CHAPTER III : MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY

Department of Posts

3.1 Organisational set-up and financial management

3.1.1 Functions of the Department

The basic functions of the Department of Posts (DoP) include collection, processing, transmission and delivery of mail, sale of stamps and postal stationery, booking of registered, insured and value payable articles, money orders and parcels.

DoP also discharges certain agency functions on behalf of other ministries and departments, namely the Postal Savings Bank, other small savings schemes, Postal Life Insurance, Public Provident Fund Scheme, National Savings Certificates, collection of customs duty on articles sent by post from abroad, booking, transmission and delivery of telegrams, disbursement of pension to military and railway pensioners, disbursement of family pension to families of coal mine employees and industries covered by the Employees Provident Fund Scheme.

3.1.2 Organisational set-up

The management of the department vests with the Postal Services Board. The Board, headed by a Chairperson, has three Members holding the portfolios of Operations, Infrastructure and Financial Services and Personnel. The Chairperson is also the Secretary to the Government of India in DoP. The Board directs and supervises the management of postal services throughout the country with the assistance of the Deputy Directors General in the Directorate General of Posts. A Business Development Directorate (BDD) was set up in DoP in 1996 to ensure focused management of value added services such as Speed Post, Speed Post Passport Service, Business Post, Express Parcel Post, Media Post, Meghdoot Post card, Greeting Post, Data Post, E-Bill Post and E-Post.

The department has 22 Postal Circles which are divided into 33 Regional offices, controlling 441 Postal Divisions and 70 Railway Mail Service Divisions. There is also a base circle to cater to the postal communication needs of the Armed Forces. The staff strength of the department as on

31 March 2005 was 5.41 lakh with 2.47 lakh departmental employees and 2.94 lakh extra departmental employees.

3.1.3 Postal Traffic

The projected traffic for unregistered mail was calculated by the department on the basis of assessed traffic for the last two years. The assessed traffic was based on the revenue earned. According to information furnished by the Department, the volume of traffic projected and assessed during the years 2002-2005 in respect of classical services such as sale of post cards, letter cards (inland), money orders and insurance was as shown in the table below:

Postal Traffic

(A) Unregistered mail ***(Rupees in lakh)***

Sl. No	Item	2002-03		2003-2004		2004-2005	
		Projected	Assessed*	Projected	Assessed*	Projected	Assessed*
1.	Post cards	1933.02	2290.06	2551.11	2706.81	2989.32	2451.07
2.	Printed Post cards	1005.10	420.55	468.49	816.08	901.26	830.04
3.	Letter cards (Inland)	3294.79	2939.60	3274.69	2809.93	3103.20	2610.35
4.	Newspapers						
	Single	730.91	531.87	592.50	811.83	896.56	860.86
	Bundle	180.60	322.41	359.16	82.84	91.49	150.82
5.	Parcels	642.94	479.45	534.10	409.92	452.70	408.75
6.	Letters	5403.42	4370.98	4869.23	3720.97	4109.33	7678.81
7.	Book packets	699.22	600.70	669.17	747.50	825.52	753.82
8.	Printed books	258.99	227.87	253.85	175.76	194.10	353.02
9.	Other periodicals	186.74	233.76	260.41	199.95	220.82	269.27
10.	Acknowledgement	324.44	279.61	311.48	637.45	703.98	741.07

* Based on revenue collection   * Based on revenue collection   *Based on revenue collection

(B) Registered mail and others ***(Rupees in lakh)***

Sl. No	Item	2002-2003		2003-2004		2004-2005	
		Projected	Actual	Projected	Actual	Projected	Actual
11.	Money Orders (MOs)	1067.31	1095.82	1165.01	1136.55	1100.45	1222.91
12.	Insurance	88.26	87.18	97.12	95.59	105.57	90.86
13.	Value payable letters and parcels	92.86	170.44	189.87	100.43	110.91	93.72
14.	Registered letters and parcels	1960.85	2004.50	2233.00	1923.61	2124.38	1900.84

