

**23**

**STANDING COMMITTEE ON  
COMMUNICATIONS  
(1995-96)**

**TENTH LOK SABHA**

**MINISTRY OF COMMUNICATIONS**

*[Action Taken by Government on the Recommendations  
contained in the Fourth Report of Standing Committee on  
Communications on Department of Post, Annual Report (1992-93),  
Ministry of Communications].*

**TWENTY THIRD REPORT**



सत्यमेव जयते

**LOK SABHA SECRETARIAT  
NEW DELHI**

*November, 1995/Kartika, 1917 (Saka)*

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**(1995-96)**

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*[Action Taken by Government on the Recommendations contained  
in the Fourth Report of Standing Committee on Communications  
on Department of Post, Annual Report (1992-93),  
Ministry of Communications]*

*Presented to Lok Sabha on.....11.....*  
*Laid in Rajya Sabha on.....12 95*



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**NEW DELHI**

*November, 1995/Kartika, 1917 (Saka)*

**C.C. No. 23**

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COMPOSITION OF STANDING COMMITTEE ON COMMUNICATIONS  
(1995-96)

\*Shri. Pawan Kumar Bansal—*Chairman*

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*Lok Sabha*

2. Shri R. Jeevarathinam
3. Shri Shravan Kumar Patel
4. Shri Laeta Umbrey
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*Rajya Sabha*

30. Shri Prakash Yashwant Ambedkar
31. Shri Jalaludin Ansari
32. Shri M.A. Baby
33. Shri Virendra Kataria

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\*Appointed Chairman w.e.f. 22.9.95 Vice Kumari Vimla Verma who ceased to be a Member and Chairperson of the Committee on her appointment as Minister.

34. Shri Aas Mohammad
35. Shri O. Rajagopal
36. Shri Mohammad Afzal
37. Smt. Jayanthi Natarajan
38. Smt. Anandiben J. Patel
39. Shri G. Prathapa Reddy
40. Smt. Sushma Swaraj
41. Shri Vizol
42. Shri V. Kishore Chandra Deo
43. Shri Janeshwar Mishra
44. Smt. Veena Verma

SECRETARIAT

1. Shri S.N. Mishra — *Additional Secretary*
2. Shri G.C. Malhotra — *Joint Secretary*
3. Shri O.P. Ghai — *Deputy Secretary*
4. Shri S.K. Sharma — *Under Secretary*

## INTRODUCTION

I, the Chairman of the Standing Committee on Communications (1995-96) having been authorised by the Committee to submit the Report on their behalf, present this Twenty-third Report on Action Taken by Government on the recommendations contained in the Fourth Report (Tenth Lok Sabha) of the Committee.

2. The Fourth Report was presented to Lok Sabha on 21 December, 1993 and was also laid in Rajya Sabha the same day. The Government furnished their replies indicating Action Taken on the Recommendations contained in the Report on 28 February, 1995.

3. The Action Taken Notes on some of the recommendations were found to be wanting as the desired details and explanations were not there. Therefore, the Committee took oral evidence of the representatives of the Ministry of Communications (Department of Post) and Ministry of Finance (Department of Economic Affairs) at their sitting held on 10 July, 1995. The Committee wish to express their thanks to the officers of these Ministries for giving evidence before the Committee and also for placing before the Committee material which they desired in connection with the examination of the subject.

4. The Report was considered and adopted by the Committee at their sitting held on 20 October, 1995.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

6. An Analysis of Action Taken by Government on the Recommendations contained in the Fourth Report of Standing Committee on Communications (Tenth Lok Sabha) is given in Appendix-II.

NEW DELHI;  
November 9, 1995

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*Kartika 18, 1917 (Saka)*

PAWAN KUMAR BANSAL  
Chairman,  
Standing Committee on Communications.

## CHAPTER I

### REPORT

1. This Report of the Standing Committee on Communications deals with the action taken by Government on the recommendations contained in their Fourth Report (Tenth Lok Sabha) on Department of Post, Annual Report (1992-93), Ministry of Communications.

2. The Fourth Report was presented to Lok Sabha on 21 December, 1993 and was also laid on the Table of Rajya Sabha the same day. It contained 70 observations/recommendations. The Action Taken Notes furnished by the Government on some of the recommendations were found to be wanting the desired details and explanations, the Committee called the representatives of the Department of Posts and Expenditure to seek clarifications.

3. Action Taken Notes in respect of all the 70 observations/recommendations contained in the Report have been received and have been categorised as follows:—

(i) Recommendations/Observations which have been accepted by the Government.

Sl. Nos. 1(1.11 & 1.12), 2[1.13(a)], 3[1.13(b)], 4[1.13(c)], 5[1.13(d)], 6[1.13(e)], 8(1.13(g)), 12(2.10), 13(3.7), 15(3.11), 16(3.12), 17(3.13), 18(3.14), 19(3.15), 20(3.16), 23(4.14), 25(4.23), 26(4.23), 27(4.26), 28(5.4), 30(5.10), 34(5.15), 35(5.16), 36(5.18), 37(5.19 & 5.21), 38(5.23), 39(5.24), 40(6.3), 41(6.7), 42(6.10), 43(7.6), 44(7.14 & 7.15), 46(7.17), 47(7.18, 7.19 & 7.20), 48(7.21), 53(8.15), 54(9.10), 55(9.11), 58(9.19), 59(9.22), 62(9.29), 63(10.3), 64(10.4), 66(10.9), 67(10.11), 69(10.15), 70(10.17).

Total 47  
Chapter II

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government reply.

Sl. Nos. 9(1.14), 14(3.9), 21(4.12), 22(4.13), 24(4.20 & 4.21), 29(5.9), 31(5.11), 32(5.12), 33(5.14), 49(8.11), 51(8.13), 52(8.14), 56(9.13), 57(9.14), 60(9.27), 61(9.28), 68(10.14).

Total 17  
Chapter III



(iii) Recommendations/Observations in respect of which the Government replies have not been accepted by the Committee and which require reiteration.

Sl. Nos. 10(1.15), 50(8.12).

Total 2  
Chapter IV

(iv) Recommendations/Observations in respect of which Government have furnished interim replies.

Sl. Nos. 7(1.13f), 11(2.9), 45(7.16), 65(10.6).

Total 4  
Chapter V

**4. The Committee trust that utmost importance would be given to the implementation of recommendations accepted by the Government. In case where it is not possible for the Government to implement the recommendations in their letter and spirit for any reason, the matter should be reported to the Committee in time with reasons for non-implementation. The Committee further take a serious note of the fact that replies to some of the recommendations are perfunctory. The Committee expects the Department to take the recommendations seriously and not casually.**

5. The Committee will now deal with action taken by Government on some of the recommendations.

*Strategic Plan for modernisation*  
*Recommendation Sl. No. 1 (Paras 1.11 & 1.12)*

6. The Committee in their Fourth Report had desired the Postal Service to come out with a perspective plan by evolving suitable objectives for the organisation and a cost effective strategy for realising those objectives.

7. The Department of Post in its Action Taken Note has stated that the Strategic Plan for modernisation is ready and the Corporate Policy is being formulated.

8. The Committee note that strategic plan of Department of Post for modernisation has been drawn up and that corporate policy is being formulated. The Committee will like to be apprised of the plan. A copy of the strategic plan may therefore be furnished to the Committee. The Committee desire that Corporate Policy may be formulated expeditiously and transmitted to the Committee.

*Amendment in Post Office Act, 1898*  
*Recommendation Sl. No. 9 (Para 1.14)*

9. In the context of Comprehensive Postal Policy, the Committee in their Fourth Report had observed that the Indian Postal Service Act 1898 is only an enabling legislation to provide a country-wide Postal Service. The Committee felt that rather than amending the act, a fresh Comprehensive legislation containing all basic features of the Postal Services be brought before Parliament.

10. The Department of Post in their Action Taken Note has stated that Indian Post Offices Act Review Committee had made similar recommendations and these recommendations have been approved by the Postal Services Board. The Department further stated that discussions were held in the Department itself and with the concerned Ministries and it was felt that instead of introducing a new legislation only those important sections/provisions should be taken up for amendment which call for modifications because of new developments in the Department and the changing socio-economic scenario. The Department of Post had therefore, decided to introduce an Amendment Bill for the Indian Post Offices Act, 1898 in the *Budget Session (1995) of the Parliament*.

11. Asked if the proposed Amendment Bill was introduced in the Budget Session, the Department of Post replied in negative stating that the comments and approval from the Ministry of Law were received after various rounds of discussions with them and at a belated stage after the Budget Session had started. The Ministry of Law has given certain suggestions and the matter is reported to be under consideration in the light of those suggestions. The Secretary, Department of Post, in his evidence clarified that the view has not yet been crystallised, and was still under consideration. When the Committee enquired as to when the Amendment Bill would now be introduced, the Secretary, Post stated that at the present rate, it was doubtful whether it could be introduced even in the Winter Session of Parliament.

12. In reply to another query from the Committee, the Secretary, Deptt. of Post stated that the Indian Post Office Act Review Committee had made its recommendations in 1992. He further added that it was a very important change. The Committee pointed out that the recommendations were made as early as in 1992 and desired to know the reasons for inordinate delay in taking a decision on it, the witness stated that entire socio-economic needs had to be taken into consideration.

13. The Committee take a serious note of the fact that a misleading statement has been made before the Committee in the Action Taken Notes furnished to it. It was submitted that a Bill to amend the Indian Post Office Act, 1898 was proposed to be introduced in the Budget Session (1995) of the Parliament. The Bill was however, not introduced and is reported to be still under consideration. The Secretary, Post, has candidly admitted that it was doubtful whether it could be introduced even in the Winter Session of Parliament. The Committee would like the matter to be investigated with a view to fix responsibility as to how such a misleading statement was made before the Committee. The Committee will also like to be apprised of the reasoning advanced by the various other Ministries consulted by the Department of Post as well as the view held by the Department itself on the basis of which it has been decided that instead of introducing a new Comprehensive legislation as recommended by this Committee in its earlier Report and also by the Indian Post Office Act Review Committee, only those section/provisions would be taken up for amendment which call for

modifications because of new developments in the Department of Post and the changing socio-economic scenario.

14. The Committee desire that matter should be processed expeditiously with a view to crystallise the views thereon and every effort be made to introduce the Amending Bill in the Parliament during the ensuing Winter Session.

*Censorship and Interception of Mail*  
*Recommendation Sl. No. 10 (Para 1.15)*

15. The Committee had recommended in their earlier Report that the provisions for censorship and interception of mail may be taken away from the purview of the Indian Post Office Act and if at all it is needed, the Home Ministry which is the appropriate authority on such matters may come forward with a special legislation for the purpose.

16. The Department of Post in its Action Taken Note has stated that the recommendation of the Committee was communicated to the Ministry of Home Affairs which has favoured retention of the provision for censorship and interception of mail in the Indian Post Office Act because it stood the test of time.

