

14

**STANDING COMMITTEE ON
COMMUNICATIONS
(1998-99)**

TWELFTH LOK SABHA

**MINISTRY OF COMMUNICATIONS
(DEPARTMENT OF POSTS)**

**DEMANDS FOR GRANTS
(1999-2000)**

FOURTEENTH REPORT



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1999/Chaitra, 1921 (Saka)

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STANDING COMMITTEE ON
COMMUNICATIONS
(1998-99)

(TWELFTH LOK SABHA)

MINISTRY OF COMMUNICATIONS
(DEPARTMENT OF POSTS)

DEMANDS FOR GRANTS
(1999-2000)

Presented to Lok Sabha on 21.4.1999

Laid in Rajya Sabha on 23.4.99



LOK SABHA SECRETARIAT
NEW DELHI

April, 1999/Chaitra, 1921 (Saka)

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CORRIGENDA

TO

The Fourteenth Report of Standing Committee on Communications
(1998-99)

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COMPOSITION OF THE STANDING COMMITTEE ON
COMMUNICATIONS (1998-99)

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jay Krishna Mandal
3. Shri K.L. Sharma
4. Shri Mahesh Kumar Mithabhai Kanodia
5. Shri Chandrashekhar Sahu
6. Dr. Chhatrapal Singh
7. Shri Nakli Singh
8. Shri Rajveer Singh
9. Shri Baijnath Rawat
10. Shri Harpal Singh Sathi
11. Smt. Sheela Gautam
12. Shri Somjibhai Punjabhai Damor
- *13. Shri Sandip Bandyopadhyay
14. Dr. (Smt.) Prabha Thakur
15. Shri Madan Vishwanath Patil
16. Shri Dowarka Parashad Bairwa
17. Shri K. Asungba Sangtam
18. Smt. Nishaben Amarsinhbhai Chaudhari
19. Shri Shantilal Purushottamdas Patel
20. Shri T. Govindan
21. Shri Rizwan Zaheer Khan
22. Shri P. Rajarethinam
23. Shri Surendra Prasad Yadav (Jhanjharpur)

* Appointed as a member of the Committee w.e.f. 18.3.1999.

24. Shri Mahendra Baitha
25. Shri Braja Kishore Tripathy
- *26. Vacant
27. Shri M. Durai
28. Shri P.C. Thomas
29. Shri A. Ganeshamurthi
30. Shri Surender Singh

Rajya Sabha

31. Smt. Veena Verma
32. Ms. Mabel Rebello
33. Shri K. Rahman Khan
34. Smt. Chandresh Kumari
35. Shri Kanak Mal Katara
36. Shri Shatrughan Sinha
37. Shri Narendra Mohan
38. Shri Dawa Lama
39. Shri K. Kalavenkata Rao
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41. Shri R. Margabandu
42. Shri R.N. Arya
43. Shri Kuldip Nayyar
44. Shri Mrinal Sen
45. Shri Kartar Singh Duggal

SECRETARIAT

- | | | |
|-----------------------|---|-----------------------------|
| 1. Dr. A.K. Pandey | — | <i>Additional Secretary</i> |
| 2. Shri P.D.T. Achary | — | <i>Joint Secretary</i> |
| 3. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 4. Shri A.S. Chera | — | <i>Under Secretary</i> |

* Vacancy caused due to renomination of Shri Balasaheb Vikhe Patil as a member of the Committee on Human Resource Development on 9.3.1999.

INTRODUCTION

I, the Chairman, Standing Committee on Communications (1998-99) having been authorised by the Committee to submit the Report on its behalf, present this Fourteenth Report on Demands for Grants (1999-2000) relating to Department of Posts.

2. The Standing Committee on Communications (1998-99) was constituted on 5 June, 1998. One of the functions of the Standing Committee as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministries/Department and make a Report on the same to the House.

3. The Committee considered the Demands for Grants pertaining to the Department of Posts for the current year *i.e.* 1999-2000 which were laid on the Table of the House on 15 March, 1999. Thereafter the Committee took the evidence of the representatives of the Department of Posts on 1 April, 1999.

4. The Committee wishes to express its thanks to the representatives of the Ministry of Communications (Department of Posts) for appearing before the Committee and placing before it the detailed information that the Committee desired in connection with the examination of the subject.

5. The Report was considered and adopted by the Committee at its sitting held on 16.4.1999.

6. 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.

