by P and T Department to see if it was according to specifications and requirements, Member (Telecom. Development) P and T Board replied:

“The CPWD was our agent and professional advisers in the matter and it would not have been possible for us to certify it in respect of the load bearing capacity..... We accepted it.”

1.12. Asked if any engineer of the CPWD or any other expert certified that the building had been constructed as per the requirements of the P and T, the witness replied:

“It is the practice that the Supdt. Engineer incharge of the construction record a certificate in this fashion in the records of his own department rather than that of the user. I do not know what happened in this case.”

1.13. The Committee wanted to know if at the time of the handing over of the building by CPWD to P and T Department any joint inspection was done. The Director General of Works CPWD replied:

“As soon as the building is complete, the building is jointly inspected by CPWD, by the SE and the officer incharge of the Telecommunication Wing. It is also correct that after the building is completed, a certificate has also to be recorded in the measurement book. All the records including the measurements that we had, have gone to the P and T, who had recorded that certificate. It is only they who can just go through the records and then tell as to who certified it. I would like to mention that in my view it has not been provided that the roof slab is not capable of taking the design load.....Unless and until somebody goes through the structural drawings and measurement books, it will not be possible to say that the slab cannot take the load.”

1.14. The Committee wanted to know the action taken by the P and T Department after they came to know in 1974 that the first floor did not have the requisite load bearing capacity. Member, P and T Board stated before the Committee:

"The problem came to notice at the time of the coordination meeting which was held in July 1974 and the S.E. (Civil), was asked to examine this and give a final report within a month's time. He not having the records arranged for opening the beam and slab and eventually gave us a categorical opinion that it was not capable of taking the load of 200 pounds per sq. foot. It immediately showed that the work which was specified or required by us had not been carried out. This matter was, therefore, taken up with the CPWD although by that time we already had a civil wing of our own. Reply from the CPWD took considerable time. A clear reply came in July 1976. This reference about transfer to SSW was thus made two years later. Meanwhile, action had to be taken on the building as the exchange project was held up. So, a decision was taken in October, 1974 to put equipment on the ground floor itself instead of attempting to put on the first floor."

The witness also read out the following minutes from the record of the meeting:

"In drg. no PTA/54045|1|2, 200 lb|sft floor loading has been indicated in the floor plan. During discussions with SE, P and T Civil Wing SE, Shri R. S. Bakhru indicated that the floor loading of room appears to be less than 200 lbs/sft. As per preliminary survey, the floor loading appears to be about 80 lbs/sft."

1.15. The Committee wanted to know if there was conclusive evidence that the CPWD failed to construct the building according to specifications. The Director-General, Works stated before the Committee:

"To give a correct conclusion as to the load for which the slab has been constructed, it will be necessary to go through the structural drawings and the measurement books. These only will tell us what exactly is the quantum of reinforcement that has gone into the various RCC members. Another method of verifying this would be what we have suggested in our letter, viz. that we load the structure and see whether it is capable of taking the load; rather, to load the structure to see what is the load upto which the structure can stand. We are not associated

with the enquiry conducted by the Supdt. Engineer of the P and T Department. We do not know where exactly he cut open the reinforcement, and how he did it. In my opinion, merely cutting open the bottom of members will not give a complete picture of the reinforcement. The safest method would be to load the structure and see how it behaved. This is the standard practice. This is what we had suggested."

1.16. Asked if officials of the CPWD took any steps to visit the building and find out what was wrong with the building, the Director General, Works replied, "if we had been asked to do it, we would have done it."

He further stated:

"The records were obviously not with us. We suggested a fool-proof method for testing. We do not know whether they carried it out. P and T is also a sister engineering department. They have their own engineers. If they had any difficulty in following the suggestions given to them, they could have written to us."

1.17. The Committee wanted to know if the CPWD were in a position to contradict the findings of the investigation made by P. and T. Department that the load bearing capacity of the first floor was only 80 lbs and not 200 lbs. per sq. ft. The Director General Works stated:

"Even today, if the structural drawings which are with them are made available to us, if the measurement books which are with them are made available to us and if we are allowed to carry out the load test on the slabs we will do it and pace the results before you. Unless proved otherwise, there is no reason to doubt that the structure is not capable of taking the load of 200 lbs per sq. ft."

1.18. The Committee wanted to know if the test could be conducted without disturbing the equipment. The Director General, Works stated:

"In 1972-73 at Jabalpur, the roof of a telephone exchange building was about to collapse. Keeping the equipment as it was and where it was without getting it damaged, my colleague was able to replace the roof with pucca concrete roof. In this particular case, the equipment can be

covered, the gangways between the equipment can be utilised to support the roof and fix the deflectometers and keep on loading till the structure shows minutest sign of stress. Nothing would happen to the roof. In my humble opinion it is practicable to do that. If we are given an opportunity, it can be done. That will be a foolproof check to see whether the structure has been designed, whether it has been built for the 200 pound super imposed loading."

He further stated:

"We will not start with 200 lbs. straightway, we will start with 50 lbs. and go on increasing it by 10 lbs. or 20 lbs. and keep on watching the deflectors. We have a very sensitive deflectometer. By applying certain formulae, we will be able to arrive at a correct conclusion. That is the standard practice."

1.19. Asked why the load testing as suggested by CPWD was not conducted by P&T Department, Member P&T Board stated:

"It was considered that it would be a real problem to have the test made in the manner they had indicated unless we shift the entire exchange. It was a very difficult thing to do."

1.20. Asked about the present views of the P&T Department in the matter, he replied:

"The present view is, having once received an advice that the floor would not take 200 lbs. load, unless the contrary is proved, it may not be worthwhile experimenting it with that load."

Asked if the load bearing capacity of the building could be tested without reference to the structural design, Director General, Works replied,

"It can be done."

1.21. The Committee wanted to know whether in view of the conflicting opinion expressed about the load bearing capacity of the building, it would not be better to get it tested by an independent authority, Director General, Works replied:

"I have absolutely no objection to anybody testing it. But let me also be present when testing is done."

1.22. Asked about the remedial measures to avoid such lapses in future, the P&T Directorate has stated in a written note:

“In those years, buildings for P&T were being constructed by CPWD. Since 1963, P&T has created its own Civil Wing and such problems have not been experienced since then.”

Missing Records relating to the Building

1.23. The Committee have been informed that the file containing records relevant to the floor loading capacity of Srinagar telephone exchange building is missing. The missing records relevant to the subject are as follows:—

(1) Architectural Drawings	26 Nos.
(2) Design files	27 Nos.
(3) Structural Drawings	27 Nos. in Original & 27 Blue prints.

Besides these, the measurements books are also not available.

1.24. Asked if any engineer of the CPWD had certified that the building had been constructed as per the requirements of the P&T, Member, P&T Board stated before the Committee:

“In this case the records of completion, the structural drawings and other records were not traceable when they were sought in connection with the loading problem. So I am not in a position to say whether such a certificate was there.”

1.25. The Committee desired to know the circumstances in which the file has been missing. Member, P&T Board stated in reply:—

“It was a CPWD record which was asked for when this problem of loading of first floor came up. In 1976, the CPWD informed us that they were not able to trace it because it has been transferred to their SSW in Calcutta and then it was not traceable.”

The Director General, Works stated:

“Originally P&T Works were being executed by the CPWD. When the P&T Department created its own P&T Wing, all the concerned files were transferred to them. In this particular case also, even though we have not been able to locate any proof from our records, from the records of the P&T we have a letter which says that all the architectural drawings and designs files and structural drawings were with the P&T in May, 1964.”

The witness further stated:

“Our normal practice is that when a building is transferred, all the structural designs and architectural drawings are also transferred. We have tried our level best to locate the letter number under which these have been transferred. But we could not locate it in our office and we have located it in the P&T Department files. I think it was in May 1964 when their Supdt. Engineer forwarded these drawings to their Director of Telecommunications.”

The Member, P&T Board stated:

“I would like to add, if I may, that we have a very recent information about these records within the last two to three days which we have not been completely able to follow through. As I said before, we received a reply from the C.P.W.D. in 1976, that the records had been transferred, they were not traceable. They had been transferred to their S.S.W. in Calcutta. Thereafter, we left that avenue of enquiry.

I would say that only yesterday I found, as a result of our people's going through the files page by page, that those drawings were transferred to our Civil Wing and then sent to the Directorate of Tele-communication in Srinagar in connection with an enquiry as to whether further vertical expansion of the building could be done through the State P.W.D.

We also have a paper just now which shows that the State PWD made a detailed estimate. Our Chief Engineer advises that such a detailed estimate is normally prepared only after the examination of the structural

drawings. So, we are now trying to find out where those drawings have actually reached and whether they are still with the State P.W.D. or not."

1.26. Asked if the file was missing from the P&T Civil Construction side, the witness replied:

"We are not able to say whether it is so. The recent evidence shows that it is missing after it came back to the P&T."

1.27. The Committee desired to have copies of the correspondence exchanged between the P&T Directorate and the CPWD on the subject of missing records relevant to the building of Srinagar Telephone Exchange. The same have been furnished to the Committee. From the copies of the correspondence, it is seen that on 13-9-1974, P&T Directorate made a reference to the CPWD asking them to intimate the "reasons for deviations from specifications in actual construction together with structural details". No reply was furnished by CPWD till 23-7-1976 in spite of reminders on 4-10-1974, 7-12-1974, D.O. reminder on 17-7-1975 and 9-10-1975. On 23-7-1976 CPWD wrote to D.G. P&T that "In spite of the best efforts in locating the old records, the same have not been traced. The records were transferred to SSW(II) whose headquarters had shifted in Calcutta from New Delhi and hence this difficulty in getting hold of the old records."

After this reply, the matter was not further pursued till 27-4-1981, when the Member, P&T Board wrote a D.O. letter to Director General of Works, CPWD inviting his attention to the Audit Para and requesting for "collection of such data as may be desirable and feasible". In his reply dated 17-7-1981, Chief Engineer(NZ), C.P.W.D., Northern Zone addressed to Member (T&D), P&T Directorate stated that "When the Civil Wing was formed in August, 1963 all the records of completed works and works in progress were transferred to the corresponding units of P&T together with completion plans. In fact, the P&T Civil Wing could not have carried on the maintenance of this building since 1963 to 1974 without these basic drawings. As such, the plea of non-availability of drawings claimed by the S.E. P&T Civil Circle TV would be rather flimsy."

The P&T Directorate has also furnished copy of their letter dated 30-5-1964 in which the Superintending Engineer (P&T) Civil Circle No. 1, New Delhi has forwarded the records of architectural drawings, design files and structural drawings to the Director of Telecommunication, J&K Circle, Srinagar.

1.27. The Committee wanted to know from the representative of the Ministry of Works & Housing the circumstances in which the file was missing. The representative of the Ministry of Works and Housing stated before the Committee:

"It was in the second half of 1974 that need to verify the load bearing factor with the help of specific structural drawings and designs was felt. My colleagues in the P&T Department made a reference to the CPWD to send these drawings to them to enable their officers to verify the load bearing capacity. Now, here there was a lack of requisite effort on the part of the P&T Department and CPWD. The P&T Department should have dug up their own records and found out that it was in 1964 that their headquarters office had transferred these documents, 25 volumes, to Srinagar. They lost sight of this fact. So far as CPWD is concerned, they also lost sight of the fact that it was 10 years ago that they had sent the record to P&T Department, which has already passed on these records to its sister department. So, when called on to produce them they made effort. Evidently the record was not forthcoming because that was not there. Therefore, the reply is given 'we have made all efforts. That office has been transferred from Delhi to Calcutta and so on and so forth and the record is not forthcoming.' Sir, my submission is that it has been found from the correspondence available from the P&T Department that the records were duly transferred to Srinagar and even now it should be possible to locate the record in Srinagar and with the help of those specific structural designs and drawings, the experts can come to the conclusion even now whether the CPWD when it constructed the building in 1962 did construct it according to specifications or did not construct according to the specifications."