17. The Committee are not at all impressed by the reply of the Department of Post that the recommendation of the Committee was communicated to the Ministry of Home Affairs which has favoured retention of the provision in the Post Office Act. In fact, they take a serious note of the casual and perfunctory approach adopted by the Department of Post and the Ministry of Home Affairs in dealing with the recommendations of this Committee. The Committee expect that the matter would be examined in depth at the highest level in the Ministry of Home Affairs in the light of the recommendations of this Committee and the reasons, whatsoever it may be, for retention of the provision in Post Office Act intimated to this Committee. Meanwhile the Committee is of the opinion that appropriate guidelines be framed for the delegation and use of the authority to intercept any postal article so that the requirements of security as well as the concern for individual privacy are harmonised.

*Restructuring of the Top Management of Department of Posts*  
*Recommendations Sl. No. 11 (Para 2.9)*

18. In order to circumvent the bottlenecks and to make the top management functionally more efficient, the Committee had recommended in their earlier report that Postal Services Board should be replaced by a high level Postal Commission which would be headed by the Ministry of Communication as the Chairman.

19. The Department of Post in its Action Taken Note has stated that a comprehensive proposal for restructuring the top management of the

Department of Post is under consideration and will be submitted to Government for consideration

20. The Committee would like to point out that it was in December, 1993 that they had recommended that Postal Services Board should be replaced by a high level Postal Commission headed by Minister of Communication/ State/Deputy Minister of Communications as Chairman, in order to remove all the bottlenecks and to make the management function more efficiently. It is distressing to note that the proposal for restructuring the top management of Department of Post has not yet been finalised and is still reported to be under consideration. The delay in this regard is wholly unjustified. The Committee, desire that immediate steps should be taken to finalise the comprehensive proposal for restructuring the top management of the Department of Post and the proposal may be submitted to the Government expeditiously.

*Sale of Postal Stationery*  
- Recommendation Sl. No. 16 (Para 3.12)

21. In the expanding cities/towns and in new colonies in urban areas where financially viable Post Offices cannot be justified due to low traffic, the Committee in their earlier Report had desired the Government to examine the feasibility of providing basic facilities like sale of postal stationery and booking of registered articles etc. by appointing licensed Postal Agencies from the existing private shops or establishments in market complexes. It had suggested that Government might do so even if it necessitated liberalising the policy for sale of stamps and booking of registered articles, etc. by outsiders. The Committee had viewed that such a system in villages bordering urban areas would serve the purpose. In order to attract the licensed stamp Vendors, the Committee had further suggested that existing commission payable to agents may be made more remunerative.

22. The Department of Post in its Action Taken Note has stated that Stamps and postal stationery are already being sold through licenced stamp vendors in many places. Registration work is also reported to be performed by licenced postal agents. But the scheme has not been extended beyond 1987 due to the resistance of department staff. It has been further stated that the Commission to licensed Stamp Vendors, has also been increased from 1.5% to 5% to make the licensed Stamp Vendor Scheme more remunerative. In hilly/tribal areas, the Commission varies from 5% to 10%.

23. The Committee note that stamps and postal stationery is already being sold through licensed Stamp Vendors. Further, though the registration was also being performed by licensed postal agents, the scheme was not extended beyond 1987 due to resistance by the department staff. Looking to the needs of all round development of Indian economy and to expand the Postal Services the Committee would like the Department of

**Post to take up the matter with the staff to remove their apprehensions in regard to appointment of licensed postal agents and accelerate extension of the scheme to all those areas where financially viable post offices are not feasible at this stage.**

*Promotion of Small Savings*  
*Recommendation Sl. No. 49 (Para 8.11)*

24. The Committee in its earlier Report had recommended that adequate publicity should be given to the fact that interest on Post Office Savings Bank Account is exempt from Income Tax. The Committee had also desired the Government to examine the desirability of payment of interest on deposits exceeding Rs. 50,000/- in a Post Office Savings Bank Account with or without tax benefit. The Committee also felt the need to publicise the fact that postal cheques were being accepted by the scheduled banks.

25. In its Action Taken Note the *Department of Post* has stated that promotion and publicity of small savings is the responsibility of National Savings Organisation which is under the Ministry of Finance and that Recommendations of the Committee have been conveyed to the Ministry of Finance for appropriate action.

26. The Committee desired to know the action taken by Ministry of Finance on the above said Recommendations of the Committee. The Ministry of Finance in their Action Taken Note replied that due publicity was being given by National Savings Organisation for all the Small Savings Schemes including Post Office Savings Account. It was further stated that while making such publicity the fact that the interest was tax free was also emphasised.

27. As regards the feasibility of interest payment on deposits beyond Rs. 50,000/- in an individual account, the Ministry of Finance replied that the Post Office Saving Account rules provide for a maximum balance of Rs. 50,000/- in a single account and Rs. one lakh in a joint account because the scheme was a 'put and draw' scheme where the money remained with the Government for a very short period and 34th of the net collection in a scheme including POSA was sanctioned as long term loan to the State Governments, which was repayable in a period of 25 years including an initial moratorium for 5 years.

**28. The Committee take note of the latest budgetary provision that the income on interest upto Rs. 10,000/- is not liable to incidence of Income Tax. As such the above plea of the Department loses significance. To make the Post Office Savings Account Scheme retain its attraction, it may be desirable to raise the limit of deposits to one lakh in a single account and two lakhs in joint account.**

29. During evidence the Committee pointed out that most of the Schemes were operated by the Ministry of Finance through the

Department of Post and wanted to know the constraints in allowing the latter to give publicity to these small savings schemes on its own. In reply, the representative of the Ministry of Finance stated that they were willing to consider the suggestion by reimbursing to the Department of Post the cost of carrying out publicity.

30. When the Committee wanted to know the views of Department of Post in this regard, the Secretary, Department of Post replied that they had a set rate for commercial publicity and the Ministry of Finance must pay according to that rate. He further clarified that the Department of Post did not have different rates for different customers.

31. The Committee note that the Ministry of Finance has agreed to consider reimbursement of cost to the Department of Post on publicity and promotion of small savings. Procedure in this regard should be evolved at an early date. The Committee feel that it should be possible for Department of Post to give adequate publicity to Small Savings. It will, certainly accelerate mobilisation to Small Savings.

*Operational Flexibility relating to Savings  
Recommendation Sl. No. 50 (Para No. 8.12)*

32. With a view to redress grievances of customers, the Committee in their earlier Report had, desired that the Department of Post may be given more operational flexibility in its operation to make it more accountable and customer oriented in its approach.

33. The Department of Post in its Action Taken Note has stated that any relaxation in rules to give operational flexibility has to be given by the Ministry of Finance and that Ministry of Finance had earlier not agreed to a proposal for delegating powers to Department of post. "No further change appears to be possible."

34. The Committee was not convinced of the reasoning advanced in this regard, therefore, it enquired from the Ministry of Finance the constraints in delegating adequate powers to the Department of Post to make the latter more accountable and customer oriented. The Ministry of Finance replied that the issue was examined in consultation with the Ministry of Law which advised that power under the Rules could only be exercised by the Competent Authority in the Department of Economic Affairs.

35. As regards operational flexibility, the Ministry of Finance stated that the Department of Post/Post Offices have already been exercising the powers in accordance with the provisions of the scheme. Only such cases, where relaxation of the provisions of any rule is required are referred to the Ministry of Finance. It was further stated that the Small Savings Schemes were under constant review and Amendments in the rules were made whenever necessary.

36. To a specific query of the Committee regarding the procedure laid down to redress the grievances of customers, the Ministry of Finance

replied that the customers might approach the concerned officers in the Department of Post and the Ministry of Finance for the redressal of their grievances. It was further stated that the Department of Post had brought out "Customers Complaints Guide" for prompt and proper redressal of their grievances.

37. The Committee understand that power under the rules can only be exercised by the Competent Authority in the Department of Economic Affairs. However, taking into consideration the reply of the Ministry of Finance that the Small Savings Schemes are under constant review and amendments are made whenever necessary and also the fact that it is not always possible for customers particularly in far-flung areas to approach Ministry of Finance for redressal of their grievances, the Committee would like to reiterate their earlier recommendation that suitable amendments be made in the Rules and Procedure to allow the Department of Post more operational flexibility with a view to make it more accountable and better customer-oriented. The Committee opine that when the Department of Post is already exercising the powers in accordance with the provisions of the Small Savings Schemes and when a customer can approach the Department for redressal of grievances, there should not be any constraints in delegating more power to the Department of Post for better accountability and customer oriented service. The Committee desire the Department of Post to take up the matter with the Ministry of Finance and Ministry of Law in this perspective.

*Exemption from cut in staff strength  
Recommendation Sl. No. 65 (Para 10.6)*

38. The Committee in their Report had recommended that Department of Post should take up with the Committee of Secretaries the issue of exemption from 10% cut in staff strength because a cut would further reduce the availability of staff and thereby affect the services adversely.

39. The Department in its Action Taken Note has stated that, "Considering the operational nature of the Department of Post, the matter has been taken up with the Competent Authority. The decision of the Committee of Secretaries for exempting the Department of Post from 10% cut is still awaited."

40. The Committee pointed out that instead of imposing a cut of ten per cent of existing posts, there should be more staff sanctioned for delivery of letters to newly developing colonies and towns. In reply, Additional Secretary, Department of Expenditure stated in evidence that:

"as far as the recruitment of more postmen is concerned, they want the Department of Post to increase the productivity of existing strength."

Replying a query of the Committee in this context, the Secretary, Post stated that in the area of delivery, it was not possible to increase

productivity because this work would continue to be done manually. "If manpower has not to be given, at least mechanical support like vehicles must be given. But there was certain kind of cut from both sides as neither the manpower nor mechanical mobility support is being provided". Emphasising the point further, he stated that in the area of delivery, there was certainly need for more manpower.

Asked in the context of the above statement, the Additional Secretary (Expenditure) stated in evidence that as far as the opening of new branches in rural and remote areas are concerned there should be expansion of services. The Ministry of Finance has not closed the doors for any further proposals. Rather, they would consider them. It was further clarified that ten per cent cut was imposed to avoid wasteful expenditure. It was not meant for the service oriented departments.

41. The Committee regret to note that though the Department of Post took up the matter for exemption from ten per cent cut in staff strength with the Committee of Secretaries long back, the decision of the Committee of Secretaries in this regard is still awaited. In this regard the Committee would also like to draw attention to para 2.12 of their Sixth Report presented to Lok Sabha on 25.4.1994 relating to the Ministry of Communications which read as follows:

"The proposal was first taken up with Ministry of Finance in August, 1993 and was actively pursued. In March, 1994, the Department of Expenditure (Ministry of Finance) advised the Department to hold on this proposal till the case of the Department of Post for exemption from 10% cut in the staff strength is discussed in the meeting of the Committee of Secretaries schedule to be held sometimes in April, 1994. The Committee was also informed that ban on creation of departmental posts also applied to creation of extra-departmental posts."

It is more than a year and half since the matter was discussed at the meeting of the Committee of Secretaries in April, 1994 but regrettably no decision seems to have been taken thereon so far. As a result postal services to many new colonies continue to suffer. The Committee desire the Department of Post to pursue the matter vigorously. The Committee would like to be apprised of the decision taken in this regard, at the earliest.