NEW DELHI;
April 17, 1999
Chaitra 27, 1921 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

REPORT

Introductory

1. The Department of Posts (DoP) which forms a part of the Ministry of Communications is responsible for planning, development, expansion, operation and maintenance of Postal Services in the country. Starting out with 23,344 post offices at the time of independence, there are about 1,53,954 post offices at the end of 1998-99. Apart from basic postal services which includes collection, transmission and delivery of mail, sale of postal stationery and providing other services like remittance of money order, registration, insured parcel, philately etc., the Department also discharges certain agency functions on behalf of other Ministries and Departments viz. Postal Savings Banks, other small saving schemes including Mahila Samridhi Yojana, Postal Life Insurance (PLI), Public Provident Fund Scheme, National Saving Certificate, collection of Customs duty on articles sent by post from abroad, booking, transmission and delivery of telegrams, disbursement of pension to military and railway pensioners and family pension to the families of employees of coal mines and industries covered by the Employees Provident Fund Scheme.

2. The Management of the Department of Posts vests in the Postal Services Board. The Board headed by a Chairman has three Members holding three portfolios of operations, development and personnel. The Joint Secretary and Financial Advisor of the Department is a permanent invitee to the Board. The Board directs and supervises the management of the postal services in the country with the assistances of fifteen Deputy Directors General in the Directorate General of Posts.

3. The work of Postal Life Insurance is with the separate directorate with functional autonomy. The Directorate is under the direct control of the Secretary, Department of Posts.

4. A separate Business Development Directorate for focussed management of value added services was set up in the Department in February, 1996.

5. For the purpose of administration and management of services including implementation of various programmes of the Department, the country is divided into 19 Postal Circles each under the charge of a Chief Post-Master General.

6. The Department of Posts has presented Demands for Grants to Parliament for the year ending 31 March, 2000 as under:

Postal Services—Demand No. 14

(Rs. in thousand)

	Revenue	Capital	Total
Voted Plan	18,59,00	81,41,00	1,00,00,00
Non-Plan	43,38,89,00	2,01,00	43,40,90,00
Total	43,57,48,00	83,42,00	44,40,90,00
Charged Plan	—	—	—
Non-Plan	11,00	—	11,00
Total	43,57,59,00	83,42,00	44,41,01,00

It would be seen from above that out of the total proposed annual outlay of Rs. 4441.01 crores, Plan outlay is Rs. 100 crores and Rs. 4341.01 crores non-Plan outlay. Revised Financial Outlay during 1998-99 was Rs. 85 crores (Plan) and Rs. 4407.01 crores (Non-Plan).

7. The Committee has been informed that the Department of Posts had proposed the Ninth Plan outlay of Rs. 754.76 crores which was pruned down to Rs. 658.98 crores and subsequently to Rs. 580 crores. The Planning Commission has not yet approved even the reduced outlay of Rs. 580 crores and has indicated Rs. 550 crores as final outlay for the Ninth Plan. The Department of Posts has stated that it has taken up the matter with the Planning Commission at the highest level to restore the draft IXth Plan outlay of Rs. 580 crores.

8. The Department has further stated that it has curtailed the provisions in the following thrust areas. It has been stated that

reduction in the IXth Plan outlay will severely impair the Plan activities of the department:

(Rs. in crores)			
Scheme	Proposed 9th Plan Outlay (754.76)	9th Plan Outlay (580)	
1. Upgradation of Technology	219.14	141.70	
2. Human Resource Development	17.95	13.30	
3. Modernisation of Mail Processing	222.39	180.00	
4. Postal Life Insurance	22.69	16.71	
5. Postal Buildings and Staff Quarters	176.00	130.00	
6. Streamlining of Administrative and Financial Management	25.00	22.25	

9. In a written reply furnished to the Committee, it has been stated that for the year 1997-98, the Department had proposed Plan outlay of Rs. 141.42 crores but the Planning Commission has approved only Rs. 95 crores. The Ministry of Finance indicated that the revised estimates be restricted to Rs. 80 crores only. Similarly, the Department had proposed Plan outlay of Rs. 135.24 crores for 1998-99. However, the Planning Commission approved only Rs. 95 crores. The Revised Estimates were restricted to an outlay of Rs. 85 crores under Plan.

10. The Secretary, DoP stated during evidence that the Department had asked for Rs. 162.74 crores as Annual Plan outlay for 1999-2000 and the Planning Commission has approved only Rs. 100 crores.

11. The Department of Posts has stated in a written reply and corroborated during evidence that the Department is witnessing rapid changes in information technology, competition from courier industries and increasing customer awareness and in the face of these challenges, any reduction in the proposed plan outlay will adversely affect the Plan activities.

12. The Ninth Plan objectives are stated to be as follows:

- (i) Expansion of scope and coverage of the programmes of modernisation initiated during the Eighth Plan period through induction of technology.
- (ii) Development and marketing of new services specially for the business/professional sectors and modernisation of identified agency functions.
- (iii) Human resource development through appropriate training for skill upgradation.
- (iv) Streamlining of managerial functions.
- (v) Development and maintenance of appropriate buildings for the modernised system and staff quarters for the employees.