1.29. Asked whether after the coordination meeting in June, 1974, the P&T Department had written to the CPWD about the file, the witness stated:

"Yes, they wrote to us and after protracted, futile and abortive search by the CPWD a reply was sent to P&T, record was not forthcoming, because the office which was supposed to maintain was bifurcated and part of records was transferred to Calcutta. But the fact of the matter is that these

records were physically transferred in the first instance by CPWD and then to P&T Delhi and from P&T Delhi to Srinagar, was lost sight of both by the P&T Department and the CPWD officials and that is why they came to this conclusion."

1.30. When asked who was responsible for the situation, he replied "Now, if I am supposed to keep records for ten years and if I refer to my colleagues to send to records, well I have started the confusion."

1.31. The Committee wanted to know if the missing file has since been traced out. In reply, the P&T Directorate has stated in a written note (September, 1981) as follows:

"On a recent search through P&T Civil Wing files, it was found that they had been received from CPWD and despatched to Director Telecommunications Srinagar under Civil Wing letter No. 11(51)61/8356-57 dated 30-5-64. It is presumed these would have been referred to the State PWD as they prepared detailed plans and estimates for extension of the building. It has not been possible so far to trace the missing records inspite of vigorous efforts. A thorough search was made by G.M. Telecom., Srinagar in his Office as well as the Office of State PWD but not relevant records could be obtained. Similarly the records of Chief Engineer (Civil) P&T were also checked without any further results. The Chief Engineer Northern Zone CPWD was also requested to check up his office records but no additinoal information could be found."

Increase in cost and delay in the commissioning of Telephone Exchange

1.32. The Audit Para points out that the projected regarding expansion of telephone exchange was completed in June 1977 while the target date was fixed by the D.G. P&T (is April, 1975) as January, 1976 when decision about the change in location of the expansion from the first floor to ground floor was taken. The Audit para also points out that the project was completed at a cost of Rs. 72.43 lakhs against the original estimate of Rs. 28.86 lakhs. Moreover, the revised estimates had not been sanctioned by the DGPT till July, 1980.

1.33. The Committee desired to know the reasons for the delay of 1½ years in the commissioning of the project. In reply, the P&T Directorate has stated in a written note:

“The target was indicated in a general circular to all Heads of Circles taking into account the position of stores only. In this particular case complication due to building was probably not considered.

After the decision had been taken to instal the equipment for the expansion of the exchange on the ground floor by the suitable re-arrangements, ITI was informed of the same. Complete re-engineering was to be done by ITI due to change of location from 1st floor to ground floor in new rooms. This inevitably led to delayed supply of equipment and installation drawings. The rearrangement involved moving out the Test Desk and meter racks from the separate enclosures in the switch room to the office rooms of A.E., S/R and his staff. The vacation of these rooms was linked up with the renovation of an old store room. The work involved could be summarised as:

1. renovation of old store room
2. shifting of stores to renovated room
3. additions and alteration in the store room to make it proper for A.E. S/R
4. Reflooring in the vacated rooms of the AE S/R for installing meter racks.

Besides, shifting of Test Desk and meter racks had to be done in phases, since these equipment were serving a working exchange. After shifting of Test Desk and meter racks, the cleared space in the switch room had to be re-modelled for installation. The work involved was:

1. Mosaic reflooring of the proposed new test desk room.
2. Removal of partition walls of existing meter room in existing switch room.
3. Levelling floor of portion of old meter room, reflooring and making it flush with the level of the existing switch room.
4. Reflooring of the battery room and power room.

The above work was very intricate and had to be carried out in phases and was time consuming. The total quantum of work involved was apparently not taken into consideration. Though, as mentioned above, it was estimated in April 1975 perhaps on the basis of position of stores only that the installation could be taken up and commissioned by January 1976 but in actual practice the transfer of meter racks and test desks and civil works which were inter-woven could be completed only by September, 1976.

In the meantime there were pressing demands for telephone connections and it was decided that with the part of equipment already received, a 200 line expansion be undertaken by installing the equipment in the limited available space in the switch room. This work was taken up in December, 1975 and completed in March, 1976.

For the remaining installation of 1000 lines Civil Wing was requested to complete remodelling of switch room portion first so that the installation can start. This portion was made available in April, 1976 and installation work was started even though remaining civil work continued till September, 1976. This installation work actually involved:

1. Conversion of 4 digit to 5 digit working.
2. Installation of 2 sets of batteries.
3. Installation of entire power plant.
4. Shifting of working Meter Racks and Test Desk from the switch room to renovated rooms. Moreover it had to be carried out in phases to avoid dislocation/interruption of services of the working exchange.

The actual work under Sls. 1 to 3 amounted in effect to more than double the effect needed for the installation of a normal 1200 lines expansion. The conversion of 4 digit working to 5 digit working required introduction of a complete extra stage of selectors with its complete grading work and integration into the working system which had to be carried out during night only. The work was started in April, 1976 and completed in March, 1977 i.e. it was carried out through rainy and winter season when working conditions are very difficult in Srinagar. Summarising, it

may be said that an intricate work involving shifting of working units, and extra features with practically double the effort required, was however completed within the reasonable time expected for a 1200 lines expansion."

1.34. Regarding reasons for increase in cost from Rs. 28.86 lakhs to Rs. 72.43 lakhs, the P&T Directorate has stated in a note:

"The project consisted of following components:

1. Equipment for 1200 lines expansion from 4800 to 6000 lines.
2. Cables.
3. Lines and Wires.

The project estimate was for Rs. 28.86 lakhs based on standard norms for expansion prevalent in 1972-73. The normal expansion on the basis of which norms had been laid down do not include installation of batteries, power plant, test desk and digit conversion. Project estimates are prepared by field units on the basis of norms as soon as the allotment is received by them. The specifications detailing actual requirement of equipment is issued separately by Directorate in case of Circles.

But the present case was not a simple expansion case. It involved extra-work as given below, which resulted in increase of cost.

- (i) At execution stage, when the first floor of the building was not found suitable, the expansion equipment had to be installed on ground floor in which extra accommodation had to be arranged by remodelling. This cost about Rs. 1.18 lakhs extra.
- (ii) Numbering scheme was to be converted from 4 digit to 5 digit. This work involved extra equipment almost equivalent to 1200 lines expansion equipment. Thus, almost doubling the cost.
- (iii) Both the existing batteries sets were to be replaced with new higher capacity sets which cost Rs. 1.73 lakhs.
- (iv) Complete new power plant of the latest type was to be installed to replace the existing one. This costs Rs. 1.5 lakhs.

- (v) It also included provision of test desk and meter observation position which is not ordinarily required for expansion.
- (vi) Since expansion equipment could not be installed on first floor, existing test desk and meter rack working in part of the switch room had to be shifted out to spare space for expansion equipment. This required extra cables, iron work, power distribution arrangements, etc.
- (vii) Cables: The estimate was sanctioned in 1973, but the work was completed in 1976 and there has been escalation during these years resulting in increase of cost of cable and equipment."

1.35. The Committee desired to know why had it not been possible for the P&T Directorate to sanction the revised project estimate even after 3½ years of the completion of the works. In reply, the P&T Department has stated in a note:

"The execution of this project became intricate as due to change in location of equipment, extra agency of Civil wing also got involved into it. The expenditure incurred by different agencies, like I.T.I., Civil Wing, Departmental Store Depots etc., and G.M. Projects, who installed the exchange had to be correlated for framing the revised estimate on actual cost basis. However, this work is now completed and the revised project estimate is in advance stage of sanction"

1.36. In July, 1959, the Posts and Telegraphs Department decided to have a building for telephone exchange constructed at Srinagar at an estimated cost of Rs. 7.28 lakhs. As at that time, the P&T Department did not have a Civil Engineering Wing of their own, the work was entrusted to the Central Public Works Department. The building was completed by the CPWD in October, 1962 at a cost of about Rs. 12 lakhs and handed over to the P&T Department. As per the specifications, the first floor of the building was expected to have a load bearing capacity of 200 lbs. per square foot. A Civil Wing of the P&T Department was formed in August, 1963 and thereafter this Wing was responsible for the maintenance of the P&T building.

1.37. In June, 1973, a project for increasing the capacity of the telephone exchange from 4,800 to 6,000 lines was sanctioned. Indent for the supply of exchange equipment was placed in August, 1973.

The equipment was proposed to be installed on the first floor of the building. In a coordination meeting held in June, 1974 in preparation for commencement of installation, doubts were expressed by the Superintending Engineer of the Civil Wing of the P&T Department about the capacity of the first floor to withstand a super-imposed load of 200 lbs. per square foot. After conducting some tests, the P&T Department reached the conclusion that the first floor could not take the load of 200 lbs. per square foot but only of 80 lbs. The P&T Department wrote to the CPWD in September, 1974 asking for reasons for deviations from specification in actual construction. As no reply was received from the CPWD and as the work of installation of the equipment was held up, the P&T Department decided in October, 1974 to instal the equipment on the ground floor itself. The work was completed in June, 1977, As regards deviation in specification during construction of the building in 1962, the CPWD replied in July, 1976 that they had not been able to locate the old records. They also advised that the structural members involved might be tested for the extent of desired loading in accordance with the standard practices for the job. The P&T Civil Wing however considered that there was a risk involved in carrying out the test as suggested by CPWD and that loading of the first floor slab for testing was not advisable when the ground floor was still in occupation.

1.38. The Committee note that the building for Srinagar telephone exchange after completion by the CPWD in 1962 was handed over to the P&T Department. At the time of taking over the building, the P&T Department presumed that the building would have been constructed according to specifications. Even after the Civil Wing was formed in the P&T Department in August, 1963 and the exchange building was being maintained by it since then, the likely deficiency in the load bearing capacity of the first floor of the building was not noticed for well over 10 years. The P&T Department took more than 10 years in initiating action for installation of telephone exchange on the first floor of the building with the result that for all these years the first floor of the building has not been utilised for the purpose for which it was constructed.

1.39. In September, 1974, the P&8 Department wrote to the CPWD asking for the reasons for deviations from specifications in actual construction. After a lapse of about two years, the CPWD replied to the P&T Department in July, 1976 that the relevant records were not traceable.. The CPWD also advised the P&T Department to test the structural members involved for the extent of desired loading

in accordance with the standard practices for the job. Thereafter the P&T Department allowed the matter to rest there. The Committee fail to understand why the P&T Department did not proceed to test the first floor, as advised by the CPWD and if there was any difficulty in conducting such a test, why the same was not brought to the notice of the CPWD so that an acceptable method to test the load bearing capacity without involving any risk to the building or to the exchange equipment on the ground floor could be evolved. . . .