**CHAPTER II**  
**RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN**  
**ACCEPTED BY THE GOVERNMENT**

**Recommendation Sl. No. 1 (Paras 1.11 & 1.12)**

It is high time now for postal service to come out with a perspective plan by evolving suitable objectives for the organisation, a cost effective strategy for realising those objectives.

The objective may be focussed on maintenance of an efficient, speedy, reliable and economic service etc. The policy must ensure financial self-sufficiency and also be able to generate enough surplus from premium service it provides with a view to supporting its own developmental programmes.

**Action Taken by Government**

The strategic plan of Department of Posts for modernisation is ready. The corporate policy is being formulated.

**Recommendation of the Committee**

8. The Committee note that strategic plan of Department of Posts for modernisation has been drawn up and that corporate policy is being formulated. The Committee will like to be apprised of the plan. A copy of the strategic Plan may therefore be furnished to the Committee. The Committee desire that corporate policy may be formulated expeditiously and transmitted to the Committee.

**Recommendation Sl. No. 2 [Para 1.13 (a)]**

The financial management of the Department and pricing policy of postal services may be clearly defined.

**Action Taken by Government**

This recommendation will be kept in view while formulating the comprehensive corporate policy.

**Recommendation Sl. No. 3 [Para 1.13(b)]**

Efficient and cost effective operation of the postal network with suitable technological changes, upgradation and introduction of modern technology with a view to achieving greater public satisfaction is to be treated as one of the major objectives of the postal policy.

### **Action Taken by Government**

Various steps have been taken and are also under way for introduction of innovation and modern technology in postal operations. Details of some of these proposals have been given in Action Taken Notes to Chapter IV.

#### **Recommendation Sl. No. 4 [Para 1.13(c)]**

The Postal Organisation including headquarters set up of the Department may also be restructured in order to ensure more public accountability and bring efficiency to administration. An inter-departmental approach is sought for.

### **Action Taken by Government**

Comprehensive proposal to restructuring the top management of postal services has already been taken up as indicated in Action Taken Note for para 2.9.

#### **Recommendation Sl. No. 5 [Para 1.13(d)]**

Adequate operational/financial flexibility and independence may be provided to the postal department to make it more competitive and accountable for its responsibilities.

### **Action Taken by Government**

This recommendation will be kept in view while formulating the comprehensive corporate policy as stated in Action Taken Note for paras 1.11 and 1.12.

#### **Recommendation Sl. No. 6 [Para 1.13(e)]**

Adequate attention may be provided to extend/upgrade postal services particularly in remote, hilly, tribal and rural areas. The demands from different sectors of society must be properly balanced.

### **Action Taken by Government**

Required priority is already given to remote, hilly, tribal and rural areas. Details have been given in Action Taken Note No. 3.9 of Chapter III.

#### **Recommendation Sl. No. 8 [Para 1.13(g)]**

The policy must also strengthen and promote efficient international mail service.

### **Action Taken by Government**

There is a separate branch headed by an officer of the level of DDG dealing with International Relations which include International Mail Services.

Following major steps have recently been taken for strengthening and promotion of International Mail Services:—

- (i) Export extension windows have been provided at Varanasi (Babatpur), Surat, Kanpur and Noida to facilitate expeditious customs clearance of exports through Postal Channels.
- (ii) The international EMS network has been expanded to 13 more countries bringing the total to 72.
- (iii) To ensure expeditious transmission of International Mails, the international mails schedules are revised periodically.
- (iv) Director, Foreign Posts and Controller Foreign Mails at Delhi, Madras, Calcutta and Bombay have been given technical control over international airmails in their respective cities in order to provide additional supervision and monitoring of International Mail Service.

**Recommendation Sl. No. 12 (Para 2.10)**

The execution of Policy in the Department of Posts should remain with Director General, Postal Services who, as at present would also be the Secretary of the Department of Posts.

**Action Taken by Government**

This is the present position.

**Recommendation Sl. No. 13 (Para 3.7)**

The Committee strongly feel that as the postal system is looked upon as an instrument of social and economic development of the people, hilly, far-flung, under developed areas also should receive equal opportunity for strengthening postal network. The postal service plays an important role in our national life as a basic factor in social, educational and cultural development, a direct/indirect promoter of economic development, an essential tool in public administration, national defence and international relations, powerful element of national unity, etc. In view of such a wide infrastructural role, the Committee strongly recommend to ensure the availability of basic postal services in all parts of the country including tribal, far-flung, hilly and remote areas.

**Action Taken by Government**

Provision and expansion of postal facility in rural areas is part of plan activity. Due priority is given to tribal, hilly and remote areas. This aspect has also been discussed in para.

**Recommendation Sl. No. 15 (Para 3.11)**

The Committee recommend for a mandatory provision for postal mail centres and premises for post office, etc. in all new urban development. They further suggest that special requirements of Industrial Townships, corporate sections, suburbs, may be examined and status reports prepared for the purpose.

### **Action Taken by Government**

It has been decided to contact all urban development/planning authorities for making provision for postal mail centres and premises for post office in all new urban development centres.

A departmental task force has been constituted to draw up a perspective plan for dealing with special requirements of industrial townships/suburbs/corporate sections having population of 5 lakhs and above.

The Department have recently issued instructions to the Postal Circles to provide postal facilities by opening extension counters in industrial, commercial and business centres, export promotion zones, world trade centres etc.

Few centres have already been opened in various parts of the country.

### **Recommendation Sl. No. 16 (Para 3.12)**

In expanding cities, towns and in new colonies in urban areas where financially viable post offices due to low traffic cannot be justified now, the committee recommend that the Government examine the feasibility of providing basic facilities like sale of postal stationery, and booking of registered articles etc. by appointing licensed postal agency from the existing private shops of establishments in market complexes if necessary by liberalising the policy for sale of stamps and booking of registered articles etc. by outsiders and they hope that such a system in villages bordering urban areas, should also serve the purpose. In order to attract the Licensed Stamp Vendors, the Committee further suggest that the question of enhancement of existing commission payable to such agents to make the scheme more remunerative may be considered.

### **Action Taken by Government**

Stamps and postal stationery are already being sold through licensed stamp vendors in many places.

Registration work is also being performed by licensed postal agents. But the scheme was not extended since 1987 due to resistance of staff.

To make the Licenses Stamp Vendor scheme more remunerative for agents, commission on sale has presently been increased from 1.5% to 5%. In hilly/tribal areas the remuneration varies from 5% to 10%.

### **Recommendation of the Committee**

23. The Committee note that stamps and postal stationery is already being sold through licensed Stamp Vendors. Further, though the registration was also being performed by licensed postal agents, the scheme was not extended beyond 1987 due to resistance by the Department Staff. Looking to the needs of all round development of Indian economy and to

expand the Postal Services the Committee would like the Department of Posts to take up the matter with the staff to remove their apprehensions in regard to appointment of licensed postal agents and accelerate extension of the scheme to all those areas where financially viable post offices are not feasible at this stage.

#### **Recommendation Sl. No. 17 (Para 3.13)**

The Committee strongly feel that Department should concentrate more on the consolidation of the existing postal network and the improvement of quality of service by ensuring efficient counter service, speedy processing and transportation and dependable time-bound delivery rather than on opening more post offices.

#### **Action Taken by Government**

As far as opening of new post offices is concerned, E.D. post offices will be considered only in identified priority areas, subject to fulfilment of departmental norms in this regard. In this connection, special emphasis will be given to hilly and tribal areas. In the case of departmental sub offices, emphasis will be given to rural areas with a view to facilitating better financing and mail arrangements, and in newly developing urban areas and industrial townships.

For improving the quality of services, especially in terms of counter services the Department proposes to introduce 5000 multipurpose counter machines during the 8th Plan period. Similarly, computerisation of SB and PLI work in HOs in the metro and important cities has commenced. Steps are being taken to streamline the Speed Post service by providing them with track and trace equipment. An automatic mail sorting system, as already provided in Bombay, is proposed to be given to Madras in the year 1994-95 to expedite the processing of mails.

#### **Recommendation Sl. No. 18 (Para 3.14)**

The Committee strongly feel that there is an urgent need for a facelift of postal buildings, their furnitures, filling and storage systems and improvement of stationery. The Committee therefore recommend for cleaning up and proper maintenance of the post office buildings, sprucing up their furniture, supply of adequate stationery etc.

#### **Action Taken by Government**

The question of modernising the post office buildings and giving them a facelift was taken up during the plan discussions for finalising allocations under B.E. 1994-95. Planning Commission has suggested that a comprehensive time-bound proposal may be formulated in this regard and presented to them at the time of the next plan discussions, duly approved by the appropriate authorities. Therefore, the Department has constituted a committee including a representative of the Planning Commission to identify the requirements of post and mail offices in terms of more economical and efficient equipment, in so far as design and alternative

materials are concerned, and to review and standardise the design and lay out of different categories of post offices, the furniture required etc.

In 1994-95, a small beginning is proposed to be made in this regard for which Rs. 1.12 crore has been provided. Similarly, Rs. 2 crore has also been earmarked for restoration of historical postal buildings like the Bombay G.P.O.

#### **Recommendation Sl. No. 19 (Para 3.15)**

The Committee are also of the opinion that there has been a glaring decline in the quality of stationery and there is an urgent need to examine the quality size and design of the postal stationery particularly foreign going ones.

#### **Action Taken by Government**

The Department has introduced post cards in two more colours, viz. light sea green and light blue colour in addition to regular buff colour.

Inland letter cards are also available in light pink and light green colours in addition to regular light blue ones.

Greetings Envelopes in two varieties, carrying the messages greetings and congratulations with colourful matching designs have been introduced by the department.

A larger Registered Envelope has been introduced which can carry cheques, drafts and large documents.

#### **Recommendation Sl. No. 20 (Para 3.16)**

In view of the fact that most of the post offices are in rented buildings, the committee are of the opinion that specified funds should be earmarked for construction of postal buildings, especially in rural areas.

#### **Action Taken by Government**

For the Annual Plan 1995-96, the fund would be earmarked separately for construction of postal buildings in rural areas.

#### **Recommendation Sl. No. 23 (Para 4.14)**

Adequate publicity be given to popularise the Pin Code through various media particularly the Doordarshan and AIR, National and regional dailies.

#### **Action Taken by Government**

Adequate measures were taken to popularise the use of Pin Code. Pin Code week was celebrated in 1993 all over the country in which different steps were taken by the Postal Services Directorate and Circles to make people aware of the importance of Pin Code.

A film on Pin Code and an audio programme were got prepared by Marketing Division of the Directorate through DAVP. These were broadcast on Doordarshan and All India Radio respectively. Hoardings

were put up at different places and direct marketing exercise was undertaken for bulk mailers. Besides, a corporate film 'Dear Letter Writer' was released in theatres which apart from other subjects, also emphasised upon the usefulness of always writing correct Pin Code. Advertisements were released in different languages as part of awareness campaign. These efforts will be further intensified.

#### **Recommendation Sl. No. 25 (Para 4.23)**

More business houses, institutions and private companies should be encouraged to make use franking machines.