13. The Secretary, DoP submitted during the course of evidence that earlier the thrust areas were used to be 'Expansion of Postal Network' and 'Construction of Buildings and Staff Quarters'. But from the Eighth Five Year Plan onwards, the emphasis has changed and they are now laying more stress on modernisation and upgradation of postal services.

14. The table indicating the Revised Estimates 1997-98, Actuals 1997-98, Revised Estimates 1998-99, Likely Expenditure 1998-99 and Annual Plan outlay 1999-2000 is as under:

(In lakhs of Rupees)

Particular of Schemes	Revised Estimates 1997-98	Actuals 1997-98	Revised Estimates 1998-99	Likely Expd. 1998-99	Annual Plan 1999-2000
1	2	3	4	5	6
Expansion of Postal Network	355	392	466	466	497
Upgradation of Technology	2964	2721	2347	2335	2963
Material Management	32	20	10	0	—
Human Resource Development	279	235	320	350	274
Modernisation of Mail Processing	457	338	993	811	3822
Business Development & Marketing	180	209	515	349	720

	1	2	3	4	5	6
Computerisation of Savings Bank in Post Offices		119	108	20	14	taken under Sl. 2 & 4
Postal Life Insurance		401	296	410	298	152
Philately		50	50	76	76	57
Postal Buildings and Staff Quarters		2650	2413	2800	2830	1088
Streamlining of Administrative and Financial Mgmt.		330	273	350	161	273
Public Grievances		183	172	104	80	154
Total		8000	7227	8411	7773	10000

15. It would be seen that actual Plan expenditure was Rs. 72.27 crores against the outlay of Rs. 80 crores in 1997-98. The Committee desired to know the reasons for the underutilisation of targetted funds. In reply, it has been stated that for the scheme 'Upgradation of Technology', there was a saving of Rs. 2.75 crores due to backing out of two vendors out of the four vendors to whom the supply order was issued for Multi Purpose Counter Machines (MPCMs) and as formalities could not be completed by 31.3.98 balance payment could not be made for mechanical equipments. In 'Modernisation of Mail Processing' there was under utilisation of Rs. 1.19 crores because the Railways could not intimate the cost of fabrication of the mail vans, the project of fabrication of mail vans could not be processed for clearance by Expenditure Finance Committee (EFC) resulting in surrender of funds under fabrication. The other reasons for shortfall was that the necessary software and hardware from Universal Postal Union for international postal system-96 was not received during 1997-98 resulting in surrender of funds. Further, software for head record office computerisation was not ready.

16. In Postal Life Insurance (PLI), the under utilisation of Rs. 1.05 crores was there due to non-sanctioning of staff for Rural Postal Life Insurance which was planned to be trained under this scheme in anticipation that the staff would be sanctioned. Also funds could not be utilised for market survey as the tender formalities could not be completed.

17. Under Postal Buildings and Staff Quarters, Rs. 1.37 crores could not be utilised due to local problems like Municipal approvals, revision of drawings, demolition of buildings and slow progress in some projects than anticipated.

18. The Committee notes that the Department of Posts is witnessing rapid changes in information technology, competition from courier industries and increasing customer awareness. To meet these challenges, the Department had projected an outlay of Rs. 754.76 crores for the IXth Plan which has been pruned to Rs. 658.98 crores and further to Rs. 580 crores. The Committee strongly feels that reduced Plan allocation of Rs. 550 crores would be grossly inadequate to take up the gigantic task of modernization and expansion of postal network which is desperately required.

19. The reduced allocation have resulted in thinning of resources for all the major schemes. Allocation for 'Upgradation of Technology' is lowered by Rs. 77.44 crores to Rs. 141.70 crores. For Human Resource Development by Rs. 4.65 crores to Rs. 13.30 crores, for modernisation of Mail Processing by Rs. 42.39 crores to Rs. 180.00 crores, for Postal Life Insurance by Rs. 5.98 crores to Rs. 16.71 crores, for Postal Buildings and Staff Quarters by Rs. 46 crores to Rs. 130 crores and for streamlining of Administrative and Finance Management by Rs. 2.75 crores to Rs. 22.25 crores. The Committee apprehends that with such reduced allocations the progress will be tardy and it will not be possible to achieve the IXth Plan objectives effectively in vital areas.