1.40. The Central Public Works Department must also share the blame for the present situation. When it was brought to the notice of the CPWD in September, 1974 that doubts had been expressed about the capacity of the building to withstand the stipulated load of 200 lbs. per square foot, the Department simply washed off its hands by intimating in July, 1976 that the relevant records were not available and by suggesting that the test of the structural members involved might be conducted as per standard norms. It is to be noted that the CPWD took about two years in sending the reply and that too after being reminded by the P&T Department in writing at least four times. The Committee consider that it was the duty of the CPWD to have pursued the matter further with the P&T Department and it should have been ensured that the necessary tests were conducted so as to establish that the building had been constructed according to the stipulated specifications and designs particularly when it was the reputation of the CPWD which was at stake. The Committee deprecate such indifferent and casual attitude on the part of the CPWD in dealing with this matter. . . .

1.41. The Committee find that during oral examination divergent views have been expressed by the P&T Department and the CPWD about the capacity of the first floor to withstand the load. The P&T Department has claimed that the test conducted by them (i.e. cutting portions of beams and slabs to ascertain the reinforcement) indicated that the first floor can withstand a load of only 80 lbs. per square foot. On the other hand the CPWD has stated that the tests conducted by the P&T Department are not foolproof and that unless proved otherwise they have no reason to believe that the building cannot withstand the stipulated load of 200 lbs. per square foot. The CPWD has opined that the load bearing capacity should be tested by covering the equipment and fixing deflectometers and keep on loading it till the building shows the minutest sign of stress. The CPWD has claimed that there would not be any risk involved either to the building or the equipment in testing the load bearing capacity

in this manner and that similar tests have been successfully conducted by them in other places. The Committee recommend that in view of those divergent statements, the P&T Department should get the load bearing capacity of the building tested by an outside agency, like Central Building Research Institute, Roorkee so as to determine the actual load bearing capacity of the building. If as a result of this test the load bearing capacity of the first floor is found to be below the stipulated capacity of 200 lbs. per square foot, an enquiry should be conducted with a view to fixing responsibility for the defective construction and supervision of the work contrary to specifications and take suitable remedial and punitive action. In case the test report supports the contention of the CPWD, then responsibility should be fixed by the P&T Board for delaying the installation of the telephone exchange on the first floor thereby causing extra expenditure and loss of revenue to Public exchequer.

1.42. The records relating to the building of the Srinagar Telephone Exchange are missing and have not yet been traced. The records contain architectural drawings, design files, structural drawings, measurement books as well as papers relating to the completion of the building. According to the P&T Department, the loss of records came to notice only in 1974 and thereafter the Department wrote to CPWD enquiring about the deviations in actual construction as against the specifications for the building. Although the CPWD have now claimed that the records were transferred by them to the P&T Department in May 1964 after the building was handed over, in July, 1976 in response to the letter of the P&T Department, the CPWD stated that "the records were transferred to SSW(H) whose headquarters had been shifted to Calcutta from New Delhi". Thereafter the matter was allowed to rest till April, 1981 when it came to the notice of P&T Department that an Audit para on the subject had been included in the Audit Report. It was only in July, 1981 that the CPWD informed the P&T Department that the relevant records together with completion plans were transferred by them at the time of the formation of the P&T Civil Wing in August, 1963. It is however clear from the evidence on record that the records were actually transferred to P&T Department and in 1964 the P&T Department had sent the same to the Director of Telecommunications, Srinagar.

1.43. From the above facts, the Committee cannot but reach at the conclusion that the entire matter relating to such vital records has been dealt with in a casual manner both by the P&T Department

and the CPWD. The Committee fail to understand as to why the CPWD wrote to P&T Department in 1976 that the records were with their SSILI Wing in Calcutta when the records had actually been transferred by them to the P&T Department in 1963. Similarly, when the records were actually in possession of the P&T Department, there was no reason why the P&T Department should have written to the CPWD in the matter and could not find out for itself that the records were sent by them to the Director of Telecommunications, Srinagar. This episode has created grave doubts in the mind of the Committee about the system of maintaining records both in the P&T Department as well as the CPWD. The Committee recommend that the entire matter should be gone into in depth by the P&T Department and the records should be located at the earliest. The Committee further recommend that both the CPWD and the P&T Departments should locate deficiencies and loopholes in their systems of maintenance of records and take necessary corrective measures so as to obviate the possibility of important and valuable Government records being misplaced in future.

1.44. It is seen that there has been a delay of 14 months in the commissioning of the project for the expansion of the capacity of the exchange from 4800 to 6000 lines and the cost of the Project increased from the original estimate of Rs. 28.86 lakhs (June, 1973) to Rs. 72.43 lakhs (June, 1977), i.e. an increase of about 250 per cent. The plea put forward by the P&T Department that the work involved was very intricate and time consuming and could not be foreseen and that the original estimates were merely based on the norms of expansion, are not convincing considering that over the years, the Department has undertaken construction of several new telephone exchanges and expansion of existing exchanges. The Committee therefore fail to understand why the nature of a work involved could not be foreseen by the P&T Department at the time of framing estimates and setting up the target date for completing the Srinagar telephone exchange.

1.45. The Committee find that there is a general tendency on the part of Government Departments to prepare estimates at a lower side evidently to obtain early sanction for the same fully knowing that once the work is started, Government is committed to its execution and then allow the cost to escalate. The Committee must express their unhappiness over this approach and would recommend that care should be taken by the P&T Department to ensure that such slippages in the commissioning of the projects and escalation in

costs are not allowed to occur and that the estimates regarding costs are prepared and target dates for completion of works fixed in a more realistic manner.

1.46. Although the work relating to expansion of Srinagar Telephone Exchange was completed in June, 1977, the revised estimates have not been sanctioned even after four years this reflects on the efficiency of the P&T Department. The Committee desire that the revised estimates of the project should be finalised without any further delay.

.. CHAPTER II ..

ARREARS OF TELEPHONE REVENUE

Audit Paragraph:

2.1. For bills issued up to 31 March, 1980, collection of Rs. 18.26 crores as telephone revenue was in arrears on 1st July, 1980, as indicated below:—

Govt. subscribers	2.87
Other subscribers	15.39
	(Crores of rupees)

Out of the total outstanding of Rs. 18.26 crores, Rs. 7.93 crores related to bills issued during 1979-80 and balance of Rs. 10.33 crores to bills issued upto and including 1978-79. The yearwise analysis of the arrears is given in Appendix I(a).

Out of the total arrears of Rs. 18.26 crores as on 1st July, 1980, Rs. 373.02* lakhs pertained to claims of more than Rs. 5,000 as indicated below:—

1. Central Government subscribers	28.7
2. State Government subscribers	11.5 ⁵
3. Central Public Sector Undertakings	0.30
4. State Public Sector Undertakings	0.15
5. Local Bodies	12.13
6. Other subscribers	320.10
TOTAL	373.02

The yearwise analysis of Rs. 373.02 lakhs is given in Appendix I (b).

2.2. The percentage of the outstanding on 1st July, 1980 to the total amount collected during the year ending with preceding March

*This does not include figures in respect of Calcutta Telephone District and Andhra Pradesh, Bihar and Madhya Pradesh and Telecommunication Circles.

and the corresponding percentage in the three preceding years are given below:

Year	Amount collected	Amount outstanding on 1st July following (including outstanding for the bills issued in the preceding years) (Lakhs of rupees)	Percentage of the amount outstanding to the amount collected during the year
1	2	3	4
1976-77	3,70,97	8,71	2.3
1977-78	3,98,58	12,05	3.0
1978-79	4,45,45	16,90	3.8
1979-80	5,01,89	18,26	3.6

2.3. The percentage of the outstanding to the amount billed (as on 1st July 1980) in respect of the bills issued during 1979-80 and the corresponding percentages in the three preceding years are given below:—

Year	Amount billed	Amount outstanding on 1st July following out of the amount shown in column 2	percentage of column 3 to 2
1	2	3	4
	(Lakhs of rupees)		
1976-77	3,70,02	x 3,89	1.1
1977-78	4,01,82	x 4,29	1.1
1978-79	4,47,69	x 5,79	1.3
1979-80	5,08,69	x 7,93	1.6

2.4. A test-check in audit of telephone revenue accounts conducted during 1979-80 has shown several instances of short billing as well as failure to issue bills. Of 6448 cases (Rs. 28.03 lakhs) of short

billing brought to the department's notice the department had not realised (June 1980) the amounts short billed in 2553 cases (Rs. 15.11 lakhs) and out of 2553 cases, in 477 cases (Rs. 9.25 lakhs) even bills had not been issued. The Department had also not issued (June 1990 bills in 369 cases (Rs. 3.67 lakhs) out of 3389 cases (Rs. 27.82 lakhs) of failure to issue bills brought to the notice of the department.

2.5. Recovery of Rs. 40.16 lakhs was under litigation on Ist July, 1980:

	No.	Amount (Lakhs of Rs.)
(a) Cases under litigation as on 1-7-1979	783	31.53
(b) Cases in which litigation proceedings were commenced during July 1979 to June '80	259	13.67
(c) Cases decided during July 1979 to June 1980	179	5.04
(d) Cases decided out of (c) in favour of P&T Department	138	4.27
(e) Cases under litigation as on 1-7-1980	863	40.16

2.6. During 1979-80, the telephone revenue written off was Rs. 19.29 lakhs as indicated below:

Reasons	Lakhs of rupees
1. Whereabouts of the subscribers not known	7.50
2. Solvency of the subscribers not established	3.39
3. Closure of the subscribers firms, concerns, etc.	1.69
4. Death of subscribers	1.26
5. Relevant departmental files not available	0.64
6. Other reasons	3.45
7. Amount for which break-up not available	1.36
TOTAL	19.29

The yearwise analysis of this amount is given in Appendix I(c).

The figures mentioned in sub-paras (i), (ii) and (iii) were under reconciliation with those of the department. The department stated

(March, 1981) that the figures mentioned in sub-paras (iv), (v) and (vi) were under verification by it.

[Paragraph 6 of the Report of the Comptroller and Auditor General of India for the year 1979-80, Union Government (Posts and Telegraphs).]

2.7. On being asked to intimate the amount of arrears of telephone revenue in each of the years 1975-76 to 1980-81, the P&T Board have stated as follows:—

“The amount of arrears of telephone revenue as on 31st March in each of the years 1975-76 to 1980-81 is indicated below:—

Years	Figures in lakhs (Rs.)
1975-76	2049.6
1976-77	2025.6
1977-78	2380.9
1978-79	1934.7
1979-80	3310.9
1980-81	3433.2 ”

2.8. It has also been intimated to P&T Board in a note that:—

“The outstanding as on 1st April, 1981 for bills issued upto March, 1980 is Rs. 1124 lakhs as detailed below:—

Years to which relates	Amount in lakhs (Rs.)
up to 1972-73	115.50
1973-74	33.25
1974-75	52.31
1975-76	62.97
1976-77	119.15
1977-78	188.98
1978-79	209.35
1979-80	342.93
	1124.44 ”

2.9. The Committee wanted to know the reasons for this undue delay in recoveries of telephone bills. In reply, the P&T Board have stated in their written reply that:—

“The Posts and Telegraphs Deptt. provides the service first and recovers the charges subsequently. The subscribers are allowed 15 days to pay the bills. If the bills are not paid despite reminders, telephones are disconnected for non-payment. The recovery of dues thereafter is mainly by persuasion and litigation, wherever necessary. In some cases, the subscriber disputes the bills and in a few instances the subscribers are found to be absconding from their premises thereby retarding the process of recovery. Thus a certain percentage of the dues remains un-recovered till they are settled either through personal contacts or through litigation.

It is however pointed out that the dues which remain outstanding are not large compared to the bills issued. During the period April 1980 to December, 1980 bills to the extent of Rs. 41479 lakhs were issued against which Rs. 40958 lakhs were recovered by 31st March, 1981 leaving a balance of only Rs. 521 lakhs. This represents only 1.26 per cent of the bills issued. The Department is making efforts to recover the balance amount also.”