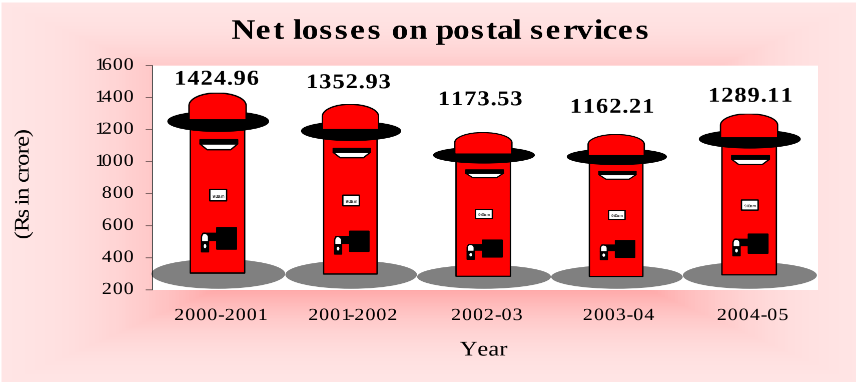
3.1.4 Earnings from Postal Services and their costs

The Department's net overall loss of Rs. 1289.11 crore on postal services, including Speed Post, during 2004-2005 was Rs. 126.90 crore (11 *per cent*) more than the net loss suffered during 2003-2004. Out of 20* revenue earning

* Post cards, Letters, Registration, Letter cards (Inland), Money orders(MOs), Newspapers (single), Newspapers (bundle), Indian Postal Orders(IPOs), Printed Postcards, Value payable Post, Other periodicals, Acknowledgements, Book Pattern and Sample Packets, Telegraphic MOs, Printed books, Insurance, Parcels, Competition Post cards, Speed post and Foreign mail

services, only four services namely, Competition Post cards, Foreign Mail, Insurance and Letters showed a gain in 2004-05, whereas the remaining 16 services continued to sustain losses.

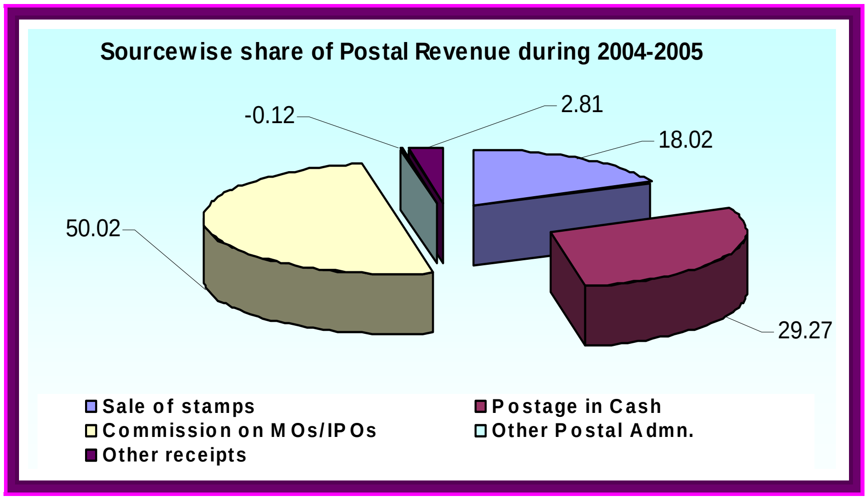
The comparative position of the net losses incurred by the Department on various postal services, including Speed Post, during the period 2000-2005 was as under:



Revenue realisation and Revenue Expenditure

3.1.5 Revenue

The four major revenue earning groups of services namely, sale of stamps, commission on MOs/IPOs, postage in cash and other receipts generated a revenue of Rs. 4432 crore during the year 2004-05, after adjusting the loss of Rs. 551 lakh in net receipt from other postal administrations. Source-wise share of postal revenue is shown in the chart below:-



3.1.6 Revenue Expenditure

The revenue expenditure on pay and allowances, conveyance of mail, printing of stamps, post cards and stationery during 2004-05 was as shown in the table below:

Revenue expenditure

(Rupees in crore)

Category	2004-05	Percentage of total expenditure
(a) Pay and allowances, contingencies, interim relief, etc.	4390.40	73.61
(b) Pensionary charges	1208.03	20.25
(c) Stamps, post cards etc.	21.35	0.36
(d) Stationery and forms printing etc.	33.88	0.57
(e) Conveyance of mail (payments to railways and air mail carriers)	123.64	2.07
(f) Other expenditure	187.24	3.14
Total	**5964.54**	

The net revenue budgetary support, which was worked out by deducting receipts of Rs. 4431.85 crore and recoveries of Rs. 150.85 crore from the gross revenue expenditure of Rs. 5964.54 crore, was Rs. 1381.84 crore in 2004-05.