20. The Secretary, Department of Posts candidly admitted that the reduction in the Plan Outlay will severely impair the Plan activities of the Department. In fact, the reduction in allocation has already affected the Plan activities during the first two years of the IXth Plan period. For the first year of the IXth Plan i.e. 1997-98 the Department had proposed an outlay of Rs. 141.42 crores against which the Planning Commission approved the outlay of Rs. 95 crores. Further, during 1998-99 also, an outlay of Rs. 95 crores was approved against the proposed Annual Plan Outlay of Rs. 135.24 crores. Also for the Annual Plan 1999-2000 the Planning Commission has approved Rs. 100 crores against the proposed outlay of Rs. 162.74 crores. Evidently Department of Posts is not getting required resources which it deserve being an important segment of the Communication sector of vital public importance.

21. The Committee is of the opinion that such reduction in the total IXth Plan outlay and the Annual Plan outlays will seriously affect the growth and progress of the Department and the objectives of the Department of Post will not be achieved. The Committee, therefore, recommends that higher Plan allocations should be made in the mid-term appraisal of the IXth Plan. Otherwise, the important schemes of the Department for the benefit of the public will be prejudiced.

22. The Committee regrets to note the apparent incongruity that during the first year of the IXth Plan i.e. 1997-98, even the reduced financial outlay was not fully utilised. Although Budget Estimate for the year 1997-98 of Rs. 95 crores was revised to Rs. 80 crores, yet even the reduced allocation was not optimally utilised. The underutilisation of funds was there in respect of 9 out of the 12 schemes undertaken by the Department. The reasons for the shortfall like backing out of vendors to whom supply orders were issued for Multi-Purpose Counter Machines (MPCMs), non-receipt of software and hardware for international Postal system and delay in the project of fabrication of mail vans for want of clearance by Expenditure Finance Committee etc. are not at all convincing. The Committee deprecates such an approach as these problems could be overcome with foresight and coordinated efforts. The pace of progress could have been accelerated with better planning and effective monitoring. The Committee would like to be assured that the Department would not allow such problems to recur in future and the financial and physical targets would be fully achieved.

Expansion of Postal Network

Opening of Post Offices

23. It may be seen that the Department of Posts has allocated Rs. 34.27 crores for the Scheme 'Expansion of Postal Network' out of the total Plan allocations of Rs. 580 crores. In the Annual Plan 1999-2000, a provision of Rs. 497 lakh has been made. The RE (1998-99) had provided Rs. 466 lakh. It is planned to set up 2500 Extra Departmental Branch Offices (EDBOs) and 250 Departmental Sub-Post Offices during the IXth Plan.

24. During evidence, when the Committee desired to know the reasons for giving the least priority to expansion of postal network in the country, the Secretary, DoP submitted that so far the thrust has been on expansion of postal network and construction of buildings and staff quarters. Now they have just started modernisation of post offices and therefore have to put more emphasis on the same.

25. The Committee has been informed that there are 110029 Gram Panchayat Villages in the country which are still without post offices and 5428 Gram Panchayat villages as on 31.3.1998 which justify opening of a Post-office on the basis of two norms of distance and population. The constraints in opening of post-offices are stated to be financial as well as human resources constraints. The power to create additional posts required for opening of new post offices is not with the Department of Posts and therefore all proposals involving creation of posts have to be taken up with the Ministry of Finance. Also this activity should be within the allocated financial resources.

26. To a specific query, it was replied that the annual cost of opening of Extra Departmental Post Office (EDBO) is Rs. 26000/- and if EDBOs are to be opened in all the 5428 villages where opening of post office is justified, the funds required would be approximately Rs. 14.11 crores.

27. The Department has further stated that the cost of EDBOs has gone up considerably on account of upward revision in the emoluments of the Extra Departmental Agents and it is quite likely that a large number of 5428 villages justifying opening of post-office on the two norms of population and distance will not justify a post-office on the financial norms.

28. The Committee desired to know that at the present reckoning when would the Department be able to provide post offices in all the eligible villages. In reply it is stated that the time-frame anticipated for providing post offices to all the eligible villages is approximately 10 years.

29. The Secretary, DoP submitted during evidence that setting up of the Panchayat Sanchar Sewa Kendra (PSSK) is the most cost effective method of providing Counter facilities to places where there is no post office because a Gram Panchayat Counter costs Rs. 5,500 per annum while the single handed EDBO costs Rs. 26,000 or Rs. 27,000 per annum.

30. As regards the progress made to activate the Panchayat Sanchar Sewa Yojana, it has been stated that as per the suggestions of the Committee the Department had asked their Post Master Generals to talk to Gram Panchayats and the State authorities to find out their willingness to start a Panchayat Sanchar Sewa Kendra. As a result they have received more than 6,500 proposals as on date and the Department is in a position to open that many number of PSSKs in a year.