2.10. When asked about the departmental procedures for a periodical review of outstandings and the extent to which these have been found to be effective, the P&T Board have stated in a note as follows:—

“The Departmental procedures provide for periodical and systematic review of outstandings at various levels viz., (1) Unit level (2) Circle level and (3) Directorate level.

At unit level, the Accounts Officer (TR) reviews the outstandings in respect of bills issued in each cycle. Bills are issued generally on 1st, 11th and 21st of each month and all the telephones in metered exchanges will come under review at least once in a quarter. The defaulting subscribers are reminded on telephone to settle the dues.

Such of those subscribers who have opted for issue of Regd. Reminders are issued Regd. notices requesting payment. If payment is not received despite these efforts, the lines

are disconnected for non-payment and restored only on payment of all the outstanding dues together with Reconnection charges. The accounts of the subscribers who fail to get their telephones restored by paying the dues within six months from the date of disconnection are finalised by adjusting their deposits, if any, towards the dues and they are issued Regd. Notices informing them of the final closure of their telephones and requesting payment of balance. This is followed by personal visits by Telephone Revenue Inspectors to persuade the defaulters to pay the dues. The other telephones, if any, working for the same subscriber are also disconnected to bring pressure on subscribers to settle the dues. If all these steps fail, legal action is also initiated wherever feasible. If the amount ultimately becomes irrecoverable, despite all these efforts, they are written off after examination by competent authorities.

At Circle level, the outstandings as reported by the units through the monthly sub-ledger statements are reviewed and the units lagging behind are pulled-up. The Internal Financial Adviser of the Circle visits the units once in a quarter as the Chairman of the Liquidation Board and reviews the position of outstandings and advises further action. In addition, a High Power Committee headed by the Head of the Circle also reviews as frequently as possible all the cases of outstandings exceeding Rs. 2000/- more than one year old, to examine whether adequate action has been taken and to give a directive wherever necessary.

In the Posts and Telegraphs Directorate, monthly reports of outstanding received from the various units are critically reviewed and lapses brought to the personal notice of the Head of the Circle for remedial action. In addition, the Secretary (C) personally fixes the targets to be achieved by each Circle/District for reduction in telephone revenue outstandings twice in a year in September and March. The performance of the Circle/Districts is reviewed by the Secretary (C).

These measures are proving effective. The dues upto 1978-79 which stood at Rs. 10.74 crores on 1st April, 1980 have been brought down to Rs. 7.81 crores as on 1st April, 1981.

Similarly, the outstandings of 1979-80 have been brought down from Rs. 5.86 crores to Rs. 3.43 crores during the same period."

2.11. The Committee desired to know the exact steps taken by the P&T Board to reduce the amount of arrears of telephone revenue. The representative of the P&T Board stated during evidence:

"We have initiated a number of steps. We are pursuing the matter in various ways. We have a review of arrears at three levels, the unit level, the circle level and the Directorate level. These reviews are conducted periodically by the officers, specially, the internal financial adviser at the circle level and the divisional level and at the directorate level, that is, at my level. At the Secretary's level, we have been taking up the matter with the concerned circles and districts. What we do is that we fix specific targets for each head of the circle once in six months. We watch for the officers to achieve the targets. The system is that the people who are lagging behind are pulled up by us. To those who had done well, commendation letter are sent."

2.12. The Committee desired to know why in spite of the steps taken by the P&T Board for reducing the arrears of telephones revenue, the amount of arrears was going up each year. The representative of the P&T Board stated in evidence before the Committee:—

"We have been having a problem with regard to the arrears in Delhi. The Delhi problem arose mainly because of the computerised system. I may be permitted to read out the figures. In 1977-78, the total went up from Rs. 8.71 crores to Rs. 12.05 crores, out of which Delhi accounted for Rs. 3.10 crores. Other than Delhi, it was only Rs. 8.95 crores. In the following years, as against Rs. 16.90 crores, Delhi accounted for Rs. 8.48 crores whereas for the rest of the country it was Rs. 8.42 crores. In the following year, that is, in 1979-80, out of Rs. 18.26 crores, Delhi accounted for Rs. 9.18 crores whereas the rest of the country accounts for only Rs. 9 crores. Our problem was that in 1974 we computerised our billing by an arrangement with the R.K. Puram Government Computer. In 1976, that is, after two years, they said since this arrangement was for two years only then, they would not continue to do this and we

were not given adequate time. As a result, we were on the lookout for another agency. As has been observed in the last report also, we had to go to the ONGC Dehra Dun. An officer used to go there with all documents and process that and bring that here. Firstly, the billing was in arrears, Secondly, even accounting and recovery was in arrears. This trend has continued till, I should say, 1978-79, in Delhi. Here from 7.9 per cent (i.e., 8 per cent in 1979, it went up to 15 per cent the following year. There has been a decline in 1979-80 from 15 to 14.64 per cent. Out main difficulty was with regard to the Delhi System. It had got a problem. To a certain extent, there was a dislocation and this accounted for not only deterioration in the Delhi system, but it had reflected in the all-India pattern also."

2.13. Asked for how long the problem of billing in Delhi was there, he replied, 'From middle 1976 to end of 1978'.

When asked why it had not been possible for the P&T Department to realise the arrears which pertained to a period prior to 1972-73, the representative of the P&T Board stated:—

"So far as recovery of arrears is concerned it is a continual exercise. We do realise the seriousness of the situation; we do realise that the arrears are mounting up and we are trying our best to attack the problem. But then, there are certain limitations in the sense that we have every limited means at our disposal to enforce recoveries. Only effective means is to disconnect the telephones. It is a very effective measure. We are utilising it to the best extent possible. That very often does not bring out the results. So, the only alternative of persuasion fails, is to go in for litigation. There too we have tried our best and we are pursuing that line. So, it is not as if the aggregate old arrears are not coming down. Upto 1973-74, for instances, as on 1-7-1975, the outstanding was 4.48 crores. As on 1-7-1980 we have been able to bring it down to 1.68 crores. Similarly upto 1974-75, the total outstanding for all the previous years was Rs. 10.45 crores. We have been able to bring it down in the current year to the figure to Rs. 2.27 crores. That is, about 80 per cent we have recovered. Similarly, in 1975-76, the cumulative outstanding was Rs. 7.71 crores. That has been reduced to Rs. 2.97 crores. In 1976-77 it was Rs. 8.71 crores. It has come

down to Rs. 4.41 crores as on 1-7-1980. And as on 1-7-1978 it was Rs. 12.05 crores and it has come to Rs. 6.96 crores. So, this is a continuous exercise and we are trying our best to take all possible measures. But as I mentioned disconnection has been the most effective measures which we have been observing."

2.14. Asked to furnish the figures of arrears of telephone revenue in Delhi for each year during the last 5 years, the P&T Board stated as follows:—

"The arrears of telephone revenue in Delhi for each of the years during the last 5 years as on 31 March are indicated below:—

Year	Three months old dues (Figures in thousands of Rs)
1976-77	28730
1977-78	41168
1978-79	783186 (As on 31-8-79)*
1979-80	85549
1980-81	82352

*Figures as on 31-3-1979 are not available.

2.15. The Committee desired to have the details of 10 parties/individuals from whom maximum amount of telephone revenue is in arrears. In reply, the P&T Board has furnished a statement giving these details (Appendix II). It is seen that the parties are as follows:—

Sl. No.	Name of the Subscriber	Amount	Action take for recovery
1	2	3	4
Rs.			
1	M/s. Escorts Ltd., Delhi	3,38,317.80	The Bills were disputed. After the dispute was settled, payment was allowed to be made in instalments and the dues finally cleared on 2-7-81. Telephone not disconnected.

1	2	3	4
2	M/s. Balmer Lawrie & Co., Calcutta.	3,59,240·80	Bills were disputed and finally decided in April, 1981. Full payment received on 25-4-81. Telephone not disconnected.
3	Libya Embassy, Delhi	2,31,151·75	The Chief Accounts Officer (South) has personally contracted and reminded the Embassy authorities, for expenditure payment. Payment promised shortly. The Ministry of External Affairs was also informed of the position. Telephone not disconnected.
4	Hotel Woodlands, Bangalore	1,81,615·00	Dispute about respective revision of rental for internal extensions found to be external extension on verification. Revised rental claimed from 1957 onwards. Stay order given by Court. Case is under litigation. Telephone not disconnected.
5	Mettur Beardsell Ltd., Calcutta	1,64,819·60	Bills have been disputed by the subscriber. Case is being pursued. Telephone disconnected.
6	Shri Somnath, Delhi	1,56,733·29	Party is absconding. The police have reported that the subscriber is not traceable. Case is being put up to the High power Committee for consideration. Telephone disconnected.
7	Shri Manjit Singh, Delhi	1,33,916·35	Subscriber is absconding. Help of Police sought to trace the defaulter. Report awaited. Telephone disconnected.
8	M/s. Bird & Co., Calcutta	1,24,503·17	Departmental enquiries and action is in progress. Telephone disconnected.
9	Shri Deep Chand Sharma, Bombay	1,11,895·40	Cheque dishonoured. Case filed in Court in September, 1980, Telephone disconnected.
10	Shri A.K. Rajesh Chander, Calcutta.	92,011·70	The case is being pursued. Telephone disconnected.

2.16. Asked the circumstances in which the arrears were allowed to run into lakhs of rupees, the representative of the P&T Board stated in his evidence before the Committee:—

“Fifteen days’ time is given for a subscriber to make the payment. They can make payments in various post offices. It will take some time for all the offices to send information to the accounts office. Then a disconnection list is prepared. It will naturally take four or five days. Then they will start to process. We do not disconnect straight-way. We start warning the persons over the telephone. On the seventh day just before disconnecting we also tell them over the telephone. It is just to set if he has paid the amount, so that we can correct the records and save the disconnection. But I do agree there will be cases perhaps where the connection might have continued for some without disconnection. That possibility cannot be ruled out. This happens because the defaulter says he will pay in instalments. We do give some accommodation.”

2.17. Asked about their reaction to the suggestion that a surcharge should be realised for late payment of bills, the P&T Board have stated in a note:

“The same proposal was made earlier and was examined in detail. The advice of the Law Ministry was also sought. The Law Ministry had advised that levy of surcharge on unpaid telephone bills would be in the nature of penalty for non-payments of the Bills by subscribers within the stipulated period and the same cannot be charged without statutory backing.”

2.18. The Committee desired to know why the P&T Department was not charging any interest on undisputed outstanding bills. In reply, the representatives of the P&T Board stated in evidence:—

“We will certainly consider it. We have so far examined the question for surcharge. The point of interest has been examined by us. It is a matter for consideration now... We will consider it. There is already criticism about the high deposits which we are keeping—say Rs. 1,000 for ordinary telephone and Rs. 8,000/- which has been increased from 5,000/- in respect of OYT. No doubt, they are not connected issues. Here is a against defaulters. There is a greater reason. We should look into it.”

Short billing and non-issue of bills.

2.19. According to the Audit Para, a test-check in audit of Telephone revenue accounts conducted during 1979-80 had shown several instances of short billing as well as failure to issue bills. Of 6448 cases (Rs. 28.03 lakhs) of short billing brought to the department's notice, the department had not realised (June 1980) the amounts short billed in 2553 cases (Rs. 15.77 lakhs) and out of 2553 cases, in 447 cases (Rs. 9.25 lakhs) even bills had not been issued. The department had also not issued (June 1980) bills in 369 cases (Rs. 3.67 lakhs) out of 3389 cases (Rs. 27.32 lakhs) of failure to issue bills brought to the notice of the department.