#### **Action Taken by Government**

The Department of Posts has been encouraging the use of franking machines among bulk mailers. Rules for preparing and presentation of franked mail are being simplified. Encouragement is being given to indigenous manufacturers of franking machines. In the bulk mail centres in metro cities, private business houses are already delivering franked mail. In the bigger post offices also the Department has been using high speed franking machines.

The Committee constituted by the Department for simplification of the rules and procedures for franking machines has given its recommendations. The Department has also approved electronic models of Franking machine which are faster and error free in operations. The replacement of electro-mechanical franking machine by electronic franking machine for use in Bulk Mail Centres is also being considered. The Department has initiated action for the procurement of 40 High Speed Electronic machines for installation in these offices. A rebate of 3% is given on the postage of franked mail.

#### **Recommendation Sl. No. 26 (Para 4.23)**

The Committee feel that the Department should examine the potential of future growth of the use of franking machines and fix the target for each Postal Circle, The Circle officers/staff should be entrusted with the responsibilities to take appropriate measures to popularise the system and achieve the targets. The Department should also take adequate steps to publicise the same in the newspapers and other medias. The Committee note that the use of stamp cancelling machines, personal computers for managing savings accounts, money orders and registered mail etc, have also been scarce. Whatever has been planned so far in technology induction has been isolate, sporadic and limited to certain special services at Central Post Offices of some State Capitals.

#### **Action Taken by Government**

The Department has already taken several measures to popularise franking machine, as explained in the preceding Action Taken Note. Besides, 135 High Speed Stamp Cancelling Machines have been provided in various post offices in the country.

**Recommendation Sl. No. 27 (Para 4.26)**

Concerted efforts be made to include new services such as:—

**GIRO**

Electronic mail  
Electronic fund transfer  
Data Bank  
Teleprinter  
Business FAX mail

**Action Taken by Government**

As stated in Action Taken Note relating to paras 4.20 and 4.21, attempt has been made to use satellite for transmission of money orders. The Department has launched a new value added service known as "Hybrid Mail Service" at 7 locations namely Delhi, Bombay, Bangalore, Lucknow, Patna and Simla. The service became operational w.c.f. 14.1.1995.

**Recommendation Sl. No. 28 (Para 5.4)**

The Committee feel that a review of the existing sorting offices be undertaken with a view to examining their role and utility in expediting the processing and transmission of mail.

**Action Taken by Government**

There is constant review of performance of mail offices by Chief PMG, Regional PMG, Supdt. of Post Offices and R.I.S. Offices. In addition, there are Controllers of Mail Planning and Operations stationed at Delhi, Calcutta, Bombay and Madras to coordinate matters relating to mail processing and transmission in the country on the regional basis.

**Recommendation Sl. No. 30 (Para 5.10)**

The Committee also recommend for a more active regular inter-ministerial interaction between the Railways, Indian Airlines and the State Road Transport Corporations. The Heads of Postal Circles, Railway Authorities and Indian Airlines must undertake regular meetings. Use of State transport buses should be made for conveyance of mails extensively.

**Action Taken by Government**

Inter-ministerial meetings are regularly held as per requirements between the Department of Posts and Railways, Airlines and Ministry of Surface Transport. Such meetings are also held at the level of Chief Postmaster General, Regional Postmaster General and Divisional Superintendents. For example, a quarterly meeting is held at the Zonal level between the concerned Chief Postmaster General and the Zonal representatives of the carriers.



**Recommendation Sl. No. 34 (Para 5.15)**

Necessary action may be taken to procure adequate number of letter boxes to meet the requirements of members of public.

**Action Taken by Government**

Action has already been taken to procure adequate number of letter boxes in rural and urban areas.

**Recommendation Sl. No. 35 (Para 5.16)**

Action may also be initiated to improve local delivery in metropolitan and major cities. The installation of more green letter boxes for local mail should be considered since the metro cities also deserve better inter city service.

**Action Taken by Government**

Considering the importance of intracity mail, green letter boxes have been provided in all major cities. Of late, a consistent effort is being made in the metro cities for early clearance, processing and delivery of such mail by making special arrangements in terms of delivery and transport. A publicity drive has been launched to popularise the green letter box.

**Recommendation Sl. No. 36 (Para 5.18)**

The Committee further strongly feel that there is a need to promote post box and mail bag concept in all Metro and State capitals. Heads of Circles and Regional PMsG should take steps to popularise Post Box and Mail Bag concepts aggressively.

**Action Taken by Government**

Use of post box and post bags in metro cities, State capitals and District Headquarters is already being encouraged within the limitations of space available in the post offices.

**Recommendation Sl. No. 37 (Para 5.19 & 5.21)**

Bulk users like trade, industry and institutions should be allowed and encouraged to handle some of the functions of post offices like sorting of their mail delivery office-wise which will avoid delays and also pilferage in transit to a large extent caused due to handling of articles at intermediate offices.

In other countries, bulk mailers are given concession in rates if they give pre-sorted mail. The Committee, therefore, recommend that the Government may consider similar concession to the bulk mailers in India.

### **Action Taken by Government**

Assistance of bulk mailers is already being taken in sorting of the mail at all places where bulk mail is heavy.

The Government is giving a rebate of 2% of the postage to the bulk mailers for pre-sorting of such mail.

### **Recommendation Sl. No. 38 (Para 5.23)**

Money Order delivery, particularly in rural areas, should be monitored periodically to ensure that there is no unavoidable delay in delivery. Special tracking of money orders on certain routes where the delay is frequent may be made.

### **Action Taken by Government**

A special monitoring of payment of money orders in rural areas has been introduced in July, 1991. According to this scheme 5% of the money orders paid through Branch Post Offices are checked subsequently in the account offices by the Inspecting Officers to see if they were paid on the day of receipt and, if any money order is not paid, whether a certificate from the payee to the effect that he was not available for payment was obtained. The inspectors of Post Offices cover all the Branch Post Offices by visiting their account offices cyclically once in every three months.

### **Recommendation Sl. No. 39 (Para 5.24)**

With regard to the problems faced at times by the Post Masters due to inadequate police protection given to branch post offices who receive a lot of money order amount. ED employees, who carry such valuables, the Committee recommend that timely police protection may be extended for the safe delivery of money orders. Further, the Department should examine the feasibility of covering risk factors involved in delivery of postal valuables and also safety of concerned postal employees through various Insurance Companies such as GIC, LIC etc.

### **Action Taken by Government**

Police protection is usually taken at the time of remittance of large amount of cash between post offices and from post offices to banks. Providing police escorts for delivery may not be feasible in view of the limited strength of police personnel with the State Government. However, the cash entrusted to postman is kept within a safe limit to avoid untoward incident.

The matter regarding insurance coverage for valuables in transit by post is under process.

**Recommendation Sl. No. 40 (Para 6.3)**

In case of delayed delivery of speed post articles, the Department has granted provisions for full refunds of speed post charges to the sender. Such full refund of Speed Post charges is also made even when the article is delayed due to late/non arrival of transport or any other reasons beyond the control of the Department. The Department must ensure speedy refund of Speed Post charges where delay in delivery takes place. The Committee feel that the Department should take appropriate steps to give adequate publicity to all these measures undertaken by this Department to popularise the Speed Post.

**Action Taken by Government**

Speed Post charges in cases of delays are refunded expeditiously. However, further instructions will be issued in this regard.

As regards giving adequate publicity to provision of refund in cases of delays, steps will be taken in this direction.

**Recommendation Sl. No. 41 (Para 6.7)**

In Speed Post the thrust of the Department should be to consolidate and improve the quality of the services for the available network before expanding it.

**Action Taken by Government**

Department of Post has not expanded the Speed Post service of late. Efforts are now being made to improve the quality of services including installation of a computerised Tracking and Tracing system.

**Recommendation Sl. No. 42 (Para 6.10)**

The system of same day delivery of Speed Post articles should be extended to other major cities particularly all State capitals.

**Action Taken by Government**

This is already in existence in the major cities. Further action to extend the scheme in State capitals is under examination.

**Recommendation Sl. No. 43 (Para 7.6)**

The Committee note that what is needed is the close monitoring of facility and observe that there is inadequate supervision of local postal operations. The Committee feel that the Postmasters General should carry out regular and unscheduled inspections of post offices under their domain. In order to minimise the complaints, these are to be periodically analysed to spot the areas and causes for taking corrective remedies, such as simplification of forms used by the public e.g. introduction of a new

simpler money order form, application form for purchase of cash certificates, adoption of better quality of Acknowledgement Due Cards of distinct colour; special arrangements for timely disposal of festival mails during Rakhi, Diwali, Christmas etc. test checking the work of delivery personnel, better financing of post offices for payment of money orders, monitoring of transmission and transit norms of mails, etc. should carry out regular and unscheduled inspections of post offices under their control.

#### **Action taken by Government**

Visits and inspections are given due importance in the Department of Posts. There is a systematic inspection of post offices by various officers of all levels like Inspectors of Post Offices, Divisional Superintendents, Directors and Postmasters General. The inspections and visits of Postmaster General are monitored through a system of monthly report at the Directorate. Similar monitoring of the inspections of Divisional Superintendents of Post Offices, Inspectors of Post Offices, is done at the office of the Postmaster General.

Money order form and Acknowledgement Due Card have already been simplified. The application form for purchase of cash certificate has been reviewed and it has been found that no modification in the form is required.

Special arrangements at mail offices are already made for quick disposal of festival mails. Delivery of mail as per norms are regularly monitored and corrective measures taken whenever failures are noticed.

For funding of post offices, including for payment of money orders, Heads of Circles have been asked to select two banks in each Circle, as wanted by the Reserve Bank of India.

#### **Recommendation Sl. No. 44 (Para Nos. 7.14 & 7.15)**

The Committee feel that the redressal system at the local level is not commensurate with the nature and extent of complaints. There is need to involve local citizens with public credibility in such redressal mechanism, like retired service personnel. The Committee suggests watchdog panels for specific tasks like missing money orders and various other financial services and it may be extended to registered post also. Local post office officials should meet the residents regularly on certain days and discuss the problems faced by them as regards mail delivery. Proper care should be taken to avoid delays in refund or giving compensation.

The Department of Posts has got State Level Advisory Committees which include elected representatives to monitor various irregularities. The Committee recommend introduction of some sort of monitoring system at District level, Panchayat level etc.

### **Action Taken by Government**

To bring about improvement in the postal management and a professional approach to postal administration, the Department has already established Dak Adalats at Circle level and Post Forums in selected post offices in each circle. The forums are proposed to be upgraded by establishing Consumer Redressal Councils at the Divisional level headed by the Divisional Supdt. The other members of the Council would be nominated from within the Department of Posts and outside. The Council would send its report to the Postmaster General for review. Dak Adalats are also being held at divisional level where people of rural areas do find a chance to bring up their grievances. The Redressal Council will attend to all grievances as mentioned in the recommendation of the Committee.

#### **Recommendation Sl. No. 46 (Para 7.17)**

The loss or delay in delivery of insured articles, money orders and registered articles, etc. may be allowed to be brought under the purview of Consumer Protection Act. However, in respect of un-registered articles, this liability cannot be imposed.