31. The Committee has further been informed that after the receipt of willingness from the Gram Panchayats, the matter regarding inclusion of the PSSK in the plan scheme of 'Expansion of Postal Network' during 9th Plan period was taken up with the Planning Commission which has recently approved opening of 200 Panchayat Sanchar Sewa Kendras during the Annual Plan 1998-99 and 500 in the Annual Plan 1999-2000.

32. To a specific query, it has been replied that out of 670 PSSKs opened against the target of 750 PSSKs during the 8th Plan, 613 PSSKs are functioning at present and the reasons for the same are stated to be closing down of some of PSSKs as there was negligible or no transaction of postal stamps and stationery by the Agents in-charge of these Panchayat Sanchar Sewa Kendras.

33. As regards the remuneration payable for running PSSKs, the Secretary, DoP submitted that for a Panchayat Kendra, they are giving Rs. 300 a month plus 5% commission on sale of stamps and stationery. The commission of 5 percent of the value of the stamps and stationery is allowed at the time of purchase in normal rural areas. In hilly and tribal areas, commission at these rates are given on sales upto Rs. 100. On sales from Rs. 101 to Rs. 200 the commission would be 7 percent and on sales from Rs. 201 and above the commission is 10 percent. A commission of 10 percent is given on registration charges.

34. The witness supplemented that they are thinking of revising Rs. 300 limit to Rs. 500 to begin with to make the scheme little more attractive.

35. The Committee is concerned to note that as on 31.3.1998 there are 1,10,029 Gram Panchayat villages in the country without post offices and of these 5428 Gram Panchayat villages justify opening of a post office on the basis of two norms of distance and population and it will take 10 years to provide post office to villages justifying

opening of post offices on the basis of the norms. The Committee notes that it would cost Rs. 26,000/- annually for opening of Extra Departmental Branch Office and Rs. 14.11 crores in total if EDBOs are to be opened in all the 5428 villages. The Committee considers this amount not to be so high more so when there is a question of providing basic postal facilities to 1,10,029 Gram Panchayat villages without post offices. The Committee, therefore, recommends that priority should be reviewed and a definite time frame should be fixed to provide post office to all the eligible villages. The Committee would like to be informed about the feasibility of relaxing the norms for opening of post offices so that more and more villages can be provided with the basic postal facilities.

36. The Committee notes that the Department of Posts has planned to give more emphasis on 'Upgradation of Technology' and 'Modernisation of Mail Processing' during the IXth Plan. It further notes that out of the total outlay of Rs. 580 crores for the IXth Plan, Rs. 321.70 crores are kept for these two schemes. For Expansion of Postal Network an amount of Rs. 34.27 crores has been kept for the IXth Plan. The Committee is of the view that upgradation of technology and modernisation of mail processing, would benefit only big post offices in cities and the rural areas which are denied post offices would continue to be neglected. The Committee, therefore, desires that there should be a perfect correlation between the financial targets of the schemes 'Expansion of Postal Network' 'Upgradation of Technology' and 'Modernisation of Mail Processing' so that rural areas can be benefitted.

37. The Committee is of the view that 5428 Gram Panchayat villages which justify opening of post offices should be accorded top priority and it would not be difficult to provide outlay of Rs. 14 crores for this purpose. The DoP should take up the matter of creation of posts with the Ministry of Finance at the highest level as the demand of these villages is highly justified. As the present pace of opening of new post offices is most regrettable, these villages would have to wait for another ten years to have a post office of their own.

38. The Committee finds that out of 670 Panchayat Sanchar Seva Kendras set up during the VIIIth Plan, 613 are functioning while 57 PSSKs had to be closed down due to negligible transaction of postal stamps and stationery by the Agents there. The Committee desires that the Department should make an indepth study in advance so that the PSSKs likely to be opened do not meet the same fate.

39. The Committee notes that the proposal for revision of remuneration of Rs. 300/- p.m. payable to agents running the PSSKs is under consideration of the Department. No doubt some commission is paid to the Agents on sale of stamps and stationery, it cannot be termed as adequate keeping in mind the fact that in rural areas where Panchayat Sanchar Sewa Kendras are located, daily turnover is expected to be meagre. The Committee, therefore, desires that the Department should take an early decision in this regard.

Upgradation of Technology

40. The DoP had proposed Rs. 219.14 crores outlay on 'Upgradation of Technology' when the Plan outlay proposed was Rs. 754.76 crores. However, the Planning Commission approved Plan of Rs. 580 crores.

41. The Secretary, DoP during the course of evidence submitted that though the Ninth Plan outlay has been further reduced to Rs. 550 crores, they were proceeding on the basis of Rs. 580 crores Plan outlay. Their thrust has not been reduced because it involves upgradation of technology and they have kept Rs. 141.70 crores for the same.