2.20. On being about the procedure for billing in the telephone department, the P&T Department have stated in a note:—

“The Bills are issued for the following charges:—

- (a) Rent for connection including accessories,
- (b) Local Calls,
- (c) Trunk Calls, Overseas Calls and Phonograms.

A soon as telephone is provided, information in the form of Advice note is received in the TRA Section which issues the bills. On receipt of such intimation necessary subscribers records are opened in the TRA Branch for issuing the bills. In the cases of Flat Rate Exchange, rental is recovered annually while in the case of measured rate exchange, the rental bills are issued quarterly. The rental is recovered in advance in both the cases. Rent for accessories are billed for annually in advance and included in the rental bills.

The exchanges record the opening meter readings as soon as telephone is opened and then meter readings are taken fortnightly/monthly in measured rate exchanges. At the end of each quarter a statement is sent to TRA indicating the number of calls metered, the free calls allowed and the chargeable number of calls. Based on this the local calls bills are issued once a quarter alongwith the rental bills. The local call charges are recovered in arrears.

When a subscriber books a call, a Trunk Call Ticket is prepared by the exchange indicating full details of the call booked. After the call is put through, the duration of the

call is indicated. The Tickets are then sent to TRA Branch daily for valuation and issue of bills. Similarly, overseas calls and phonograms are also billed for. The Trunk Calls bills are issued monthly in Arrears, on the basis of the information furnished in the Trunk Call, phonogram Tickets.

In metropolitan Districts the preparation of bills has been computerised. The record of the subscriber is kept in a tape from which the computer prepares the bills. Information regarding Trunk Calls and overseas calls etc. shown in the Trunk Call, Phonogram tickets are fed to computer which prepares the bills for the same month.

The closing meter regarding for each number is fed to the computer and the computer prepares bill for local calls quarterly alongwith the rental bills."

2.21. The Committee wanted to know if there was any procedure to locate mistakes in the telephone bills. In reply, the P&T Directorate has stated in a note:—

"There are inbuilt checks in the system to detect any arithmetical inaccuracies in the issue of Bills. There is periodical review of the subscribers records by supervisory staff in the grade of L.G.S. to detect any case of short billing and non-issue of bills. In addition to this, internal check parties from circle office as well as from P&T Directorate periodically visit the units and test check the records to detect inaccuracies."

2.22. Asked about the departmental provisions for dealing with the cases of short billing or non-issuance of bills and if any remedial measures had been initiated in this regard, the P&T Directorate have stated in a note:

"The total capacity of all the exchanges in the country is 24.72 lakhs and the number of direct exchange connections is about 21.49 lakhs and the number of bills issued in a year is about 180 lakhs. In the metropolitan districts, the issue of bills has been computerised and in the other parts of the country, the bills are issued manually. While every effort is made to avoid short-billing/non-issue of bills, a few cases do occur on account of the following reasons:

(i) Human failures;

- (ii) Non-receipt of intimation about the provision of connection/facility in time.
- (iii) Revision of tariffs not being correctly implemented.
- (iv) Non-revision of the rental after expiry of the period of guarantee.
- (v) Other reasons such as technical faults, computer mistakes remaining undetected over a period.

The system of periodical checks by supervisory officers as well by Internal Check units is in vogue to detect any case of short billing and non-issue of bills. Most of the cases of non-issue of bills arise on account of non-receipt of intimations regarding the provision of connection/service in the billing unit in time. The procedure obtaining has been studied and various measures have been introduced to avoid such lapses.

Instructions have been issued to all the units to ensure that intimation regarding provision of telephone connection or facility reaches the billing unit without delay. Special records have been prescribed to enable the heads of the offices to review the provision of facility and watch the issue of bills. Internal-check units have also been directed to examine the adequacy of action taken to prevent short billing and non-issue of bills. These measures are reviewed from time to time for effecting improvement wherever necessary."

2.23. Asked if there had been cases where although the telephone had been allotted to a new subscriber, the old subscribers continued to get the bills, the representative of the P&T Board stated in evidence before the Committee:

"I cannot rule out the possibility of some mistake. After all, these are human errors. We have to see the individual cases because the instructions are very clear."

2.24. The Committee desired to know when the proposals regarding purchase of computers for telephone billing were finalised and submitted, if any decision had been taken in the matter and when

these computers were expected to be acquired and installed. In reply, the P&T Directorate has stated in a written note:—

“The proposals regarding purchase of Inhouse computers for the four Metropolitan Telephone Districts of Bombay, Delhi, Calcutta and Madras were finalised and submitted to the Public Investment Board on March, 31st, 1980. The Government decision approving the proposal has been taken on July 29, 1981. The import of Computers has to be arranged by the Department of Electronics after floating of global tenders. This is yet to be done. In view of above, the actual date of acquiring installation and the cost of computers cannot be definitely stated at this stage. The Government have approved a total cost of Rs. 5.3 crores for the Inhouse computer Project, which contains cost of Computers of about Rs. 4 crores.”

Cases under litigation

2.25. The Audit Para points out that on 1 July, 863 cases involving a recovery of Rs. 40.16 lakhs were under litigation against 783 cases involving Rs. 31.53 lakhs as on 1 July, 1979. It has also been stated in the audit para that during July, 1979 to June 1980, 179 cases involving a recovery of Rs. 5.04 lakhs were decided out of which 138 cases involving a recovery of Rs. 4.27 lakhs were decided in favour of the P&T Department.

2.26. Asked about the procedure for settlement of disputed bills the P&T Board has stated in a note:

“Disputes may arise in respect of charges for

- (i) Rental
- (ii) Trunk Call Charges
- (iii) Local Call Charges

Disputes in respect of rental charges are rare. Generally they arise in respect of rental claimed for accessories. In such cases the original records are verified. If necessary the Sub-Divisional Officers are directed to make on the spot investigation and bills are corrected wherever necessary on the basis of information received.

Disputes in trunk call charges are settled by reference to the Primary records viz. Trunk Call Tickets prepared by the Exchange.

In case of disputes about local call charges, if the number of calls charges is found to exceed the highest in the preceding three quarters by more than 100 per cent in STD stations and by 50 per cent in case of non-STD stations, subscribers can have the bills split up into two parts one representing the charges for the highest number of calls during the three preceding quarters, which should be paid immediately, and the other for balance amount. This disputed amount is kept pending for investigation into the complaint. The case is then referred to the Exchange Authorities to see whether there was any fault on the line which can cause excess metering. The fortnightly meter readings alongwith fault reports, if any, are analysed. On completion of investigation of the complaint, a revised bill is issued wherever necessary allowing a rebate if found justified. Wherever no justification is found for rebate, subscriber is asked to pay balance amount immediately."

2.27. The Committee desired to know the usual time taken in settling such dispute. The P&T Board has stated in reply that "the time taken varies from case to case depending upon the investigation to be made. Efforts are made to finalise the complaints within a period of two months."

2.28. Asked if any efforts had been made to identify the causes for litigation and remedial steps taken where necessary, the P&T Board has stated in a note:

"As far as telephone revenue is concerned litigation arises on account of two factors:

- (i) Dispute of the charges claimed by the subscriber;
- (ii) Action taken by the Department to recover the dues from the defaulters.

No formal study of the causes for litigation of first type has been undertaken by the Department so far, but the number of cases where the subscriber goes to court to settle the dispute in the bills is comparatively few.

As regards the second type of case, the Department resorts to litigation only when all the other efforts to recover the dues have failed. Here also, the chances of recovery from the party are examined in the first instance before initiating legal action and remedial steps taken where necessary."

2.29. The Committee desired to know the expenditure incurred on legal expenses and recoveries effected during the last three years. In reply, P&T Board has furnished the following information:

	1978-79 Rs.	1979-80 Rs.	1980-81 Rs.
1. Expenditure on legal expenses	56,613·09	69,427·14	1,06,639·93
2. Recoveries effected	1,33,363·55	1,70,295·91	2,15,948·68

2.30. The Committee wanted to know about the procedure followed in the P&T Department when complaints of over-billings/wrong billing are received. The representative of the P&T Board stated before the Committee:

"When we receive complaints, we verify fortnightly reading of meters. If there is a very wide fluctuation, we make an effort to put the line under observation. There can be genuine complaints when the spurt could have been due to some technical defect."

2.31. Asked if there was any procedure for attending to the complaints, the representative of the P&T Board stated:

"At the Circle level we have General Managers and at the Board level, we have a section to look into all these complaints.....All the General Managers and District authorities have been asked to fix a specific time to attend to general public only."

2.32. Asked if it would not be desirable to have a Cell under the General Manager which could look into these complaints, the representative of the P&T Board stated:

"In Delhi District we have approximately 2 lakhs of subscribers today and about 8 lakhs of bills are issued quarterly and the number of excess-billing complaints that we get is about 18,000 which is not much. It is not necessary that every subscriber should see the General Manager. Area Engineer attends to it. If by any chance

there has been a spurt and he is satisfied on that point, the area manager gives the rebate. As far as Delhi is concerned, we have been getting on an average per month 1224 cases and cases in which the rebate is allowed is 164 on an average and the cases rejected number 1060. In Bombay, for example, the monthly figures are 867 as against the subscriber content of nearly 2.8 lakhs and almost about 14 lakhs of bills per year are issued."

2.23. The Committee desired to know the views of P&T Board on the suggestion that fortnightly meter readings in respect of each connection may be sent to all subscribers and a nominal fee may be charged for the same. In reply, the P&T Board has stated:

"At present a telephone subscriber can obtain fortnightly meter reading on payment of Rupee one for each reading. However, this is not automatic; the subscriber has to apply to the Divisional Engineer concerned.

Intimating all the subscribers of the meter reading at the beginning and end of the fortnight will not be practicable as special effort will have to be made to write the meter readings, and post them to the appropriate address. This will mean expenses on stationery, additional manpower, postage and further correspondence with the subscriber that may follow."

.. 2.34. The Committee note that the arrears of telephone revenue are on the increase as is evident from the fact that against the arrears of Rs. 2049.6 lakhs in 1975-76 the arrears as on 31 March, 1981 amounted to Rs. 3433.2 lakhs. Out of this, an amount of Rs. 1124.44 lakhs related to arrears of 1979-80 and earlier years and bills amounting to Rs. 115.50 lakhs relating to 1972-73 or even earlier were still to be realised. This situation is a matter of concern.

2.35. The Committee have in number of their earlier reports drawn attention to the increasing arrears of telephone revenue. In their 71st Report (Sixth Lok Sabha), the Committee (1977-78) had recommended that "the whole question of arrears should be gone into thoroughly with the seriousness that it deserves so that the factors for slow progress could be identified and remedial measures taken. Specific responsibility should be fixed for recovery of arrears. Targets should also be fixed separately for cases which are very old, those relating to the last five years and the fresh cases." In their 118th

Action Taken Report (1978-79), the Committee again reiterated their recommendation and felt that unless the "problem is tackled on all fronts and in all seriousness in a well thought and resolute manner, the mere issue of instructions in a routine fashion will not yield the desired results." The Committee had further emphasised that the heads of Circles/Districts should be made personally responsible for bringing down current arrears to a reasonable limit and also clear the old outstandings in a phased quarterly programme. The Estimates Committee (1980-81) had also in their Eleventh Report on "Telephone" viewed with concern the heavy outstandings against private subscribers.

