



BHARAT SANCHAR NIGAM LIMITED
(A Government of India Enterprise)
Corporate Office (RM-CFA BRANCH)
Room No.216, 2nd Floor, Eastern Court, Janpath,
NEW DELHI-110 001

No. 2-11/96-TR/BSNL/VOL-IV

Dated: 5th February, 2013

To

All Heads of Circles / Metro Districts,
Bharat Sanchar Nigam Limited.

Subject: - Enhancement of rates of discount for settlement of defaulters cases through Lok-Adalat Scheme for realization of outstanding telephone dues of Basic/WLL services and CMTS (Post paid) from Customers of closed connections-regarding.

The scheme for settlement of defaulter cases through Lok Adalats was introduced vide this office circular No. 2-11/96-TR/BSNL/VOL-III dated 25-08-2006 wherein rates of discount, slab wise (depending upon the age of outstanding), to be allowed to the defaulters while settlement of outstanding telephone dues through Lok Adalats, were fixed.

In this context, a few proposals were received in this office from some Telecom Circles requesting for enhancement of rates of discount under Lok-Adalat Scheme at par with rates approved for settlement of defaulter's cases under Discount Scheme for realization of outstanding telephone dues of Basic/WLL services and CMTS (Post paid) from customers of closed connections. These proposals were examined in this office and placed before the Management Committee of the BSNL Board for consideration of enhancement of rate of discount under Lok Adalat Scheme. The Management Committee in its 157th meeting held on 16th January, 2013 have approved the proposal for enhancement of rates of discount for settlement of defaulters cases through Lok-Adalat, and have been approved the discount rate slab wise depending upon age of outstanding as indicated in the table given below:

S. No.	Periodicity of outstanding	Existing discount rates for settlement through Lok Adalats	Revised (Enhanced) Discount rates for settlement through Lok Adalats
(1)	(2)	(3)	(4)
1	Upto one year old	NIL	NIL
2	> 1 years and upto 2 years	NIL	10%
3	> 2 years and upto 3 years	10 %	15%
4	>3 years and upto 4 years	10%	25%
5	>4 years and upto 6 years	12%	25%
6	>6 years and upto 8 years	15%	25%
7	>8 years and upto 10 years	20%	25%
8	> 10 years	20%	50%

All other terms and conditions of the scheme for recovery of outstanding dues shall be the same as circulated vide letter No. 2-11/96-TR/BSNL/VOL-III dated 25-08-2006 (copy enclosed for ready reference.)

The enhanced rates of discount under the scheme mentioned above shall be applicable with immediate effect and may be brought to the notice of all concerned, with instructions to try to bring maximum number of defaulter cases before Lok Adalats for settlement so that maximum amount of outstanding dues against the closed connections gets recovered/settled.

It may, however, be made clear to the concerned Officers and staff of all the SSA's under your control that they should apprise the defaulter concerned and the Hon'ble Judge of the Lok Adalat beforehand (i.e., before the Lok Adalat proceeding get started) that the discount shall be allowed only up to the revised rate indicated in this circular and shall be admissible if the payment of outstanding dues (less discount admissible) is made in lump sum. The scheme is not applicable in cases where the payment is made by the defaulter in installments.

Circles shall continue to send SSA wise monthly progress report as per the proforma already prescribed vide this office letter No. 2-11/96-TR/BSNL/VOL-III dated 25-08-2006 (Copy enclosed for ready reference) through mail at kuberbsnl@gmail.com

Encls: Letter No. 2-11/96-TR/BSNL/VOL-III dated 25-08-2006

(G.P. Verma)
GM (Finance)-CFA

Copy for information to:

1. CMD, BSNL.
2. All Directors on BSNL's Board.
3. Executive Director (Finance) CO BSNL.
4. GM (F) CM/GM (F) EB/GM (F) NB/Sr. GM-CS/Legal, CO BSNL, New Delhi.
5. DGM RM-I (CFA)/RM-II (CFA) & T&C (CFA), RM (CM), CO BSNL.
6. Guard file.

Statement of settlement of cases of defaulters through Lok Adalats or through out of Court settlement						
Name of Circle			For the month of			
			(Amount in thousands of Rupees)			
S. No.	Name of SSA	No of cases settled	Amount Settled. Rs.	Actual amount realised. Rs.	Amount of legal expenses adjusted	Amount of discount allowed after adjustment of legal expenses
1						
2						



BHARAT SANCHAR NIGAM LIMITED

(A Government of India Enterprise)

Corporate Office (TRF BRANCH)

A-wing, 7th floor, Statesman House, Barakhamba Road,
NEW DELHI-110 001.