### **Action Taken by Government**

Postal services are already under the purview of the Consumer Protection Act. However, the liability of the Government is limited to what has been laid down in the Indian Post Office Act.

#### **Recommendation Sl. No. 47 (Para Nos. 7.18, 7.19 & 7.20)**

The Committee are of the opinion that in regard to cases of frauds and losses, Department should undertake prompt investigation and steps should be taken to restore the credit to the depositors as early as possible.

### **Action Taken by Government**

Instructions already exist for undertaking prompt investigation in all such cases and for prompt settlement of claims. Investigations are also carried out even by Chief PMG/PMG if the amount involved is high. Instructions are issued from time to time for prompt investigation of loss and fraud cases and settlement of claims.

#### **Recommendation Sl. No. 48 (Para No. 7.21)**

The Department should publicise through Newspapers and other media that the public should give details of their complaints, if any, against postal staff in connection with delay in payment of old age pension and payment of money orders.

### **Action Taken by Government**

All Chief and Regional Postmasters General have been instructed to initiate appropriate publicity measures regarding lodging of complaints in connection with delay in payment of old age pension and payment of money orders.

### **Recommendation Sl. No. 53 (Para 8.15)**

In rural areas/far-flung hilly areas the post office should be further strengthened by adding telegraph and telephone services ensuring that these services are rendered in cost effective manner.

### **Action Taken by Government**

According to the policy of providing public telephones by the Department of Telecommunications, post office is the preferred location for installing the phones, besides Panchayat Headquarters. Telegraph facility at post offices in far-flung hilly and rural areas is provided according to the need, economics and logistics of developing the required infrastructure.

### **Recommendation Sl. No. 54 (Para 9.10)**

The Committee feel that the identification of post card with the poor section of the society and other items with the more affluent sections, is not correct. Actually, the post card is being also highly used for commercial correspondence. The subsidy meant for poorer sections of the population is misused.

### **Action Taken by Government**

Post card is already categorised as post card and printed post card. The tariff of post card is less than printed post card. Lately post card with 15 paise tariff is used in large number in response to TV programmes.

The matter has been considered and it is proposed to introduce a new category of post card called "Competition Post Card" at a higher tariff for use by participants of TV Quiz Programmes etc. For introduction of this category of post card, amendments to the relevant provisions of the Indian Post Office Act are needed for which action has been initiated.

### **Recommendation Sl. No. 55 (Para 9.11)**

As registered mail is used mainly for business and legal documents by the relatively affluent consumers there is no justification for providing subsidy to registered services.

### **Action Taken by Government**

The recommendation will be kept in view as and when postal tariff is revised.

**Recommendation Sl. No. (58 Para 9.19)**

The Committee recommend for a more rational pricing policy. The Department should rationalise the postal tariff system to attain financial self-sufficiency within a determined time and to the extent possible generate surplus from premium service with a view to supporting improvement of the network and services. A rational tariff approach must form part of the new postal policy.

**Action Taken by Government**

The need for the rational tariff approach cannot be over-emphasised. In the new Postal Policy, this would be brought out suitably. It may, however, be stated that the unit revenue from each postal service is substantially less than the unit cost of operation except in the case of letters. In respect of the common services, which contribute to substantial deficit, the position of unit cost and unit revenue is indicated below:

<i>Type of Service</i>	<i>Unit Cost</i>	<i>Unit Revenue</i>
Ordinary Post Card	1.54	0.15
Printed Post Card	1.44	0.60
Inland Letter	1.57	0.75
Letter	1.78	1.85
Parcel	22.11	17.02
Money Order	14.09	10.97
Registration	10.36	6.00
Book Pattern and Sample packet	2.28	1.79
Printed Books	2.94	1.52

It may be evident from the position indicated above, that the rational tariff approach has to be a system of cross subsidy where the total cost is taken care of by a system of rational tariff based on distributed cost i.e. while tariff for the "social services" could be kept reasonably low there should be adequate increase in the tariff for others to compensate for the deficit arising out of the low tariff for the "social services."

**Recommendation Sl. No. 59 (Para 9.22)**

Considered attention may be given for evolving a sound financial management system along with rational pricing policy. The Committee note that in 1965, the Department had appointed a Tariff Enquiry Committee under the Chairmanship of Mahabir Tyagi. The Committee under the Chairman had gone through the entire tariff fixation. They had suggested the principles and other things. The Committee do agree with the views of the Department of Post that it is not necessary to have a permanent Rates Commission. Instead of having a permanent Rates Commission another Tariff Enquiry Committee which would be an outside body like the Mahabir Tyagi Committee could be constituted. On the basis

of their recommendations about rate fixation, the Department will take decisions and go before the Parliament. The Independent body would suggest principles for rate fixation, issue of subsidy or increase of cost, and whether there is any need for increasing the rates in some areas or not, etc.

#### **Action Taken by Government**

The suggestion to form a permanent Rates Commission was examined by the Department and it was decided that there is no need to form a permanent Rates Commission. However, it has been decided that the Tariff Enquiry Committees should be formed from time to time for looking into the functioning of the postal services and for laying suitable guidelines for fixation of tariff. Further action in the matter will be taken accordingly.

#### **Recommendation Sl. No. 62 (Para 9.29)**

Profit Centres may be identified for the postal management specially with regard to speed post, GIRO, Electronic/Satellite Mail etc. A market oriented approach is necessary in the management of the business of the Department.

#### **Action Taken by Government**

In tune with the liberalisation of the economy and growing competition in the field of communication, changes both in attitude and approach is attempted in the Department of Post to retain and increase its market share. Speed Post which is one of the premium services of the Department is being actively marketed *vis a vis* other couriers in the field. A similar approach will also be adopted in the area of PLI. A more segmented approach to the other postal customers is being attempted. For example, schemes to expedite inter metro mail and electronic fund transfer are under way. Similar value added services are being considered for introduction.

#### **Recommendation Sl. No. 63 (Para 10.3)**

The Postal traffic has gone beyond manual operations and requires computerisation. While a computer for example can sort out 30,000 letters in an hour, manually only 1,000 can be sorted out during that time. Therefore, the Committee recommend extra departmental staff should be encouraged to take on newly developing areas.

#### **Action Taken by Government**

Computerisation is being introduced in metro cities where there is little scope for deployment of E.D. Staff. However, the suggestion will be kept in view.



**Recommendation Sl. No. 64 (Para 10.4)**

The Committee are of the opinion that sustained efforts may be made by the Circles to fill up the existing vacancies.

**Action Taken by Government**

This is being done.

**Recommendation Sl. No. 66 (Para 10.9)**

Service condition of the Extra departmental employees has to be improved if the Department wants improvement in efficiency. This Committee recommend that the problems of ED employees may be dealt with more sympathetically at the earliest.

**Action Taken by Government**

Service conditions of the Extra Departmental employees are being constantly reviewed to improve whenever feasible and necessary.

In the past few years, following improvements have been brought about in the service conditions of E.D. employees.

- (a) The ED Agents have been brought within the purview of Group Insurance Scheme w.c.f. .4.92.
- (b) The quantum of ex-gratia gratuity has been increased from Rs. 3000/- to Rs. 6000/- w.c.f. 1.1.93.
- (c) Enhancement in stationery allowance.
- (d) Combined duty allowance of EDBPMs for effecting delivery increased to Rs. 75/- per month.
- (e) EDAs are being paid interim relief at the rate of Rs. 50/- per month from 16.09.93.
- (f) EDBPMs are now being compensated upto 100 points workload against 80 points earlier.
- (g) EDAs are being paid Dearness Allowance and productivity linked bonus at the same rates and periodicity at which these are paid to the Departmental employees.
- (h) EDAs are given preferential treatment in the matter of their recruitment in Group 'D'/Postmen cadre.

**Recommendation Sl. No. 67 (Para 10.11)**

The Committee recommend that standing instructions may be given to postmen to wear uniforms and they may also be provided with adequate uniforms periodically.

### **Action Taken by Government**

There are standing instructions to Postmen to wear uniform while on duty. The Chief Postmasters General are being instructed to enforce the instructions.

Action for procurement of uniforms as indented by the circles is already going on.

### **Recommendation Sl. No. 69 (Para 10.15)**

The Committee suggest that the training should be performance based, on the job skills in order to improve the attitude of the personnel as well as augment their skills. The Department must pay greater attention to personnel management including development of human resources, morale and motivation of officers and staff.

### **Action Taken by Government**

Training is an important means of stimulating and developing an efficient and reliable work force. To cater to the developmental needs of our vast Department, following training programmes which adequately take care of the recommendations of the Standing Committee are being conducted through the five regional training centres and the Postal Staff College of India, Ghaziabad.

**Regional Training Centres:—Performance Based.**

#### **In Service:**

1. Postal Assistants
2. Sorting Assistance
3. TBOP (Postal)
4. TBOP (RMS)
5. BCR (Postal)
6. BCR (RMS)
7. SDI's/ASP's

#### **Refresher:**

1. SB Postal Assistants
2. SB Supervisors

#### **Job skills:**

1. Marketing PLI
2. Effective Divisional Management
3. Communication
4. Legal Knowledge
5. Speed Post.

#### **Augmentation of Skills:**

1. Computer Appreciation
2. Word Processing
3. Database Management
4. Spread Sheet
5. Programming Logic and system design.

#### **At Postal Staff College of India, Ghaziabad:**

1. Advance Management Programme
2. Management Training Programme for Postal Execcutives
3. Management Training Programme for Accounts Execcutives
4. Executive Development Programme
5. Financial Management
6. Seminar on Postal Buildings
7. Workshops on different aspects.

In addition to above, Training Programmes on different subjects conducted by the I.I.P.A., I.S.T.M. and other important Training Institutes which cover broad area of personnel management including development of human resources, morale and motivation of officers and staff are also being taken advantage of. Of late, all the Training Centres have been diversifying their training activities in tune with changing requirements. New training programmes with special emphasis on attitudinal changes in managers, on customer care and on total quality management are being introduced.

#### **Recommendation Sl. No. 70 (Para 10.17)**

The training of postmen should improve because they are the cutting edge. They should be given adquate training to make them more courteous and service oriented.

#### **Action Taken by Government**

Postmen are being already imparted training for a duration of 10 days for improvement in delivery skills and public relation skills. Keeping in view that the postmen are the cutting edge of the Department their training programmes are being further reviewcd to increase their skill.

## CHAPTER III

### RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT REPLY

#### Recommendation Sl. No. 9 (Para 1.14)

The Committee note that the Indian Post office Act, 1898, is only an enabling legislation for the Government to provide a country wide postal service, defining its scope and its liability. The Committee feel that rather than amending the Act, fresh legislation containing all basic features of the postal services, however, leaving adequate scope for rule making powers to the Government for effecting changes in the services without changing the basic features be brought before Parliament.

#### Action Taken by Government

Indian Post Office Act Review Committee had made similar recommendations. These recommendations have been approved by the Postal Services Board. Further discussions were held in the Department of Post and with the concerned Ministries. It was felt that instead of introducing a new legislation, only those important sections/provisions should be taken up for amendments which call for modifications because of new developments in the Department and the changing socio-economic scenario. Hence it has been decided to introduce an Amendment Bill for the Indian Post Office Act, 1898. The Amendment Bill is proposed to be introduced in the current Budget Session of the Parliament.