2.36. The Committee regret that inspite of their earlier recommendations and the claim made by the P&T Board that the departmental procedure provides for periodical and systematic review of outstandings at various levels, the position relating to outstandings is deteriorating as is clear from the increasing amount of arrears from year to year. This only shows that the instructions issued by the P&T Board are not being followed in actual practice. What is really shocking is that it has not been possible for the department even to recover arrears which pertain to the years 1972-73 and even earlier years. This is a sad commentary on the efficiency of the Department and needs immediate attention as this situation where crores of rupees of Government dues have remained unrealised for several years cannot be allowed to continue. The Committee, therefore, recommend that a specific drive should be launched for the recovery of the arrears. The Committee further recommend that the position relating to the arrears of telephone revenue should be included in the Annual Report of the Department.

2.37. The Committee desire that a separate Cell should be created in all telephone districts to review the position of arrears on a continuous basis and this cell should pay particular attention to recovery of bills from such subscribers whose arrears are mounting up rapidly.

2.38. At present the Department has no system of levying surcharge on the telephone bills which are not paid in time. The Committee feel that the absence of such a system acts as disincentive to subscribers who pay their bills in time. The Committee note that surcharge for late payments is levied by other departments, e.g. in respect of Water and Electricity Bills. The Committee therefore recommend that the Department should re-examine the question of

imposing a surcharge on late payment of bills. In the alternative, the Department should charge interest for late payment of bills. If required, steps may be taken to bring forward legislation for amendment of the Indian Telegraph Act.

2.39. The Committee note that Delhi has accounted for nearly 50 per cent of the outstanding as seen from the fact that in 1979-80 out of an arrears of Rs. 18.26 crores, the outstandings in Delhi were to the tune of Rs. 9.18 crores. This large amount of outstandings in Delhi is stated to be due to the fact that from middle of 1976 to end of 1978, there was some problem in obtaining computer service for preparation of telephone bills with the result that not only billings, but even accounting and recovery got into heavy arrears. The Committee are surprised that even though the decision to computerise the billing in metropolitan cities was taken in 1974 and although lakhs of telephone bills are issued in the metropolitan cities of Delhi, Bombay, Calcutta and Madras, no arrangements were made to purchase computers for this work with the result that the department had to depend upon computers of outside agencies for preparation of such bills. What is really surprising is that although the problem of obtaining computer service continued for 2½ years, no concrete steps were taken to find a lasting solution. It was only in July 1981 that the proposals for purchase of Inhouse computers were approved by Government. Even now it is not known when these computers would be actually purchased and installed. The Committee feel that this is clearly indicative of the absence any perspective planning on the part of P&T Department. The Committee would like that at least now steps are taken expeditiously for the purchase and installation of these computers so that the Department may become self-reliant in this field and the reoccurrence of the type of situation which occurred in Delhi between 1976 and 1978 may be avoided.

2.40. From the list of ten parties/individuals from whom maximum amount of telephone revenue is in arrears, the Committee find that the arrears in these cases range between Rs. 0.92 lakh and Rs. 3.59 lakhs. The Department has stated that fifteen days' time is given to a subscriber to make the payment after which his telephone is disconnected after giving telephonic reminder. The Committee fail to understand how then the outstanding bills amounting to several lakhs of rupees against individual subscribers were allowed to accumulate in a number of cases. What is really surprising is that in the case of two subscribers whose outstanding amount to Rs. 1.57 lakhs and Rs. 1.34 lakhs respectively, the arrears have not

been realised because the parties are absconding. This clearly shows how because of lack of vigilance on the part of P&T authorities some unscrupulous elements are getting scot free after evading Government des to the tune of lakhs of rupees. The Committee recommend that the P&T Department should pursue all such cases vigorously. The Department should also hold an enquiry as to how such large outstandings were allowed to pile up in these cases without disconnecting the telephone and deterrent action should be taken against those found guilty.

241. The Committee are perturbed over the instances of short-billing and non-issuance of bills by the Department. What is really disturbing is that as pointed out in the Audit Para, the amounts due were not realised in a number of cases of short billing and non-issuance of bills which were brought to the notice of the department and even the bills were not issued in several cases. Although it has been claimed by the P&T Department that there are inbuilt checks in the system to detect any arithmetical inaccuracies in the issue of bills and the system of periodical checks by supervisory officers as well as Internal Check Units was in vogue, the cases of short billing and non-issuance of bills are still continuing. Closely connected with the problem of short-billing is the problem of excess billing/wrong billing. From the large number of complaints received in the Department the Committee cannot but arrive at the conclusion that such cases are quite frequent. What is more distressing is that the subscribers have to run from pillar to post to get their bills corrected. The Committee feel that there is a need to have the billing system of the Telephone Department completely overhauled. The Committee are gravely concerned on excess/faulty billing in the telephone department which results in lack of confidence among subscribers and also in litigation. The Committee recommend that an in-depth study should be made of the billing system in the Telephone Department in order to identify the reasons for the short/excess billing and steps taken urgently to remove all loopholes and shortcomings in the system so that loss of revenue due to short-billing as also harrassment to the subscribers on account of wrong billings could be obviated. The Committee further recommend that a Senior Officer in every telephone district should be specifically designated to attend to the complaints of the subscribers in this regard. Moreover, in all cases of wrong billing, an investigation should be made and deterrent action taken against those found guilty of negligence or mala fide intention so as to restore confidence among the subscribers and to improve the image of the Department

among the general public. A time-limit should also be prescribed within which the complaint/representation of the subscriber should be disposed.

2.42. The Committee note that at present a telephone subscriber can, on request, obtain a fortnightly meter reading on payment of Re. 1/- for each reading. In view of the fact that a large number of complaints regarding faulty/excess billing are received by the Department, the Committee would suggest that the system of supplying fortnightly meter readings to all the subscribers on payment of a nominal fee should be introduced. To start with, the system may be introduced on an experimental basis in some selected metropolitan cities...The Committee are of the view that the additional expenses on supply of fortnightly meter reading would be met by the additional revenue which would accrue to the Department...This system would also enable the subscribers to keep themselves apprised of the meter reading of their telephones and in case of mistakes they will be in a position to take up the matter with the appropriate authorities at the earliest.

NEW DELHI;

December 5, 1981.

Agrahayana 14, 1903(S).

SATISH AGARWAL

Chairman

Public Accounts Committee.

APPENDIX I

(Vide paragraph 2.1 and 2.6)

(a) Year-wise analysis of telephone revenue in arrears on 1st July, 1980 for bills issued up to 31st March, 1980:—

Year	Amount (Lakhs of rupees)
upto 1972-73	129.69
1973-74	39.01
1974-75	58.80
1975-76	69.93
1976-77	144.54
1977-78	254.47
1978-79	336.32
1979-80	793.38
TOTAL	1826.14

(b) Year-wise analysis of telephone revenue exceeding Rs. 5,000 in arrears on 1st July, 1980 for bills issued up to 31st March, 1980:—

Year	Amount (Lakhs of rupees)
up to 1972-73	29.43
1973-74	7.01
1974-75	13.25
1975-76	15.88
1976-77	34.93
1977-78	59.17
1978-79	57.42
1979-80	155.93
TOTAL	373.02*

*This does not include figures in respect of Calcutta Telephone District and Andhra Pradesh, Bihar and Madhya Pradesh Telecommunication Circles.

(c) Year-wise analysis of telephone revenue written off during 1979-80:—

Year	Amount (Lakhs of rupees)
Upto 1972-73	5.27
1973-74	1.64
1974-75	1.78
1975-76	2.24
1976-77	3.48
1977-78	1.49
1978-79	1.11
1979-80	0.47
Amount for which break-up not available	1.36
TOTAL	19.29

APPENDIX II

(Vide Paragraph 2.15)

Statement showing top ten parties/individuals with outstanding.

Dues Outstanding As on 31-3-1981.

Sl. No.	Name of the Subscriber	Telephone No.	Date of issue of Bill	Amount Rs. P.	When Disconnected	Action taken for recovery	Remarks
1.	M/s. Escorts Ltd., Delhi.	814811 814840	7-10-80 12-10-80	3,00,000.00 38,317.80	Not disconnected		The bills were disputed. After the dispute was settled, payment was allowed to be made in instalments and the dues finally cleared on 2-7-81.
		GRAND TOTAL :		<u>3,38,317.80</u>			
2.	M/s. Balmer Lawrie & Co. Calcutta.	226875	1-1-80 4-7-80 10-9-80	34,509.60 40,000.00 40,000.00			
		226876	7-4-80	<u>1,14,509.60</u> 96,583.20	Not disconnected.		
			4-7-80 9-9-80	40,000.00 60,000.00			
				<u>1,36,583.20</u>			Do.

226878	17-10-79	11,246.80	
	4-6-80	68,946.40	
	17-7-80	27,954.80	
		<u>1,08,148.00</u>	Do.
GRAND TOTAL		<u>3,59,240.80</u>	

Bills were disputed and finally decided in April, 1981. Full payment received on 25-4-81.

3 Libyan Embassy Delhi.	697771	11-4-80	4,968.00	
		11-5-80	616.00	
		11-6-80	3,628.35	
		11-7-80	5,558.20	
		11-8-80	850.00	
		11-9-80	940.80	
		11-12-80	53.50	Not disconnected
			<u>166,14.85</u>	

697926	11-1-77	12,634.09	
	to 14-9-78	44,120.80	
	15-9-78	27,32.00	
	11-5-79	613.98	
	11-0-79	8.00	
	11-11-79	168.00	
	11-1-80		
	20-2-80	18,405.13	
	11-4-80	16,017.70	
	11-5-80	560.50	
	11-7-80	5,625.80	
	11-8-80	1,576.00	
	11-9-80	396.00	
	11-10-80	1,890.40	
	11-11-80	784.00	
	11-12-80	3,426.00	
	11-1-81	5,766.00	
		<u>61,933.74</u>	C/o

Sl. No.	Name of the Subscriber	Telephone No.	Date of Issue of Bill	Amount Rs. P.	When Disconnected.	Action taken for recovery.	Remarks.
1	2	3	4	5	6	7	8
	Libyan Embassy Delhi.	697926	B/F 11-2-81 11-3-81	61,983.74 2,897.00 3,309.35 <u>68,274.09</u>	..	Not disconnected.	..
		698354	11-8-79 11-9-79 11-10-79 11-11-79 11-12-79 11-1-80 11-2-80 11-3-80 11-4-80 11-4-80 11-5-80 11-6-80 11-7-80 11-9-80 11-10-80 11-11-80 11-12-80	4,942.60 1,198.30 690.00 3,597.60 2,430.00 1,788.00 4,980.80 2,430.00 1,920.00 84.00 3,401.00 518.00 1,318.00 2,258.00 4,179.00 4,657.00 4,591.50 <u>44,869.86</u>
		697717	11-8-78 11-10-78	1,947.00 32,405.00			

Libanan Embassy Delhi.			
	11-11-78	1,029.00	
	9-1-79	440.00	
	11-3-79	4,995.04	
	11-4-79	6,948.66	
	11-5-79	2,405.08	
	11-6-79	4,580.00	
		<u>354,749.18</u>	
	11-7-79	8,641.23	
	11-8-79	3,696.000	
	11-11-79	998.00	
	11-1-80	1,622.00	
	11-3-80	470.00	
	11-1-80	1,622.0	
	11-4-80	2,364.00	
	11-5-80	504.00	
	11-6-80	1,784.00	
	11-7-80	8,526.00	
	11-9-80	2,128.00	
	11-12-80	756.00	
		<u>85,998.41</u>	
			Not disconnected
698027	11-4-80	2,427.00	
	11-5-80;	3,045.60	
	11-6-80	1,423.00	
	11-7-80	317.00	
	11-9-80	2,968.00	
	11-12-80	2,072.00	
	11-3-81	1,772.00	
		<u>16,214.60</u>	Do.
		<u>2,31,151.75</u>	
	GRAND TOTAL		

The Chief Accounts Officer (South) has personally contacted and reminded the Embassy authorities for Expending payment. Payment promised shortly. The Ministry of External Affairs was also informed of the position.