3.2 Non deduction of commission on purchase of revenue stamps

The Chief Postmasters General of 13 Postal Circles failed to deduct commission amounting to Rs. 3.85 crore on purchase of revenue stamps from State Governments.

The Post offices sold revenue stamps as an agency function on behalf of various State Governments. This work was considered to be reciprocal to the work of indenting, stocking and distribution of postage stamps being done by State treasuries on behalf of the post offices. Though this reciprocal arrangement came to an end after the Postal Stamp Depots were set up in 1976, the post offices continued to sell revenue stamps without any commission.

The Department of Posts (DoP) issued instructions only in February 2004 to all Heads of Postal Circles to deduct commission in advance at the rate of 3 *per cent* with effect from 1 October 2003, 6 *per cent* with effect from 1 October 2004 and 10 *per cent* with effect from 1 October 2005, while purchasing revenue stamps from State treasuries. They were also instructed to take up the matter with the State Governments to ensure immediate implementation of the scheme, including calculation of commission due to

DoP for the sale of revenue stamps, emphasising that not doing so might result in non purchase of revenue stamps by the post offices.

Test check of the records in seven Postal Circles in audit from July 2004 to June 2005 revealed that the Governments of Andhra Pradesh, Delhi, Haryana, Kerala, Rajasthan, Uttar Pradesh and West Bengal had not issued any notification regarding deduction of commission on purchase of revenue stamps by the post offices. However, the Andhra Pradesh, Delhi, Haryana, Uttar Pradesh and West Bengal circles continued the purchase and sale of revenue stamps in these States. The Delhi Circle continued with the purchase and sale of revenue stamps, though the Delhi Government was paying commission at the rate of 3 *per cent* as against the rate of 6 *per cent* from 1 October 2004. The Kerala and Rajasthan circles stopped purchase and sale of revenue stamps since August 2004 and December 2004 respectively. In the case of the Uttar Pradesh Circle, the purchase and sale of revenue stamps was stopped only in the Lucknow General Post Office and that too from January 2005. This resulted in accumulation of commission to the tune of Rs. 1.57 crore in these seven circles for the period October 2003 to March 2005.

A further test check of records from September 2004 to July 2005 revealed that though the State Governments of Bihar, Gujarat, Jharkhand, Maharashtra, Orissa and Tamil Nadu issued notifications, the same were not made effective from the due date of 1 October 2003. This resulted in accumulation of commission to the tune of Rs. 2.28 crore in these six circles for the period 1 October 2003 to 31 March 2005. The total amount of commission not recovered in 13 circles thus worked out to Rs. 3.85 crore.

On this being pointed out in audit, the Chief Postmasters General (CPMsG), concerned accepted the facts and stated that the matter for issuing the notification as well as recovery of commission had been taken up with the State Governments.

The matter was referred to the Ministry in September 2005; their reply was awaited as of January 2006.

3.3 Overpayment of bonus on Postal Life Insurance policies

Non-implementation of instructions in respect of payment of bonus on Postal Life Insurance policies surrendered before maturity resulted in overpayment of Rs. 1.01 crore.

According to instructions (18 November 2003) of the Directorate of Postal Life Insurance (PLI), Department of Posts (DoP) and subsequent clarification

(December 2003), no bonus was to be paid on the paid up or the reduced sum assured if a policy was surrendered before completion of five years. If a policy was surrendered after five years, proportionate bonus on the paid up or the reduced sum assured would be payable in addition. The instructions were effective from the date of issue.