42. The Committee desired to know how the Department would accomplish the targets with the reduced financial outlay. In reply, it has been stated that the Department in consultation with the Ministry of Finance and Planning Commission was also exploring the possibilities of procuring hardware through leasing which would enable it to achieve greater physical targets with the same financial resources. The setting up of the independent hub for the VSATs may not be required as each provider of these services has an independent hub which could be shared with the other users. Even at present the Department was stated to be sharing the DoT's hub with the other users. Rs. 10 crores earmarked for the same would be effectively utilised in other related activities, including computerisation of Post Offices.

(i) Multi-Purpose Counter Machines

43. The Expert Committee on Postal Excellence had recommended that the DoP should install 20,000 Multi Purpose Counter Machines in the first phase i.e. Eighth Plan with a view to modernise the century

old Department and to give it a new look. The Department of Posts during the Eighth Plan had set the target of 5000 machines originally which was subsequently reduced to 4250 on the basis of annual plan targets. However, only 2660 such machines could be provided during the Plan period. The target for the IXth Plan is 5000 MPCMs and during the first 2 years of the Plan 2347 machines have been installed. For the year 1999–2000, target of 1000 MPCMs has been kept.

44. Asked when it would be possible to install MPCMs as recommended by the Expert Committee, the Department in a written note has stated that target can further be raised provided the Planning Commission provides more funds at the disposal of the Department.

(ii) Modernisation of Post Offices

45. The Department of Posts in reply to a recommendation made by the Committee in its 2nd Report (12 Lok Sabha) to enhance the target of modernising the post offices, had stated that there were 3606 post offices which were not located in the departmental buildings and have been targetted for modernisation. Accordingly, 1208 number of post offices have been modernised as yet and 60 post offices have been planned for modernisation during 1998–99 keeping in view the availability of funds.

(iii) Extended Satellite Money Order (ESMO) Centres

46. The Department of Posts has proposed to set up 2000 ESMO Centres and 200 VSATs during the IX Plan. However, during 1997–98 against the target to set up 350 Extended Satellite Money Order Centres, the achievement was 318 while no VSAT was proposed during the year. When asked about the likely achievement against the target for installation of 250 ESMOs and 20 VSATs during 1998–99, it has been stated that the Public Investment Board while approving Phase I of the satellite money order project had very clearly stated that a performance evaluation should be made on completion of all activities relating to Phase I and that took sometime. The case for Phase II was put up to the Expenditure Finance Committee only in February, 1999. Therefore, the procurement of VSATs/ESMOs for 1998–99 could not be carried out. The Expenditure Finance Committee has cleared Phase II on 15 March, 1999. It has now been proposed to install 62 VSATs and 266 ESMOs during 1999–2000 and the remaining during the year 2000–2001.

47. The Committee notes that the Department is exploring the possibilities of procuring hardware through leasing which will enable it to achieve greater physical targets with the same reduced financial resources. Also setting up of the independent hubs for the VSATs will not be required when it is proposed to share the hubs as the providers of the services has independent hubs. Hence, the amount of Rs. 10 crores kept for setting up an independent hub can be utilised for other activities including computerisation of Post Office. The Committee hopes that the Department would soon work out the feasibility of obtaining hardware on lease so that activities under the scheme of 'Upgradation of Technology' which is the thrust area of the Department during the IXth Plan do not suffer.

48. The Committee regrets to note that though the Expert Committee had desired to cover 20,000 counters with PC based Counter Machines in the VIIIth Plan, the Department has so far been able to provide only 5007 Multipurpose Counter Machines. The Committee disapproves such a slow progress made by the Department in this regard. It is stated that the targets can be raised provided the Planning Commission can place more funds at the disposal of the Department. The Committee, therefore, recommends that higher plan allocation should be made in the coming years of the Ninth Plan so that more and more MPCMs can be provided for upgrading counter operations.

49. The Committee notes with concern that out of 3606 post offices targetted to be modernised, only 1268 post offices have so far been modernised. It further notes that during 1998-99 against a target of 50 post offices, 60 were modernised. Again, a target to modernise 60 post office has been kept. The Committee feels that the target is very low as at the present reckoning it would take years to modernise the remaining 2338 post offices targetted to be modernised. The Committee, therefore, urges the Department to make realistic targets in the light of their objective of modernising postal services and the targets should keep pace with the computerisation of post offices.