Sl. No.	Name of the Subscriber	Telephone No.	Date of Issue of Bill	Amount Rs. P.	When Disconnected	Action taken for recovery	Remarks
1	2	3	4	5	6	7	8
4	Hotel Woodlands, Bangalore	PBX	3-9-79	1,81,615-00	Not disconnected		Dispute about retrospective revision of rental for internal extensions found to be external extensions on verification. Revised rental claimed from 1957 onwards. Stay order given by court case is under litigation.
5	Birdsell Ltd., Calcutta	226887	29-4-80 17-7-80	34,671-60 36,240-80			
				70,912-40	Disconnected on 6-7-81		
		226888	7-4-80	13,907-20 80,000-00	Do.		
				93,907-20			
		GRAND TOTAL		1,64,819-60			
6	Shri Somnath, Delhi	89282	21-6-79 21-7-79 21-8-79 21-9-79 21-10-79 21-11-79	9,720-00 46,497-85 9,403-50 662-99 266-95 182-00	Disconnected on 26-7-79		Bills have been disputed by the subscriber case is being pursued. Party is absconding. The Police have reported that the subscriber is not traceable. Case is being put up to the High Power Committee for consideration.
				*1,56,733-29			

Shri Manjit Singh, Delhi	529516	21-9-77	20,740.75	Dis connected on	Subscriber is absconding.
		21-10-77	34,643.45	19-4-78	Help of police sought to the
		21-11-77	3,435.25		defaulter. Report awaited.
		21-12-77	3,429.50		
		21-1-78	33,114.00		
		22-2-78	2,034.80		
		21-3-78	2,138.00		
		21-4-78	29,325.20		
		21-5-78	1,112.60		
		7-7-78	172.00		
		21-3-78	730.80		
		5-10-78	1,538.00		
		13-11-78	1,512.00		

			*1,33,916.35		

M/s. Bird & Co. Calcutta	574207	27-3-76	15,899.37	Disconnected on	Departmental enquiries and
		31-10-77	7.25	on 31-8-76.	action in progress.

			15,886.62		

574205	12-8-77	409.00	Registered notice issued to the
	14-9-77	390.75	subscriber on 18-5-78,
	29-10-77	28,516.20	followed by reminders on
	23-11-77	1,096.75	on 21-7-78, 21-9-78
	17-12-77	636.50	and 21-9-79. Department
	30-12-77	1,597.40	action is in progress. al
	15-2-78	883.55	
	29-4-78	63.25	
	29-4-78	666.00	
	15-2-79	21,100.00	
	12-2-79	2,162.00	
	31-7-80	21,300.00	
	16-9-80	200.00	

		79,021.90	Disconnected on
		-----	2-1-78

Sl. No.	Name of the Subscriber	Telephone Number	Date of issue of	Amount Rs. P.	When disconnected	Action taken for recovery	Remarks
1	2	3	4	5	6	7	8
		574206	31-3-78 29-4-78 29-5-78 7-7-78 5-8-78	3,717.25 310.00 384.50 620.75 307.35	Disconnected on 12-6-78		
				5-339.85			
	M/s. Bird & Co. Calcutta	574208	31-3-77 31-3-78 29-4-78 29-5-78 7-7-78 5-7-78 12-12-79	18,37.80 1,185.40 1,199.05 1,021.75 621.00 614.00 2,650.00	Disconnected on 12-6-78		Registered notice sent on 27-12-77 and reminded on 27-5-78 to 8-7-78. Depart- mental action is in progress.
				9,129.50	Disconnected on 12-6-78		
		574033	31-3-78 16-6-78 7-7-78 5-8-78 16-9-78 5-10-78 12-12-78	3,592.80 184.20 240.00 210.00 824.80 166.00 674.80	Disconnected on 7-8-78		Registered notice sent on 21-7-78 and 22-11-78. De- partmental action is in progress.
				5,892.60			

--Do.--

574456	31-3-78	3,280.90	Disconnected on		
	29-4-78	815.00	on 12-5-78		
	29-5-78	945.00			
	7-7-78	532.00			
	5-8-78	210.00			
	12-12-79	3,449.80	Disconnected on		
			12-6-78		
		9,232.70			
		1,24,503.17			
	GRAND TOTAL				
9 Shri Deep Chand Sharma, Bombay.	27-11-78	10,958.00	Disconnected on		
	21-12-78	14,850.00	on 16-3-79		
	0-12-79	14,981.40			
	21-2-79	28808.00			
	21-3-79	30,840.00			
	21-4-79	11,462.00			
		1,11,895.40			
	TOTAL				
10 Sh. A.K. Rajesh Chander, Calcutta.	9-7-79	10,000.80	Disconnected on		
	9-8-79	3,000.00	7-12-79		
	16-8-79	38,990.90			
	9-1-80	20.00			
	20-3-80	40,000.00			
		92,011.70			
	GRAND TOTAL				

The case is being pursued.

Cheque dishonoured
filed in court in
1980. Case.
sept.

APPENDIX III

(Conclusions/Recommendations)

S. No.	Para No.	Ministry Conce.ning	Recommendation
1	2	3	4
1	1.36	Ministry of Communications (P & T Department) and Ministry of Works and Housing	In July, 1959, the Posts and Telegraphs Department decided to have a building for telephone exchange constructed at Srinagar at an estimated cost of Rs. 7.28 lakhs. As at that time, the P&T Department did not have a Civil Engineering Wing of their own, the work was entrusted to the Central Public Works Department. The building was completed by the CPWD in October, 1962 at a cost of about Rs. 12 lakhs and handed over to the P&T Department. As per specifications, the first floor of the building was expected to have a load bearing capacity of 200 lbs. per square foot. A Civil Wing of the P&T Department was formed in August, 1963 and thereafter this Wing was responsible for the maintenance of the P&T building.
2	1.37	-do-	In June, 1973, a project for increasing the capacity of the telephone exchange from 4,800 to 6,000 lines was sanctioned. Indent for the supply of exchange equipment was placed in August, 1973. The equipment was proposed to be installed on the first floor of

the building. In a coordination meeting held in June, 1974 in preparation for commencement of installation, doubts were expressed by the Superintendent Engineer of the Civil Wing of the P&T Department about the capacity of the first floor to withstand a super-imposed load of 200 lbs. per square foot. After conducting some tests, the P&T Department reached the conclusion that the first floor could not take the load of 200 lbs. per square foot but only of 80 lbs. The P&T Department wrote to the CPWD in September, 1974 asking for reasons for deviations from specifications in actual construction. As no reply was received from the CPWD and as the work of installation of the equipment was held up, the P&T Department decided in October, 1974 to instal the equipment on the ground floor itself. The work was completed in June, 1977. As regards deviation in specification during construction of the building in 1962, the CPWD replied in July, 1976 that they had not been able to locate the old records. They also advised that the structural members involved might be tested for the extent of desired loading in accordance with the standard practices for the job. The P&T Civil Wing however considered that there was a risk involved in carrying out the test as suggested by CPWD and that loading of the first floor slab for testing was not advisable when the ground floor was still in occupation.

-do-

The Committee note that the building for Srinagar telephone exchange after completion by the CPWD in 1962 was handed over to the P&T Department. At the time of taking over the building,

the P&T Department presumed that the building would have been constructed according to specifications. Even after the Civil Wing was formed in the P&T Department in August, 1963 and the exchange building was being maintained by it since then, the likely deficiency in the load bearing capacity of the first floor of the building was not noticed for well over 10 years as "The P&T Department took more than 10 years in initiating action for installation of telephone exchange on the first floor of the building with the result that for all these years the first floor of the building has not been utilised for the purpose for which it was constructed."

4 1.39 Ministry of Communication
(P & T Department)
and
Ministry of Works & Housin.

In September, 1974, the P&T Department wrote to the CPWD asking for the reasons for deviations from specifications in actual construction. After a lapse of about two years, the CPWD replied to the P&T Department in July, 1976 that the relevant records were not traceable. The CPWD also advised the P&T Department to test the structural members involved for the extent of desired loading in accordance with the standard practices for the job. Thereafter the P&T Department allowed the matter to rest there. The Committee fail to understand why the P&T Department did not proceed to test the first floor, as advised by the CPWD and if there was any difficulty in conducting such a test, why the same was not brought to the notice of the CPWD so that an acceptable

method to test the load bearing capacity without involving any risk to the building or to the exchange equipment on the ground floor could be evolved.

5 1.40

-do-

The Central Public Works Department must also share the blame for the present situation. When it was brought to the notice of the CPWD in September, 1974 that doubts had been expressed about the capacity of the building to withstand the stipulated load of 200 lbs. per square foot, the Department simply washed off its hands by intimating in July, 1976 that the relevant records were not available and by suggesting that the test of the structural members involved might be conducted as per standard norms. It is to be noted that the CPWD took about two years in sending the reply that too after being reminded by the P&T Department in writing at least four times. The Committee consider that it was the duty of the CPWD to have pursued the matter further with the P&T Department and it should have been ensured that the necessary tests were conducted so as to establish that the building had been constructed according to the stipulated specifications and designs particularly when it was the reputation of the CPWD which was at stake. The Committee deprecate such different and casual attitude on the part of the CPWD in dealing with this matter.

6 1.41

-do-

The Committee find that during oral examination divergent views have been expressed by the P&T Department and the CPWD about the capacity of the first floor to withstand the load. The

P&T Department has claimed that the test conducted by them (i.e. cutting portions of beams and slabs to ascertain the reinforcement) indicated that the first floor can withstand a load of only 80 lbs. per square foot. On the other hand the CPWD has stated that the tests conducted by the P&T Department are not foolproof and that unless proved otherwise they have no reason to believe that the building cannot withstand the stipulated load of 200 lbs. per square foot. The CPWD has opined that the load bearing capacity should be tested by covering the equipment and fixing deflectometers and keep on loading it till the building shows the minutes sign of stress. The CPWD has claimed that there would not be any risk involved either to the building or the equipment in testing the load bearing capacity in this manner and that similar tests have been successfully conducted by them in other places. The Committee recommend that in view of these divergent statements, the P&T Department should get the load bearing capacity of the building tested by an outside agency, like Central Building Research Institute, Roorkee so as to determine the actual load bearing capacity of the building. If as a result of this test the load bearing capacity of the first floor is found to be below the stipulated capacity of 200 lbs. per square foot, an enquiry should be conducted "with a view to fixing responsibility for the defective construction and supervision of the work contrary to specifications and take suitable remedial and punitive action. In case the test report supports the con-

tention of the CPWD, then responsibility should be fixed by the P&T Board for delaying the installation of the telephone exchange on the first floor thereby causing extra expenditure and loss of revenue to the Public Exchequer.'