#### Recommendations of the Committee

The Committee take a serious note of the fact that a misleading statement has been made before the Committee in the Action Taken Notes furnished to it. It was submitted that a Bill to amend the Indian Post Office Act, 1898 was proposed to be introduced in the Budget Session (1995) of the Parliament. The Bill was however, not introduced and is reported to be still under consideration. The Secretary, Post has candidly admitted that it was doubtful whether it could be introduced even in the Winter Session of Parliament. The Committee would like the matter to be investigated with a view to fix responsibility as to how such a misleading statement was made before the Committee. The Committee will also like to be apprised of the reasoning advanced by the various other Ministries consulted by the Department of Post as well as the view held by the Department itself on the basis of which it has been decided that instead of introducing a new comprehensive legislation as recommended by this Committee in its earlier Report and also by the Indian Post Office Act Review Committee only those

sections/provisions would be taken up for amendment which call for modifications because of new developments in the Department of Post and the changing socio-economic scenario.

The Committee desire that matter should be processed expeditiously with a view to crystallise the views thereon and every effort be made to introduce the Amending Bill in the Parliament during the ensuing Winter Session

#### **Recommendation Sl. No. 14 (Para 3.9)**

The Committee recommend that particularly in far flung hilly, backward, rural/tribal areas, these norms fixed for opening new post offices should be relaxed even when it is not self-supporting, traffic is poor in these areas. The Department should try to open ED post offices at least for two/three hours a day, as the opening of regular post offices might put excessive financial burden on the Department. Further the Department should ensure that some sort of postal facility is provided to each Gram Panchayat by the turn of this century.

#### **Action Taken by Government**

In far flung, hilly, backward and rural/tribal areas we have Extra Departmental Branch Post Offices (EDBOs). EDBOs do not necessarily have to be self-supporting. They are opened provided the proposals satisfy the relaxed norms prescribed in this regard. In the case of hilly, tribal and inaccessible areas, the norms are even more liberal than those for normal rural areas. The criteria for opening EDBOs in rural as well as hilly, tribal and inaccessible areas are as follows:

#### **(1) Population:**

##### **(a) In normal areas:**

3000 population in a group of villages (including the PPO villages).

##### **(b) In the hilly, tribal, desert and inaccessible areas:**

500 population in an individual village or 1000 population in a group of villages.

#### **(2) Distance:**

##### **(a) In normal areas:**

The minimum distance from the nearest existing post office will be 3 Kms.

##### **(b) In hilly, tribal, desert and inaccessible areas:**

The distance limit will be the same as above except that in hilly areas, the minimum distance limit can be relaxed by the Directorate in cases where such relaxation is warranted by special circumstances which should be clearly explained while submitting a proposal.

**(3) Anticipated income:****(a) In normal areas:**

The minimum anticipated revenue will be 33.33% of the cost.

**(b) In hilly, tribal, desert and inaccessible areas:**

The minimum anticipated income will be 15% of the cost. A committee has been set up for reviewing the norms for opening EDBOs in hilly areas and its report is expected to be finalised by the end of March, 1994.

**Postal facility in Panchayat Areas**

Postal facility in terms of daily delivery of letter is already available in all villages in India. The Department also proposes to make available letter box facility for the posting of mails in all villages with a population of over 500. In this connection, all villages with a population over 1000 are proposed to be provided with letter boxes in the current year and villages with population over 500 in the next two years.

As far as opening of post offices is concerned, Department's objective is to consider the following areas in the order of priority indicated below:

- (a) At the Panchayat Headquarters of Gram Panchayats without any Post Office.
- (b) At the Panchayat Headquarters of Gram Panchayats in which the post office is located at a place other than the Headquarters.
- (c) In other areas.

However, post offices will be opened only if they fulfil the departmental norms in this regard. Hence no time-frame can be fixed for the provision of post offices in all gram panchayats.

Already there is a scheme for sale of stamps through licensed stamp vendors. Wherever opening of post office according to norms is not possible, postal facility can be provided through the scheme of LSV in Gram Panchayat areas.

Considering the recurring deficit of the Department of Post and the gap between demand and allocation of funds for expansion of postal network by opening of Branch Post Offices in rural areas, Government has been exploring the possibilities of introducing certain innovative methods for provision of postal facilities in rural areas.

Keeping this in view, a scheme called 'Panchayat Sanchar Sewa Yojana' has been evolved to provide basic postal facilities like sale of postage stamps and postal stationery, booking of registered articles, operation of MSY, delivery of articles, through the vast network of Panchayats.

By adopting this scheme, Department will be in a position to provide postal facilities in large number of gram panchayats in coming years.

**Recommendation Sl. No. 21 (Para 4.12)**

The Committee recommend introduction of sorting machines in all metropolis, big cities and all the State Capitals.

**Action Taken by Government**

The Department installed one automated letter sorting system in Bombay which went into operation in April, 1993. The Department has decided to mechanise mail sorting in Madras, Calcutta, Delhi and Bangalore. During the Annual Plan 1994-95 it is planned to install one automatic sorting machine in Madras. The project has received the clearance of Expenditure Finance Committee and the Department is now in the process of placing the order for procuring and installation of the machine. During the 8th Five Year Plan 1992-97, it is proposed to install similar system in Delhi and Bangalore. Under the 8th Five Year Plan the funds allocated for mail mechanisation are sufficient for procuring these machines. The automated sorting system is likely to be installed and commissioned in Madras by June, 1995.

**Recommendation Sl. No. 22 (Para 4.13)**

The Committee, however, feel that since the entire sorting cannot be mechanised in this country for years considering the problem of unemployment and huge staff retrenchment, it has to be done manually for years together at the stations where the number of articles to be dealt with is not very high. At the same time the Department has the social obligation to ensure that there is no retrenchment of staff due to mechanisation and the surplus staff if redeployed somewhere else. Therefore, the Committee recommend to carry out a perspective planning as how to re-deploy the surplus staff caused due to mechanisation/modernisation programmes.

**Action Taken by Government**

Mechanised sorting of mail is being introduced only in places where manual sorting cannot be continued without adversely affecting the efficiency and productivity, due to very high volume of traffic. While mechanising the work, the Department ensures that the staff rendered surplus because of the mechanisation are absorbed against the existing and future vacancies and no staff are retrenched.

**Recommendation Sl. No. 24 (Paras 4.20 and 4.21)**

The Committee feel that Satellite Money Order Service will improve efficiency and the cost will also be met within the existing tariff. However,

they note that before launching the project in full swing the Department has decided to install Micro Earth Stations at 4 places viz. Delhi, Lucknow, Patna and Madras, instead of installing in rural areas where money order transactions are more. They feel that in most of the time the urban people are always getting better services than the rural areas. Therefore, the Committee are of the view that if there is any technology which can be made use of in the rural areas, the Department should not hesitate to use it in rural areas.

The Committee note that there is no proposal to cover all the District Headquarters in the country at present by Satellite Money Order Service. Therefore, the Committee recommend that due attention may be given to the under-developed areas in particular.

#### **Action Taken by Government**

The satellite money order scheme is in the process of being introduced. 75 stations in India have been identified for providing Micro Earth Station (Very Small Aperture Terminals—VSATs) which would facilitate the transmission of money order through satellite. During the induction phase, 5 locations have been identified namely; Delhi, Madras, Bangalore, Lucknow and Patna. To test the effectiveness of the system in the rural areas, one more centre is proposed to be covered namely Shimla. After the successful operation of testing of the system in the induction phase, the remaining 69 locations will be covered. The locations cover the principal towns both in the urban and the rural areas. It is seen that the money order traffic is generated in the urban areas and sent to the rural areas for delivery. With the installation of VSATs in the urban and the rural areas the transmission of money order will be expedited.

The Department has placed further orders for procurement, installation and commissioning of 20 more VSATs at the following locations Guwahati, Shillong, Hyderabad, Tirupati, Muzaffarpur, Mandi, Ambala, Jammu, Mangalore, Trivandrum, Bhopal, Bombay, Nagpur, Bhubneshwar, Ahmedabad, Ludhiana, Jaipur, Allahabad, Coimbatore, Calcutta. The benefit of speedy delivery of Money Order is to be intended over a surrounding area of each micro-earth station about 75 Kms. in radius. Thus the benefits from modern technology for transmission of money order will be available for those in rural areas also.

#### **Recommendation Sl. No. 29 (Para 5.9)**

Captive transport be provided from the nearest Railway Station to rural sectors for carrying mail.



### **Action Taken by Government**

In rural areas volume of traffic may not justify captive transport owned or hired by the Department. However, the proposal for engagement of local transport on hire would be considered depending on the volume of traffic.

#### **Recommendation Sl. No. 31 (Para 5.11)**

Private transporters should be engaged for conveyance of mail on important routes to ensure earlier delivery of mail.

### **Action Taken by Government**

It is the consistent policy of the Department of Post to engage private transport wherever feasible and necessary for expeditious delivery of mail.

#### **Recommendation Sl. No. 32 (Para 5.12)**

The Committee recommend that the conveyance of mail by air and surface transport should be accorded the highest priority and suitable legislation should be enacted for this purpose as postal service is an essential public service and affects the entire population.

### **Action Taken by Government**

The Motor Vehicle Act already has a provision that Regional Transport Authorities, while granting stage carriage permits, make it mandatory for the carrier to carry mails in the route, if required, under terms and conditions to be specified by the RTA.

An agreement with the Indian Airlines already exists for according priority to first class mail comprising letters, post cards and money orders over passenger traffic. Suitable arrangements for air conveyance of mail is made by periodical consultations between the Department of Post and Airlines authorities. Prompt transportation of mail by the Railways is also ensured by periodic meetings with the Railway Authorities.

In view of the above arrangements, an enabling provision in the Post Office Act is not considered necessary.

#### **Recommendation Sl. No. 33 (Para 5.14)**

Wherever postmen are to travel in suburban areas on long beats, they apart from distributing mail should also collect mail from the letter boxes enroute. They may be provided with two wheeler vehicles like mopeds, motorcycles etc. and for this purpose bank loans should be arranged. For the delivery of bulk mail required for commercial houses, educational institutions, etc., motorised facility may be arranged on a regular basis.

### **Action Taken by Government**

Collection of mails from letter boxes by postmen enroute cannot be introduced without adversely affecting the efficiency of delivery. Provision of Moped to postmen for quick and efficient delivery is under consideration of the Department.

A suburban area of Delhi has been selected for experiment.

**Recommendation Sl. No. 49 (Para 8.11)**

Adequate publicity should be made to the fact that the interest on Post Office Savings Bank account is exempt from Income Tax. The Committee further feel that the Government should examine the commercial sensibility of payment interest on the amount not exceeding Rs. 50,000/- deposited in a POSB account with or without tax benefit. There is also a need to publicise that the postal cheque is being accepted by the scheduled banks.