50. The Committee is perturbed to note that the progress in respect of installation of Extended Satellite Money Orders (ESMOs) and VSATs remained tardy during the first two years of IXth Plan. During 1997-98, 318 ESMOs but not a single VSAT were installed against the target of 350 ESMOs. Also during 1998-99 no ESMO and VSAT was installed. The reason for the same i.e. Public Investment

Board while approving Phase I of the satellite money order project stated that a performance evaluation should be made on completion of all activities relating to Phase I and that took some time is not convincing. The Committee notes that the Department has put up the case for Phase II in February 1999 which is almost two years from the completion of the 8th Five Year Plan. With only 318 ESMO Centres installed in the first year of the IX Plan and 210 targetted during 1999–200, targetted of 2000 ESMO Centres would be a mirage. The same is the case with the installation of VSATs. The Committee considers it negation of planning. The Committee desires that the Department should draw lessons from the past and avoid such procedural pitfalls resulting in tardy progress of projects. The Committee further hopes that the target for the year 1999–2000 to install 62 VASTs and 266 ESMOs would be achieved well in time.

Material Management

51. The Budget Estimate for Material Management for 1998–99 was kept at Rs. 45 lakh and the same was revised to Rs. 10.00 lakh. The reason for the same is stated to be that the software for the activity 'computerisation of Postal Store Depots (PSDs)' was not ready. In a written note the Department of Posts has stated that the likely expenditure is nil during 1998–99 on material management.

52. The Committee regrets to note that under the scheme "Material Management", there was no achievement against the target to computerise 15 Postal Store Depots during 1998–99. The reason for the same i.e. software for the activity was not ready is not at all convincing. The Committee disapproves such a callous approach of the Department towards implementation of the scheme as this problem could be overcome with coordinated efforts. The Committee would like the Department to ensure that such delays do not recur in future and all the 15 Postal Store Depots are computerised in the current financial year.

Modernisation of Mail Processing

53. It would be seen that during the first year of the 9th Plan i.e. 1997–98, out of the Revised Estimates of Rs. 4.57 crores, the actual expenditure was Rs. 3.38 crores. Also during the second year of the 9th Plan against the Budget Estimate of Rs. 12.72 crores which was reduced at Revised Estimate to Rs. 9.33 crores, only Rs. 8.11 crores could be spent.

54. The reasons for the variations in BE and RE during 1998–99 is stated to be that in view of the reduction in overall proposed outlay under plan in 1998–99 at RE stage, this plan scheme was adversely affected. The reduction was under the activities Computerisation of Head Record Offices (HROs), Modernisation of registration delivery system, upgradation of Mailnet., Computerisation of International Mail Accounting, Computerisation of International Postal System Project and fabrication of Mail vans.

55. The Committee has further been informed that it was planned to computerise 10 Head Record Offices, upgrade Mail net at 15 centres and modernise registration delivery system in 10 offices. But as there has been delay in software development in each case, the three plan programmes were dropped for the year 1998–99.

56. The Plan projects of International mail accounting has also been dropped as the required software has still not been developed by Universal Postal Union.

57. The outlay for International Postal System project has also been reduced as the project could be operationalised only at Delhi and site prepared at Mumbai because the software from UPU was received late.

58. It has further been informed that as a result of the reduction in overall outlay at BE and RE stage for RMS van fabrication of Rs. 8.15 crore for 12 vans has been reduced to Rs. 5.56 crores for 9 vans. This reduction was effected, keeping in view the fact that the implementation of this plan programme is dependent on action by the Ministry of Railways and the fact that in the earlier Plan period there was no progress under the plan activity due to non-fabrication of vans by Railways. Some provision has been retained to enable the Department to continue pursuing this matter with the Ministry of Railways, since it is a high priority activity.

59. It may be seen that for the head Computerisation of HRO/ Divisional Offices against the target to computerise 69 Head Record Office (HRO)/Directorate offices (DOs), modernise 50 registration delivery system and upgrade 40 mail net during the 9th Plan, only 1 Head Record Office could be computerised so far.

Automatic Integrated Mail Processing (AMPC) System

60. The Committee has been informed that a target to set up 3 Automatic Mail Processing Centres has been kept for the entire IXth Plan. When asked about the reasons for not keeping any target during the first two years of the IXth Plan, it has been stated that with the reduction in the total IXth Plan outlay to Rs. 580 crores, an outlay of Rs. 178 crores kept previously for this activity had to be pruned down to Rs. 138 crores. Further, the Plan outlay for the year 1997-98 was reduced to Rs. 80 crores from Rs. 95 crores and for 1998-99 to Rs. 85 crores from Rs. 95 crores and consequently the implementation of the project had to be deferred.

61. The Secretary, DoP during evidence submitted that the Department is already having 2 Automatic Mail Processing Centres at Mumbai and Chennai and they are planning to set up 3 more such centres at Bangalore, Calcutta and Delhi during the IXth Plan.