7 1.42

-do-

The records relating to the building of the Srinagar Telephone Exchange are missing and have not yet been traced. The records contain architectural drawings, design files, structural drawings, measurement books as well as papers relating to the completion of the building. According to the P&T Department, the loss of records came to notice only in 1974 and thereafter the Department wrote to CPWD enquiring about the deviations in actual construction as against the specifications for the building. Although the CPWD have now claimed that the records were transferred by them to the P&T Department in May, 1964 after the building was handed over, in July, 1976 in response to the letter of the P&T Department, the CPWD stated that "the records were transferred to SSW(II) whose headquarters had been shifted to Calcutta from New Delhi". Thereafter the matter was allowed to rest till April, 1981 when it came to the notice of P&T Department that an Audit para on the subject had been included in the Audit Report. It was only in July, 1981 that the CPWD informed the P&T Department that the relevant records together with completion plans were transferred by them at the time of the formation of the P&T Civil Wing in August, 1963. It is, however, clear from the evidence on

record that the records were actually transferred to P&T Department and in 1964 the P&T Department had sent the same to the Director of Telecommunications, Srinagar.

8 1.43 Ministry of Communications
(P & T Department)
and
Ministry of Works and Housing

From the above facts, the Committee cannot but reach at the conclusions that the entire matter relating to such vital records has been dealt with in a casual manner both by the P&T Department and the CPWD. The Committee fail to understand as to why the CPWD wrote to P&T Department in 1976 that the records were with their SSI Wing in Calcutta when the records had actually been transferred by them to the P&T Department in 1963. Similarly, when the records were actually in possession of the P&T Department, there was no reason why the P&T Department should have written to the CPWD in th ematter and could not find out for itself that the records were sent by them to the Director of Telecommunications, Srinagar. This episode has created grave doubts in the mind of the Committee about the system of maintaining records both in the P&T Department as well as the CPWD. The Committee recommend that the entire matter should be gone into in depth by the P&T Department and the records should be located at the earliest. The Committee further recommend that both the CPWD and the P&T Departments should locate deficiencies and loopholes in their systems of maintenance of records and

take necessary corrective measures so as to obviate the possibility of important and valuable Governments records being misplaced in future.

9 1.44 Ministry of Communications
(Deptt. of P & T)

It is seen that there has been a delay of 14 months in the commission of the project for the expansion of the capacity of the exchange from 4800 to 6000 lines and the cost of the project increased from the original estimate of Rs. 28.86 lakhs (June, 1973)

Rs. 72.43 lakhs (June, 1977, i.e. an increase of about 250 per cent. The plea put forward by the P&T Department that the work involved was very intricate and time consuming and could not be foreseen and that the original estimates were merely based on the norms of expansion, are not convincing considering that over the years, the Department has undertaken construction of several new telephone exchanges and expansion of existing exchanges. The Committee therefore fail to understand why the nature of work involved could not be foreseen by the P&T Department at the time of framing estimates and setting up the target date for completing the Srinagar telephone exchange.

10 1.45 -do-

The Committee find that there is a general tendency on the part of Government Departments to prepare estimates at a lower side evidently to obtain early sanction for the same fully knowing that once the work is started, Government is committed to its execution and then allow the cost to escalate. The Committee must express their unhappiness over this approach and would recommend that

care should be taken by the P&T Department to ensure that such slippages in the commissioning of the projects and escalation in costs are not allowed to occur and that the estimates regarding costs are prepared and target dates for completion of works fixed in a more realistic manner.

11 1.46 Ministry of Communications
(Deptt. of P. & T.)

Although the work relating to expansion of Srinagar Telephone Exchange was completed in June, 1977, the revised estimates have not been sanctioned even after four years. This reflects on the efficiency of the P&T Department. The Committee desire that the revised estimates of the project should be finalised without any further delay.

12 2.34 -do-

The Committee note that the arrears of telephone revenue are on the increase as is evident from the fact that against the arrears of Rs. 2049.6 lakhs in 1975-76 the arrears as on 31 March, 1981 amounted to Rs. 3433.2 lakhs. Out of this, an amount of Rs. 1124.44 lakhs related to arrears of 1979-80 and earlier years and bills amounting to Rs. 115.50 lakhs relating to 1972-73 or even earlier were still to be realised. This situation is a matter of concern.

13 2.35 -do-

The Committee have in a number of their earlier reports drawn attention to the increasing arrears of telephone revenue. In their 71st Report (Sixth Lok Sabha), the Committee (1977-78) had recommended that "the whole question of arrears should be gone into

thoroughly with the seriousness that it deserves so that the factors for slow progress could be identified and remedial measures taken. Specific responsibility should be fixed for recovery of arrears. Targets should also be fixed separately for cases which are very old, those relating to the last five years and the fresh cases." In their 118th Action Taken Report (1978-79), the Committee again reiterated their recommendation and felt that unless the "problem is tackled on all fronts and in all seriousness in a well thought and resolute manner the mere issue of instructions in a routine fashion will not yield the desired results." The Committee had further emphasised that the heads of Circles/Districts should be made personally responsible for bringing down current arrears to a reasonable limit and also clear the old outstandings in a phased quarterly programme. The estimates Committee (1980-81) had also in their Eleventh Report on "Telephones" viewed with concern the heavy outstandings against private subscribers.

5

The Committee regret that in spite of their earlier recommendations and the claim made by the P&T Board that the departmental procedure provides for periodical and systematic review of outstandings at various levels, the position relating to outstandings is deteriorating as is clear from the increasing amount of arrears from year to year. This only shows that the instructions issued by the P&T Board are not being followed in actual practice. What is really shocking is that it has not been possible for the department even to recover arrears which pertain to the year 1972-73 and even

earlier years. This is a sad commentary on the efficiency of the Department and needs immediate attention as this situation where crores of rupees of Government dues have remained unrealised for several years cannot be allowed to continue. The Committee, therefore, recommend that a specific drive should be launched for the recovery of the arrears. The Committee further recommend that the position relating to the arrears of telephone revenue should be included in the Annual Report of the Department.

15 2.37

Ministry of Communications
(P & T) Department

The Committee desire that a separate Cell should be created in all telephone districts to review the position of arrears on a continuous basis and this cell should pay particular attention to recovery of bills from such subscribers whose arrears are mounting up rapidly.

16 2.38

-do-

At present the Department has no system of levying surcharge on the telephone bills which are not paid in time. The Committee feel that the absence of such a system acts as disincentive to subscribers who pay their bills in time. The Committee note that surcharge for late payment is levied by other departments, e.g., in respect of Water and Electricity Bills. The Committee therefore recommend that the Department should re-examine the question of imposing a surcharge on late payment of bills. In the alternative,

the Department should charge interest for late payment of bills. If required, steps may be taken to bring forward legislation for amendment of the Indian Telegraph Act.

17 2.39

-do-

The Committee note that Delhi has accounted for nearly 50 per cent of the outstandings as seen from the fact that in 1979-80 out of an arrear of Rs. 18.26 crores, the outstanding in Delhi were to the tune of Rs. 9.18 crores. This large amount of outstandings in Delhi is stated to be due to the fact that from middle of 1976 to end of 1978, there was some problem in obtaining computer service for preparation of telephone bills with the result that not only billing, but even accounting and recovery got into heavy arrears. The Committee are surprised that even though the decision to computerise the billing in metropolitan cities was taken in 1974 and although lakhs of telephone bills are issued in the metropolitan cities of Delhi, Bombay, Calcutta and Madras, no arrangements were made to purchase computers for this work with the result that the department had to depend upon computers of outside agencies for preparation of such bills. What is really surprising is that although the problem of obtaining computer service continued for 2½ years, no concrete steps were taken to find a lasting solution. It was only in July, 1981 that the proposals for purchase of Inhouse computers were approved by Government. Even now it is not known when these computers would be actually purchased and installed. The Committee feel that this is clearly indicative of

the absence any perspective planning on the part of P&T Department. The Committee would like that at least now steps are taken expeditiously for the purchase and installation of these computers so that the Department may become self-reliant in this field and the recurrence of the type of situation which occurred in Delhi between 1976 and 1978 may be avoided.

Ministry of Communications
(P & T Deptt)

18 2.40

From the list of ten parties/individuals from whom maximum amount of telephone revenue is in arrears, the Committee find that the arrears in these cases range between Rs. 0.92 lakh and Rs. 3.59 lakhs. The Department has stated that fifteen days' time is given to a subscriber to make the payment after which his telephone is disconnected after giving telephonic reminder. The Committee fail to understand how then the outstanding bills amounting to several lakhs of rupees against individual subscribers were allowed to accumulate in a number of cases. What is really surprising is that in the case of two subscribers whose outstanding amount to Rs. 1.57 lakhs and Rs. 1.34 lakhs respectively, the arrears have not been realised because the parties are absconding. This clearly shows how because of lack of vigilance on the part of P&T authorities some unscrupulous elements are getting scot free after evading Government dues to the tune of lakhs of rupees. The Committee recommend that the P&T Department should pursue all such cases vigorously. The Department should also hold an enquiry as

to how such large outstandings were allowed to pile up in these cases without disconnection the telephones and deterrent action should be taken against those found guilty.

19 2.41

-do-

The Committee are perturbed over the instances of short billing and non-issuance of bills by the Department. What is really disturbing is that as pointed out in the Audit Para, the amounts due were not realised in a number of cases of short bills and non-issuance of bills which were brought to the notice of the Department and in several cases, even the bills were not issued. Although it has been claimed by the P&T Department that there are inbuilt checks in the system to detect any arithmetical inaccuracies in the issue of bills and the system of periodical checks by supervisory officers as well as Internal Check Units was in vogue, the cases of short billing and non-issuance of bills are still continuing. Closely connected with the problem of short-billing is the problem of excess billing/wrong billing. From the large number of complaints received in the Department the Committee cannot but arrive at the conclusion that such cases are quite frequent. What is more distressing is that the subscribers have to run from pillar to post to get their bills corrected. The Committee feel that there is a need to have the billing system of the Telephone Department completely overhauled. The Committee are gravely concerned on excess/faulty billing in the telephone department which results in lack of confidence among subscribers and also in litigation. The Committee recommend that an indepth study should be made of the billing

system in the Telephone Department in order to identify the reasons for the short/excess billing and steps taken urgently to remove all loopholes and shortcomings in the system so that loss of revenue due to short-billing as also harassment to the subscribers on account of wrong billings could be obviated. The Committee further recommend that a Senior Officer in every telephone district should be specifically designated to attend to the complaints of the subscribers in this regard. Moreover, in all cases of wrong billing, an investigation should be made and deterrent action taken against those found guilty of negligence or mala fide intention so as to restore confidence among the subscribers and to improve the image of the Department among the general public. A time-limit should also be prescribed within which the complaint/representation of the subscribers should be disposed of.

40 • 2.42 Ministry of Communications
(P & T Deptt.)

The Committee note that at present a telephone subscriber can on request obtain a fortnightly meter reading on payment of Rs. 1/- for each reading. In view of the fact that a large number of complaints regarding faulty/excess billing are received by the Department, the Committee would suggest that the system of supplying fortnightly meter readings to all the subscribers on payments of a nominal fee should be introduced. To start with, the system may be introduced on an experimental basis in some selected metropolitan cities. The Committee are of the view that the additional

expenses on supply of fortnightly meter readings would be met by the additional revenue which would accrue to the Department. This system would also enable the subscribers to keep themselves apprised of the meter reading of their telephones and in case of mistakes they will be in a position to take up the matter with the appropriate authorities at the earliest.

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