**Action Taken by Government**

Promotion and publicity of small savings is the responsibility of National Savings Organisation under Ministry of Finance. Recommendations have been conveyed to Ministry of Finance for appropriate action.

**Recommendation of the Committee**

The Committee take note of the latest budgetary provision that the income on interest upto Rs. 10,000/- is not liable to incidence of Income Tax. As such the above plea of the Department loses significance. To make the Post Office Savings Account Scheme retain its attraction, it may be desirable to raise the limit of deposits to one lakh in single account and two lacs in joint account.

The Committee note that the Ministry of Finance has agreed to consider reimbursement of cost to the Department of Post on publicity and promotion of small savings. Procedure in this regard should be evolved at an early date. The Committee feel that it will now be possible for Department of Post to give adequate publicity to Small Savings. It will certainly accelerate mobilisation to Small Savings.

**Recommendation Sl. No. 51 (Para 8.13)**

Reasonable and adequate level of compensation for various agency functions may be given to the Department of Post which are often thrust upon by various Departments. They should reasonably share the revenue generated with postal department by the Departmental agencies. A Committee may be formed to go into the whole issue of compensation. Further payment of commission to postal agents should also be increased.

**Action Taken by Government**

Agency functions relate to the functions performed by the Department of Posts on behalf of the other Ministries/Departments of the Central Government. The Agency functions related to the Savings Banks are performed on behalf of the Ministry of Finance and payment of pensions to the Railways, Defence, Coal Miners Provident Fund, Employees Provident Fund etc., on behalf of the Ministry of Railways, Defence, Coal and Labour. In addition there are certain other agency functions such as the sale of Central Recruitment fee stamps and Passport Application forms

etc. In 1992-93, the Department had recovered Rs. 483 crores on which Saving Bank operation alone gave Rs. 447 crores. It may be mentioned that the recoveries constitute the actual expenditure incurred by the Department of Post for these agency functions and it is regulated according to a rate per transaction which is fixed in consultation with the other Departments/Ministries based on a costing exercise. The exercise is undertaken from time to time. As the recoveries are in the nature of the reimbursement of the actual cost incurred they cannot be treated as a form of revenue. Accordingly, the question of sharing any revenue with the Department of Post does not arise.

#### **Recommendation Sl. No. 52 (Para 8.14)**

In view of the recent socio-economic changes, the Department should introduce the following new functions:

- (a) implementation of literacy campaign
- (b) collection of electricity, telephone, water bills and house tax
- (c) distribution of loan
- (d) extension of family planning programmes
- (e) sale of Railway and Airlines tickets
- (f) payment of dues by different Government Departments and Undertakings
- (g) Modal Centres for other governmental programmes/policies implementation

#### **Action Taken by Government**

In the past Department of Posts had taken activities like collection of electricity bills in a few circles like Gujarat and also collection of road tax at Delhi. Post offices also undertakes such activities only when the nodal organisation requires the help of the Department and after procedure for remuneration are mutually agreed. Undertaking and additional activity which is non-postal in nature, puts a strain on the man power of the Department which is not adequate to cope with the volume of postal business. Therefore, any such activity has to be taken up taking into account the availability of staff, the existing quantum of work and the remuneration of the Department. However, as a part of the Government's programme announced by the Prime Minister in 1993, the Department took up the work of Mahila Samridhi Yojana on behalf of the Department of Women and Child Welfare, Ministry of Human Resource Development.

#### **Recommendation Sl. No. 56 (Para 9.13)**

Introduction of Bulk entry system for handling registered mail with a view to speeding up delivery and reducing costs should be considered by the Department. It would require merging of the "registered mail service"

with "record delivery service" wherein on payment of a lower fee, receipt is available on booking.

#### **Action Taken by Government**

Bulk entry system in handling registered mail which was examined and experimented some years ago had to be given up due to certain operational difficulties including resistance of the staff unions. Recorded Delivery Service has already been abolished.

#### **Recommendation Sl. No. 57 (Para 9.14)**

As money order is used by relatively poor classes for remittance of money, further subsidy on money order commission may be provided.

#### **Action Taken by Government**

The unit cost of Money Order operation is Rs. 14.09 whereas the average revenue realised by the unit is Rs. 10.97. Accordingly, the money order is already subsidised to the extent of Rs. 17.52 crores for the entire operations. In view of this it may not be possible to reduce money order commission further. However, the Department is embarking upon on the Electronic Money Order Transfer Service *via* satellite. At present it is in experimental stage. On the implementation of entire project, the unit cost of operational will be worked out and if it is possible to provide any reduction in the money order commission, consequent upon the reduction of the unit cost as a result of the introduction of the Satellite Money Order service, it could be considered at the appropriate time.

#### **Recommendation Sl. No. 60 (Para 9.27)**

There has been untapped funds in the Postal Savings Accounts. The Committee strongly feel that these funds could be used to operate a Postal Bank with its own charter like any other financial institution or a scheduled bank. The money generated could support updating of the mail operations. The Committee feel the Government should give an early thought to this proposal.

#### **Action Taken by Government**

The Department of Post does not perform the SB work as a commercial enterprise and does not perform all the functions of the Bank i.e. collecting, lending, borrowing and investing the amount collected. It is only to inculcate the habit of thrift. The amount collected by the Post Office Savings Bank is passed to Ministry of Finance which gives 2/3rd of the collection as loans to States for development purpose.

#### **Recommendation Sl. No. 61 (Para 9.28)**

As there is a time lag between booking and payment of money orders the huge amount may be used by the Department to generate bank rate interest. This earning can be used to meet the development of the postal services.

### **Action Taken by Government**

The Department of Post collects the money from the customers and remits to the payee in respect of the Money Orders. The money remains with the Government between the time the money order is accepted and eventually paid. The question of Finance Ministry separately allowing the postal Department to utilise the money which is in the pipe-line does not, therefore, arise. At any rate, the gap between acceptance and payment of Money Order is only 2—4 days, on average.

The Postal Department is a part of the Government of India and is not a public sector or departmental undertaking. Accordingly, the question of crediting money order collections to generate interest at bank rate does not arise as the Postal Deptt. has to function within the rules and regulations laid down by the Government of India.

### **Recommendation Sl. No. 68 (Para 10.14)**

The Committee are of the opinion that at least one training centre should be set up in the North Eastern as well as Central Region so as to maintain a regional balance. Further, the training centres should be provided with adequate regular professional staff, otherwise they cannot be expected to perform their desired functions.

### **Action Taken by Government**

At present the training needs of North East Region are catered to by the Regional Training Centre, Darbhanga. With reference to the suggestion received earlier the issue relating to opening of new training centres in North East region to meet exclusively the training needs of Assam and North East Circles was examined. It was found that during the period of 5 years commencing from 1985-86 a total number of 1625 officials belonging to North East region were deputed for training. The number of officials recruited for training per annum per month was found to be 325 and 27 respectively. Hence it was not found functionally desirable and economically viable to open a new training centre in view of the negligible number of officials required to be trained. The existing capacity at the Regional Training Centre is considered adequate now to meet the training needs of the Circles. For similar reasons it is not considered necessary to open a new training centre for the Central Region, as the existing 5 Regional Training Centres are conveniently located, and have adequate capacity.

## CHAPTER IV

# RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

### **Recommendation Sl. No. 10 (Para 1.15)**

The Committee also feel that the provision for censorship and interception of mails may be taken away from the purview of the Indian Post Office Act and if at all it is needed, the Home Ministry which is the appropriate authority on such matters may come forward with a special legislation for the purpose.

### **Action Taken by Government**

The recommendation was communicated to the Ministry of Home Affairs which favours retention of the provision in the Post Office Act.

### **Recommendations of the Committee**

The Committee are not at all impressed by the reply of the Department of Post that the recommendation of the Committee was communicated to the Ministry of Home Affairs which has favoured retention of the provision in the Post Office Act. In fact, they take a serious note of the casual and perfunctory approach adopted by the Department of Post and the Ministry of Home Affairs in dealing with the recommendations of this Committee. The Committee expect that the matter should be examined in depth at the highest level in the Ministry of Home Affairs in the light of the recommendations of this Committee and the reasons, whatsoever it may be for retention of the provision in Post Office Act intimated to this Committee. Meanwhile the Committee is of the opinion that appropriate guidelines be framed for the delegation and use of the authority to intercept any postal article so that the requirements of security as well as the concern for individual privacy are harmonised.

### **Recommendation Sl. No. 50 (Para 8.12)**

The Ministry of Finance is the policy makers. If there are some grievances, the Department of Post do not have the power to relax any rules and for the same, they have to approach the Ministry of Finance. Hence, a little more operational flexibility may be given to the DoP, in such a way that it could be made more accountable and customer oriented.

### **Action Taken by Government**

Any relaxation in rules to give operational flexibility is to be given by the Ministry of Finance. Ministry of Finance had earlier not agreed to a proposal for delegating powers to Department of Post. No further change appears to be possible.

### **Recommendations of the Committee**

The Committee understand that power under the Rules can only be exercised by the competent Authority in the Department of Economic Affairs. However, taking into consideration the reply of the Ministry of Finance that the Small Savings Schemes are under constant review and amendments are made whenever necessary and also the fact that it is not always possible for customers particularly in far-flung areas to approach Ministry of Finance for redressal of their grievances, the Committee would like to reiterate their earlier recommendation that suitable amendments be made in the Rules and Procedure *to allow the department of Post more operational flexibility with a view to make it more accountable and better customer-oriented*. The Committee opine that when the Department of Post is already exercising the powers in accordance with the provisions of the Small Savings Schemes and when a customer can approach the Department for redressal of grievances, there should not be any constraints in delegating more power to the Department of Post for better accountability and customer oriented service. The Committee desire the Department of Post to take up the matter with the Ministry of Finance and Ministry of Law in this right perspective.

## CHAPTER V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH THE GOVERNMENT HAVE FURNISHED INTERIM REPLIES

#### **Recommendation Sl. No. 7 (Para 1.13)**

The personnel policy of the Department including policies for recruitment, training, placement, career progression, etc. may be suitably changed for making the personnel more responsive to the customers.

#### **Action Taken by Government**

This recommendation will be kept in view while formulating the comprehensive corporate policy.

#### **Recommendation Sl. No. 11 (Para 2.9)**

In order to circumvent all the bottlenecks and to make the top managements more functionally efficient, the Committee recommend Postal Services Board should be replaced by a high-level Postal Commission represented by Minister of Communications/Minister of State/Deputy Minister of Communications as the Chairman, and the Secretaries of Posts and other related Ministries/Departments of the Government of India which have got direct/indirect bearing on the efficiency of Postal operations as other members.

#### **Action Taken by Government**

A comprehensive proposal for restructuring the top management of the Department of Post is under consideration and will be submitted to the Government for consideration.

#### **Recommendations of the Committee**

20. The Committee would like to point out in this regard that it was in December, 1993 that they had recommended that Postal Services Board should be replaced by a high level Postal Commission headed by Minister of Communications/State/Deputy Minister of Communications as Chairman, in order to remove circumvent all the bottlenecks and to make the management functionally more efficiently. It is distressing to note that the proposal for restructuring the top management of Department of Post has not yet been finalised and is still reported to be under consideration. The delay in this regard is wholly unjustified. The Committee, desire that immediate steps should be taken to finalise the comprehensive proposal for restructuring the top management of the Department of Post and the proposal may be submitted to the Government expeditiously.