To

All Heads of Circles / Metro Districts,
Bharat Sanchar Nigam Limited

No. 2-11/96-TR/BSNL/VOL-III

dated:- 25 .08.2006.

Subject:- Settlement of defaulter cases through Lok Adalats – reg.

The matter regarding settlement of defaulter cases (including court cases) through Lok Adalats had been engaging the attention of this office for quite some time. Accordingly a proposal in this regard was placed before the Management Committee, which was discussed by the Management Committee in its 40th Meeting held on 21.6.2006. The Management Committee having considered the proposal has approved to authorise all of the Head of SSAs to settle the cases of defaulters (including court cases) through Lok Adalats or through out of court settlement by offering the package as follows: -

In this regard the defaulters who come forward for settlement of the outstanding dues in lump sum may be allowed the following concessions:

- i) graded discount on the basic defaulted amount at the rate indicated below

S.No.	Age of outstanding dues	Discount admissible
1	Up to 2 year old	Nil
2	2 to 4 years old	10%
3	4 to 6 years old	12%
4	6 to 8 years old	15%
5	8 years old and above	20%

- ii) interest @ 18% leviable on defaulted amount, may be waived off.

- iii) however, in case of the ongoing Court cases, where the cases are desired to be settled through out of Court settlement or through Lok Adalats, the amount of graded discount payable for lump sum payment of the outstanding amount under item (i) above should be adjusted against the legal expenses incurred in respect of such cases for filing and pursuing the related recovery suits in Civil Courts. The position is clarified further as follows:

In respect of Court cases desired to be settled through Lok Adalats, if the Legal expenses incurred in filing and pursuing the related recovery suits in Civil Courts happen to be more than the discount payable on lump sum payment of outstanding dues under item (i) above, the difference i.e., the balance of legal expenses should be recovered in lump sum from the defaulter along with the outstanding dues. However, where the legal expenses incurred happen to be less than amount of discount payable as per item (i) above, the balance of discount amount after adjustment of legal expenses should be allowed to the defaulter on lump sum payment of the outstanding dues.

It may be worthwhile to mention that while the upper ceiling for referring the defaulter cases to Lok Adalats for settlement of outstanding dues relating to Telephone Bills shall be Rs. Ten lakhs, the Head of SSAs may take decision on the minimum amount (floor limit) of outstanding for settlement of which the case can be referred to Lok Adalats (**this relaxation is not applicable for filing recovery suits in Civil Courts, where the floor limit for filing suits will continue to be Rs.25000/-**). The Head of SSA should, however, satisfy himself that the cost involved in referring the matter to Lok Adalat and in pursuing the same thereafter, shall not exceed the amount expected to be recovered from the defaulter.

All the Head of Circles are requested to bring these instructions to the notice of all concerned, with instructions to initiate the process of settlement of defaulter cases (including Court cases, wherever desired) through Lok Adalats with immediate effect.

A monthly return showing the progress on settlement of cases through Lok Adalats should be prescribed for all the SSAs and the same after due compilation at the Circle level should be sent to the Corporate Office through the monthly Sub Ledger in the following proforma.

Proforma

Statement on settlement of cases of defaulters through Lok Adalats or through out of Court settlement, for the month _____.

S.No	Name of SSA	Number of cases settled	Amount settled	Amount actually realized through recovery	Amount of legal expenses adjusted	Amount of Discount allowed (after adjustment of legal expenses is r/o court cases settled through Lok Adalats or through out of court settlement.
1						
2						

The above procedure of settlement of defaulter cases through Lok Adalats or through out of Court settlement will apply mutatis mutandis to the defaulter cases under CMTS as well. The progress for the settlement of cases relating to CMTS should also be sent through the related monthly Sub Ledger statement.

Kindly acknowledge the receipt of this letter

Mukesh Mathur
(Mukesh Mathur)
Dy. Director General (TRF)

Copy for information to:

1. CMD, BSNL.
2. Director (Finance) / (Operations)/ (HRD)/ (Planning &NS)/ (C&M) on BSNL's Board.
3. All Sr. DDsG/ DDsG in CO BSNL.
4. Jt. DDsG, TR-I/ TR-II, CO BSNL.
5. ADsG, TR-I/ TR-II/ TR-III/ TR-IV/TR-CMTS CO BSNL.
6. OSD to CMD BSNL.
7. OSD to Director (Finance).

S.K. Dhar
(S.K.DHAR)
Asstt. Director General (TR-I)