Audit scrutiny of the records of PLI, Andhra Pradesh, Gujarat, Madhya Pradesh, Tamil Nadu, Uttar Pradesh and West Bengal Postal Circles and the Additional Directorate General of Army Postal Service (PLI Cell) Army Headquarters, Delhi conducted during September 2004 to August 2005 revealed that in 323 cases, bonus was paid on policies surrendered before the completion of five years, in violation of the above instructions. This resulted in overpayment of bonus amounting to Rs. 40.63 lakh.

Further, in 761 cases, where policies were surrendered after completion of five years, proportionate bonus was paid on the assured sums instead of on the paid up or reduced sums assured. This resulted in overpayment of bonus of Rs. 60.15 lakh.

On this being pointed out, the Chief General Manager, PLI Directorate, DoP, New Delhi replied that non-receipt of the orders on the date of issue of the letter had caused the overpayment and a corrigendum had been issued to make the instructions effective from the date of receipt of the same in the circles. He further stated that the once the claim was settled, it was not easy to recover the overpayment. CGM (PLI) further stated (December 2005), that the orders of November 2003 relating to the payment of bonus were issued after obtaining the approval of Secretary (P) and the corrigendum permitting change in the effective date was approved by CGM (PLI) and that for an amendment, the approval of the Secretary was not required.

The reply was not tenable as the instructions of 18 November 2003 were effective from the date of issue. The PLI Directorate should have ensured dispatch and receipt of the orders in the circles in time through fax or e-mail. Further, the issue of corrigendum by CGM (PLI) without obtaining the approval of the Secretary who had approved the original orders was not only irregular but led to a situation where the principle of equity in the application of government orders was compromised by prescribing different effective dates for different holders of policies under the same scheme.

In Uttar Pradesh and West Bengal Postal circles, the irregular payment continued till April 2004 and February 2004 respectively.

Thus, non-implementation of the government instructions resulted in overpayment of bonus to the tune of Rs. 1.01 crore while the unauthorised issue of a corrigendum discriminated between policyholders.

The matter was referred to the Ministry in July 2005; their reply was awaited as of January 2006.

3.4 Short realisation of postage charges

A Head Post Office under the Delhi Postal Circle, two Post Offices under the Karnataka Postal Circle and one General Post Office under the Uttar Pradesh Postal Circle authorised concessional tariffs to ineligible publications, resulting in short realisation of postage charges of Rs. 31.58 lakh.

The Indian Post Office (IPO) Act, 1898 stipulated that a publication should be deemed a newspaper, subject to the condition that it had a bona fide list of subscribers. The IPO Rules, 1933 further stipulated that the newspaper sought to be registered should have at least 50 bona fide subscribers, who had paid their subscriptions. All such registered newspapers would be entitled to transmission at concessional tariffs during the currency of their registration. If any newspaper failed to comply with any of the above specified conditions, it should be transmitted at the higher rates and under the conditions applicable to book packets containing periodicals. The Department of Posts (DoP) issued a clarification in October 2002 that unpriced periodicals would be classified as book packets and transmitted at the rates prescribed for 'Book, pattern and sample packets' with effect from 1 June 2002. These provisions were reiterated by DoP in December 2002.

Audit scrutiny of the records of the Ashok Vihar Head Post Office under the Delhi Postal Circle and the Bangalore General Post Office (GPO) and the Senior Superintendent of Post Offices**,** Gulbarga under the Karnataka Postal Circle during November and December 2004 revealed that one newspaper in the Delhi Postal Circle and five newspapers in the Karnataka Postal Circle did not satisfy the condition of having bona fide subscribers. These newspapers, circulated free of cost to subscribers, were registered and transmitted at concessional tariffs instead of at the rates applicable to book packets containing periodicals (prior to 1 June 2002) and at the rates prescribed for 'Book, pattern and sample packets' with effect from 1 June 2002. Further, in the Karnataka Postal Circle, two publications which had not got their registration renewed were allowed to be transmitted at concessional tariffs. In the Lucknow GPO under the Uttar Pradesh Postal Circle, four newspapers were transmitted at concessional tariff instead of at the rates prescribed for 'Book, pattern and sample packets'. All the above instances noticed in audit resulted in short realisation of postage charges of Rs. 31.58 lakh in respect of these newspapers for the period August 1999 to November 2005.