**Recommendation Sl. No. 45 (Para 7.16)**

As far as ex-gratia compensation of Rs. 100/- for loss of registered articles is concerned, the Committee feel that the amount should be revised.

**Action Taken by the Government**

A proposal to suitably enhance the amount of ex-gratia compensation is under the consideration of the Government.

**Recommendation Sl. No. 65 (Para 10.6)**

Department should take up with the Committee of Secretaries the issue of exemption from 10% cut in staff strength because a cut will further reduce the availability of staff and thereby affect the service adversely.

**Action Taken by the Government**

Considering the operational nature of the Department of Post, the matter has been taken up with the competent authority, The decision of the Committee of Secretaries for exemption of the Department of Post from 10% cut is still awaited.

**Recommendations of the Committee**

The Committee regret to note that though the Department of Post took up the matter for exemption from ten per cent cut in staff strength with the Committee of Secretaries long back, the decision of the Committee of Secretaries in this regard is still awaited. In this regard the Committee would also like to draw attention to para 2.12 of their Sixth Report presented to Lok Sabha on 25 April, 1994 relating to the Ministry of Communications which read as follows:

“The proposal was first taken up with Ministry of Finance in August, 1993 and was actively pursued. In March, 1994, the Department of Expenditure (Ministry of Finance) advised the Department to hold on this proposal till the case of the Department of Post for exemption from 10% cut in the staff strength is discussed in the meeting of the Committee of Secretaries scheduled to be held sometimes in April, 1994. The Committee was also informed that ban on creation of departmental posts also applied to creation of extra-departmental posts.”

It is more than a year and half since the matter was discussed at the meeting of the Committee of Secretaries in April, 1994 but regrettably no decision seems to have been taken thereon so far. As a result postal services to many new colonies continue to suffer. The Committee desire the Department of Post to pursue the matter vigorously. The Committee would like to be apprised of the decision taken in this regard, at the earliest.

NEW DELHI;  
November, 1995

*Kartika, 1917 (Saka)*

PAWAN KUMAR BANSAL,  
Chairman,  
Standing Committee on  
Communications.

## APPENDIX I

### MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1995-96)

The Committee sat on Thursday, the 22 June, 1995 from 1500 hours to 1600 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

#### PRESENT

**Kumari Vimla Verma—Chairperson**

#### MEMBERS

##### *Lok Sabha*

2. **Shri R. Jeevarathinam**
3. **Shri Surajbhanu Solanki**
4. **Shri N. Dennis**
5. **Shri Pawan Kumar Bansal**
6. **Shri R. Anbarasu**
7. **Dr. B.G. Jawali**
8. **Shri Somjibhai Damor**
9. **Shri Lal Krishna Advani**
10. **Shri Shivsharan Verma**
11. **Shri Rupchand Pal**
12. **Shri Satyagopal Misra**
13. **Shri A. Asokaraj**
14. **Shri Sanat Kumar Mandal**
15. **Shri Sultan Salahuddin Owaisi**
16. **Shri Chandrajeet Yadav**

##### *Rajya Sabha*

17. **Shri Jalaludin Ansari**
18. **Shri Virendra Kataria**
19. **Shri O. Rajagopal**
20. **Shri Mohammed Afzal *alias* Meem Afzal**
21. **Smt. Anandiben Jethabhai Patel**
22. **Shri V. Kishore Chandra Deo**
23. **Smt. Veena Verma**

#### SECRETARIAT

1. **Shri G. C. Malhotra** — *Joint Secretary*
2. **Shri O. P. Ghai** — *Deputy Secretary*
3. **Shri S. K. Sharma** — *Under Secretary*

2. The Committee decided to take up the following subjects which were taken up by the Committee earlier during the year 1994-95 also, but could not be pursued due to paucity of time.

A. Telephone services in Rural Areas.

B. Research and Development in Telecommunications with specific reference to C-DOT.

C. Publications Division.

D. Doordarshan—Production of programmes: in house and by outside producers.

3. The Committee also decided to reconstitute the same four sub-Committees as constituted last year to undertake in-depth study of these subjects.

4. The Committee then took up for consideration the draft Report on Action Taken by the Government on the recommendations contained in their Fourth Report on Department of Post. After discussion, the Committee desired the draft Report to be modified with certain amendments/modifications to be carried out in the draft Report.

5. The Committee also felt that Action Taken Notes furnished by the Department of Post in respect of some of the recommendations were sketchy and do not contain details of the action taken. The Committee therefore, decided to call the representatives of the Department of Post and Ministry of Finance on 10 July, 1995 to seek further clarifications.

6. In view of the above, the Committee deferred the adoption of the draft Report on the recommendations contained in the Fourth Report.

*The Committee then adjourned.*

MINUTES OF THE TENTH SITTING OF THE STANDING  
COMMITTEE ON COMMUNICATIONS (1995-96)

The Committee sat on Monday, the 10 July, 1995 from 15.00 hours to 16.45 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Kumari Vimla Verma—*Chairperson*

MEMBERS

*Lok Sabha*

2. Shri Sharvan Kumar Patel
3. Shri Laeta Umbrey
4. Shri Surajbhanu Solanki
5. Shri N. Dennis
6. Shri Pawan Kumar Bansal
7. Shri B. Devarajan
8. Dr. B.G. Jawali
9. Shri Somjibhai Damor
10. Shri Lal Krishna Advani
11. Shri Ram Pujan Patel
12. Shri Satyagopal Misra
13. Shri A. Asokaraj
14. Shri Sanat Kumar Mandal
15. Shri Sultan Salahuddin Owaisi
16. Shri Chandrajeet Yadav

*Rajya Sabha*

17. Shri Virendra Kataria
18. Shri O. Rajagopal
19. Shri Mohammed Afzal *alias* Mccm Afzal
20. Shri V. Kishore Chandra Deo
21. Smt. Veena Verma

SECRETARIAT

1. Shri O. P. Ghai — *Deputy Secretary*
3. Shri S. K. Sharma — *Under Secretary*

WITNESSES

*Representatives of Department of Post*

1. Shri S.C. Mahalik *Secretary (Post)*
2. Shri S.C. Dutta *DDG (CPT)*
3. Smt. Promila Roy *DDG (SB)*
4. Shri Harinder *DDG (PO)*

*Representatives of Ministry of Finance*

- |                             |                                  |
|-----------------------------|----------------------------------|
| 1. Shri T.S. Krishna Murthy | Addl. Secretary<br>(Expenditure) |
| 2. Shri D. Swarup           | Joint Secretary (Per.)           |
| 3. Shri A.M. Kher           | National Savings<br>Commissioner |

At the outset the Chairperson welcomed the Members as well as the representatives of Department of Economic Affairs, (Ministry of Finance) and Department of Post (Ministry of Communications).

2. The Chairperson also invited attention of the witnesses to the provisions contained in Direction 58 of the Directions by the Speaker.

3. The Committee then sought further clarifications on some of the action taken notes which were replied to by the representatives of the Department of Post and Department of Economic Affairs.

4. The Chairperson thanked the representatives of Department of Post and Department of Economic Affairs for giving valuable information to the Committee.

5. A verbatim record of the discussions was kept.

*The Committee then adjourned.*

**MINUTES OF THE FOURTEENTH SITTING OF THE STANDING  
COMMITTEE ON COMMUNICATIONS (1995-96)**

The Committee sat on Friday, the 20 October 1995 from 11.00 hrs. to 12.15 hrs. in Committee Room No. "D", Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Pawan Kumar Bansal—Chairman**

**MEMBERS**

*Lok Sabha*

2. Sh. Laeta Umbrey
3. Sh. Surajbhanu Solanki
4. Sh. N. Dennis
5. Sh. Koddikkunnil Suresh
6. Sh. B. Devarajan
7. Sh. R. Anbarasu
8. Sh. Somjibhai Damor
9. Sh. Lal Krishna Advani
10. Sh. Rupchand Pal
11. Sh. Sanat Kumar Mandal
12. Sh. Chandrajeet Yadav

*Rajya Sabha*

13. Sh. Prakash Yashwant Ambedkar
14. Sh. Jalaludin Ansari
15. Sh. O. Rajagopal
16. Sh. Mohammed Afzal
17. Smt. Anandiben J. Patel
18. Sh. Vizol
19. Smt. Veena Verma

**SECRETARIAT**

1. Shri G.C. Malhotra — *Joint Secretary*
2. Shri O.P. Ghai — *Deputy Secretary*
3. Shri S.K. Sharma — *Under Secretary*

The Committee took up for consideration of the draft Action Taken Report on Fourth Report relating to Department of Post (Annual Report 1992-93) and adopted the same with amendments/modifications.

Thereafter, the Committee authorised the Chairman to finalise and present the Report to Lok Sabha.

*The Committee then adjourned.*

## APPENDIX-II

(Vide: Introduction of Report)

### *Analysis of Action Taken by Government on the Fourth Report of Standing Committee on Communication (10th Lok Sabha)*

- I. Total Numer of Recommendations 70
- II. Recommendations/Observations which have been accepted by the Government:
- Sl. Nos. 1(1.11 & 1.12), 2(1.13(a)), 3(1.3(b)), 4(1.13(c)), 5(1.13(d)), 6(1.13(e)), 8(1.13(g)), 12(2.10), & 13(3.7), 15(3.11), 6(3.12), 17(3.13), 18(3.14), 19(3.15), 20(3.16), 23(4.14) 25(4.23), 26(4.23), 27(4.26), 28(5.4), 30(5.10), 34(5.15), 35(5.16), 36(5.18), 37(5.19 & 5.21), 38(5.23), 39(5.24), 40(6.3), 41(6.7), 42(6.10), 43(7.6), 44(7.14 & 7.15), 46(7.17), 47(7.18, 7.19 & 7.20), 48(7.21), 53(8.15), 54(9.10), 55(9.11), 58(9.19), 59(9.22), 62(9.29), 63(10.3), 64(10.4), 66(10.9), 67(10.11),
- Total 47  
Percentage 67%
- III. Recommendations/Observations which the Committee do not desire to pursue in view of the Government reply.
- Sl. Nos. 9(1.4) 14(3.9), 21(4.12), 22(4.13), 24(4.20 & 4.21), 29(5.9), 31(5.11), 32(5.12), 33(5.14), 49(8.11), 51(8.13), 52(8.14), 56(9.13), 57(9.14), 60(9.27), 61(9.28), 68(10.14).
- Total 17  
Percentage 24%
- IV. Recommendations/Observations in respect of which the Government replies have not been accepted by the Committee and which require reiteration.
- Sl. Nos. 10(1.15), 50(8.12)
- Total 2  
Percentage 3%
- (V) Recommendations/Observations in respect of which Government have furnished interim replies.
- Sl. Nos. 7(1.3), 11(2.9), 45(7.16), 65(10.6),
- Total 4  
Percentage 6%