On being pointed out by Audit, the Chief Postmaster General (CPMG), Delhi Circle and the Chief Postmaster, Bangalore GPO stated in June 2005 and December 2004 respectively that it was only in December 2003 that DoP, in consultation with the Ministry of Law, had clarified that free publications could not be registered with DoP for transmission by post. CPMG, Delhi Circle also stated that the Principal CPMG, Delhi had issued instructions only in January 2004 that no concessional postage would be allowed to free publications on or after 1 February 2004. Reply from Chief Postmaster, Lucknow was awaited.

The reply was not tenable as the statutory provisions for registration of newspapers were already in existence in the IPO Act, 1898 and the IPO Rules, 1933. The instructions issued by DoP in December 2003 were only a clarification of the statutory provisions. Audit also observed that two units test checked in the Andhra Pradesh Circle and all the units in the Haryana, Himachal Pradesh, Jammu and Kashmir and Punjab circles had followed the correct procedure.

Thus the failure of CPMsG Delhi, Karnataka and Uttar Pradesh Postal circles to follow the statutory provisions resulted in short realisation of postage charges to the tune of Rs. 31.58 lakh.

The matter was referred to the Ministry in August 2005; their reply was awaited as of January 2006.

3.5 Irregular payment of interest

Post Offices in Orissa and Uttar Pradesh and one Head Post Office in Mumbai failed to ensure the prescribed monetary ceiling in the accounts opened under the Monthly Income Scheme. Besides, three Post Offices in Orissa allowed unauthorised agencies to open such accounts. This resulted in irregular payment of interest, bonus and commission amounting to Rs. 21 lakh.

Departmental rules provided that an individual depositor might open more than one account under the Monthly Income Scheme (MIS) subject to the condition that deposits in all accounts taken together should not exceed Rs. 2.04 lakh (Rs. 3 lakh from 1 February 2000) in a single account and Rs. 4.08 lakh (Rs. 6 lakh from 1 February 2000) in a joint account.

Rules further provided that at the time of investment in an MIS Account, the depositor should give a declaration to the effect that his/her deposits in all the accounts taken together did not exceed the prescribed limit. In the case of excess deposits made beyond the prescribed limit, the Head Postmaster should refund the excess irregular deposits without interest to the depositor. The interest paid, if any, on the excess deposits should be deducted and commission paid to the agents on the excess investments should be recovered. However, in January 2002, the Ministry of Finance decided to refund to the depositors the excess deposits along with interest at the Post Office Savings Bank rate, from the date of deposit till the end of the month preceding the month in which the subscriber was to withdraw the excess deposit from the MIS account. The Department of Posts communicated this decision to all circles in April 2002.

Mention was made in paragraph 1.12 of the report of the Comptroller and Auditor General of India for the year ended 31 March 2003, Union Government, Transaction Audit Observations, of instances of irregular payment of interest on accounts opened in various post offices under MIS in contravention of the rules.

The Ministry, in their Action Taken Note submitted in December 2004, admitted that the postal staff failed to follow the rules of the scheme and stated that all Heads of Circles had been directed in September 2004 to ensure that the officers entrusted with inspection duties of post offices were also assigned the work of initiating checks on accounts opened in the post offices, besides ensuring that the rules regarding all post office accounts were available in the office to avoid recurrence of such irregularities in future.

Audit scrutiny of the records in the Orissa and Uttar Pradesh Postal circles and one Head Post Office (HPO) under the Chief Postmaster General (CPMG), Mumbai conducted during September 2004 to April 2005 revealed that 8 HPOs and two sub post offices (SO) under the Orissa Postal Circle, 5 HPOs under the Uttar Pradesh Circle and one HPO in Mumbai paid interest on MIS deposits made beyond the prescribed limit, at MIS rates instead of at Savings Bank rates, besides paying commission and bonus amounting to Rs. 18 lakh. Further, one HPO and two SOs under the Orissa Circle allowed various unauthorized agencies such as Temple Trusts, Natya Sansada, Yuvak Sangha, School and Scholarship Funds to open MIS accounts in contravention of the rules and also paid interest and bonus of Rs. three lakh to them.

On this being pointed out by Audit, the CPMG, Orissa Circle stated in May 2005, that the compliance to the audit observation would be submitted. In respect of the Uttar Pradesh Postal Circle, the Postmasters, Amroha and Raibareilly HPOs stated (December 2004 and February 2000) that the excess payments would be recovered. The Postmasters, Allahabad, Kanpur and Ghazipur HPOs stated in September 2004, October 2004 and January 2005 respectively, that the cases would be verified and action would be taken. The Postmaster HPO, Mumbai accepted the facts and stated in May 2005 that in respect of two cases, an amount of Rs. 0.52 lakh had been recovered and the remaining cases would be verified and action would be taken. These clearly indicated that despite earlier assurances, the Ministry had not been able to stop the irregular practices and the mechanism for monitoring compliance of orders issued by the Department from time to time remained weak.

The matter was referred to the Ministry in September 2005; their reply was awaited as of January 2006.

3.6 Non-deduction of service charges on silent accounts

Failure of one General Post Office and 10 Head Post Offices under the Assam, Karnataka, Rajasthan and West Bengal Postal Circles to levy service charges on accounts treated as silent accounts prior to March 2002 resulted in non-deduction of service charges to the tune of Rs. 15.74 lakh.

The Post Office Savings Account Rules, 1981, stipulated that an account in which a deposit or withdrawal has not taken place for three complete years, shall be treated as a silent account. Rules further provided that in respect of a silent account with a balance below the stipulated amount of Rs. 50, a service charge of Rs. 20 should be deducted on the last working day of each financial year with effect from 31 March 2003. After deduction of the service charge, if the balance became nil, the account would automatically stand closed. The service charge so deducted, would be credited into departmental accounts as “Unclassified Receipts” on the last working day of every financial year. Further, it was clarified by the Department of Posts in December 2003 that for the purpose of levy of the service charge, an account which was declared as silent prior to 31 March 2003 would require to be technically revived.

Audit scrutiny of the records in one General Post Office and 10 Head Post Offices under Assam, Karnataka, Rajasthan and West Bengal Postal Circles during June 2004- February 2005 revealed that service charges aggregating Rs. 15.74 lakh in respect of 46,714 accounts declared silent prior to

31 March 2002 for the periods ending 31 March 2003, 31 March 2004, and 31 March 2005 were not deducted.

On this being pointed out in Audit, the postmasters of the HPOs under the Assam and West Bengal Postal Circles replied that necessary action would be taken as per rules. The Chief Postmaster General (CPMG), Rajasthan Circle replied in July 2005 that service charges of Rs. 0.45 lakh had since been deducted.

CPMG, Karnataka Circle stated in May 2005 that the technical revival of silent accounts declared silent prior to 31 March 2003 was under progress.

The matter was referred to the Ministry in September 2005; their reply was awaited as of January 2006.

Department of Telecommunications

3.7 Background

In 1948, India had only 0.1 million telephone connections with a telephone density of about 0.02 per hundred population. Since then, the number of telephone connections has risen to 98.37 million with a telephone density of 8.95 telephones per hundred population by 31 March 2005.

3.7.1 Administration and Control

The Telecom Commission, set up in July 1989 has the administrative and financial powers of the Government of India to deal with the various aspects of telecommunications. The Telecom Commission and the Department of Telecommunications (DoT) are responsible for policy formulation and administration of Public Sector Undertakings (PSUs) engaged in telecommunication services and international relations.

DoT was manned by 2361 officers and staff (Group A- 505, Group B- 411, Group C -1101 and Group D -344) as on 31 March 2005.

3.7.2 Development in the telecom sector

The process of entry of private operators in providing telecommunication services in India commenced in 1992. Apart from privatising basic telephone services, Government also decided to introduce a number of value added services through private operators, such as cellular mobile telephones, radio paging, e-mail, internet, closed user groups (CUG) and broad-band service, which added to the value of the existing basic telephone services. The share of the private sector in the total number of telephones increased from 39 *per cent* as of March 2004 to 47 *per cent* as of March 2005.

Entry of private service providers brought with it the inevitable need for independent regulation. The Telecom Regulatory Authority of India (TRAI), was, therefore, established with effect from 20 February 1997 by an Act of Parliament called the TRAI Act, 1997, to regulate the telecom services. The TRAI Act was amended by an ordinance effective from 24 January 2000, separating the dispute adjudicatory functions from TRAI by establishing a Telecommunications Dispute Settlement and Appellate Tribunal (TDSAT). TDSAT adjudicates any dispute between a licenser and a licensee, between two or more service providers and between a service provider and a group of consumers. It also hears and disposes of appeals against any direction, decision or order of TRAI.

3.8 Non recovery of interest on delayed payments of pension contribution

The Controllers of Communication Accounts, Assam, Bihar and Gujarat circles failed to claim interest of Rs. 55.32 lakh on delayed payments of pension contribution from Bharat Sanchar Nigam Limited.

The Department of Telecommunications (DoT) issued instructions in July 2002, according to which pension contribution was payable to the Controller of Communication Accounts (CCA) by Bharat Sanchar Nigam Limited (BSNL) in respect of the employees of DoT, who were either on deemed deputation or permanently absorbed in BSNL. According to supplementary rule 307(1), the pension contribution was required to be paid annually within 15 days from the end of each financial year. In case the payment was not made within the said period, interest was to be paid on the unpaid contribution at the rate of two paise per day per Rs. 100 from the date of expiry of the aforesaid period up to the date on which the contribution was finally paid.

Audit scrutiny of the records of CCAs, Assam, Bihar and Gujarat circles during May 2005 to August 2005 revealed that the pension contribution of the employees absorbed in BSNL in 2001-02, 2002-03, 2003-04 and 2004-05 was received from BSNL after delays of one to 31 months. This delayed payment attracted interest of Rs. 55.32 lakh, which CCAs failed to claim.

The Ministry in their reply stated (November 2005) that the BSNL, Assam Circle had been requested to make the interest payment at an early date.

Recovery particulars were awaited. Reply in respect of Bihar and Gujarat circles was awaited (January 2006).

3.9 Excess payment of Dearness Relief

Payment of dearness relief to pensioners at higher rates resulted in overpayment of Rs. 31.80 lakh.

On the formation of Bharat Sanchar Nigam Limited (BSNL) with effect from 1 October 2000, the Department of Telecommunications, in January 2001, authorised the Controllers of Communication Accounts (CCA) in various circles to issue pension payment orders and to make payment of other retirement benefits to those on deemed deputation to or absorbed in BSNL. The CCAs were also authorized to conduct the audit of pension vouchers. Subsequently, BSNL introduced pay scales with industrial dearness allowance **(**IDA) for Group 'C'and 'D' and Group 'B' employees in August 2002 and February 2004 respectively, with effect from 1 October 2000. Consequent on revision of pay, retirement benefits, including pension and family pension of the employees who retired on or after 1 October 2000 were revised based on the pay fixed on the IDA pattern.

Audit scrutiny (November 2004 to September 2005) of pension payment vouchers and bank scrolls in the offices of the CCA, Andhra Pradesh, Kerala, Madhya Pradesh and Rajasthan circles revealed that the banks had paid dearness relief at the inapplicable higher central dearness allowance rate instead of the IDA rate to 203 BSNL pensioners during February 2001 to August 2005. This resulted in excess payment of Rs. 31.80 lakh.

The Ministry in their reply stated (November 2005) that in respect of the Andhra Pradesh Circle, all the payment scrolls received from the concerned banks had been checked and the actual overpayment was Rs. 6.41 lakh only. However, CCA Andhra Pradesh Circle had been directed to re-examine the whole case, after asking all the banks to send the pending pay scrolls, if any. Out of Rs. 6.41 lakh, Rs. 2.44 lakh had been recovered. Reply in respect of the Kerala, Madhya Pradesh and Rajasthan circles was awaited (January 2006).