62. On being asked about the benefits of these processing centres, the witness submitted during evidence that these centres have much more output because the mail which is received in major cities is very large and processing is to be done first. These machines can sort 30,000 letters per hour while manually they can sort out only 700 to 800 letters per hour. The cost of machine is stated to be Rs. 20 crore each and the Department is planning to set up one machine this year.

63. The Committee has further been informed that during 1999-2000, an outlay of Rs. 23 crores has been earmarked for upgradation of existing systems at Mumbai and Chennai and Rs. 5 crores for initial investment in setting up of AMPC at Calcutta.

64. The Committee is constrained to note that even under the scheme of Modernisation of Mail Processing which is one of the thrust area during IXth Plan there is shortfall in achievement of targets. There is under utilisation of funds in the first two years of the IXth Plan. During 1997-98 and 1998-99 out of the allocations of Rs. 4.57 crores and Rs. 9.93 crores, Rs. 3.57 crores and Rs. 8.11 crores respectively were spent.

65. The Committee notes with dismay that against the target to computerise 69 Head Record Offices (HROS)/Directorate Offices, modernising 50 registration delivery system and upgrading 40 mail net, only 1 HRO could be computerised and two mail net upgraded. The reasons for dropping the computerisation of 10 HROs, upgrading mail net at 10 centres and modernising registration delivery system in 10 offices are stated to be delays in software development which does not appear to be convincing. Further, reason for dropping of international mail accounting for non-development of the required software for Universal Postal Union is also not acceptable. The Committee feels sorry to note that even the reduced target of fabrication of 9 RMS vans could not be achieved. The Committee takes a serious view of all these avoidable procedural delays. It observes that these problems are the same which resulted in shortfall during the previous years also. The Committee fails to understand that when same problems are being faced every year, why corrective action could not be taken to resolve them. The Committee desires the Department to give serious thought to resolve these problems. It desires that the Department should identify all the difficulties which resulted in tardy implementation of scheme during the previous years and draw suitable lessons from them so that the targets during 1999-2000 are fully achieved.

66. The Committee observes that the Department has kept Rs. 138 crores for setting up of 3 Automatic Mail Processing Centres (AMPCs) at Delhi, Calcutta and Bangalore during the IXth Plan. The Committee regrets to note that the Department has not initiated any action for the scheme during first two years of the IXth Plan and has kept only Rs. 5 crores for initial investment in setting up of an AMPC at Calcutta. The Committee is of the view that the scheme was not given the importance it deserved. The Committee fails to understand how it would be possible to set up an AMPC during 1999-2000 as submitted by the Secretary, DoP during evidence with meagre allocation of Rs. 5 crores when Rs. 20 crores are stated to be required to set up an Automatic Mail Processing Centre. The Committee, therefore, would like the Department to review the allocation for setting up of AMPCs during mid-term appraisal of the Plan.

67. The Committee finds AMPCs to be very useful as they can sort out 30,000 letters per hour while manually only 700 to 800 letters can be sorted out. The Committee, therefore, desires that the Department should make all out efforts to achieve the target of setting up of all the 3 AMPCs during the IXth Plan.

Business Development and Marketing

68. During 1998-99 the Budget Estimate for Business Development was kept at Rs. 3.55 crores which was revised to Rs. 5.15 crores. Asked about the reasons for upward revision, it has been stated that the increase is attributed to the increased attention towards promotional activities in order to increase the revenue. Also additional vehicles/mopeds have been envisaged to be provided in Metro cities to improve pick up and delivery. Increase has also been attributed towards provision of computers and Internet to Managers, Speed Post Centres for effective working.

69. The Committee has been informed that out of the Revised Estimate of Rs. 5.15 crores during 1998-99, the likely expenditure is Rs. 3.49 crores. It may further be seen that under the head 'Business Development and Marketing', no target was kept during 1998-99 for activities viz. Mail Network between Business Directorate and units in the Circles and Modernising business office for Speed Posts etc. Also out of 20 Speed Post Concentration Centres (SPCC) targetted for computerisation, the likely achievement is stated to be merely 7 Centres. When asked about the reasons for keeping no target during 1997-98 and 1998-99, it is replied that the market survey commissioned by Business Development Directorate in 1998 to advise it on how to make the 'Speed Post' more effective *vis-a-vis* private couriers. One of the suggestions given by the Consultants appointed to conduct the survey was that Business Development Directorate needed to upgrade its technology in its Business Offices to the level of that of the private couriers.

70. It has further been stated that since private couriers use superior technology compared to 'Speed Post' in order to track documents and merchandise sent through them they can respond quickly and thus build a customer friendly image coupled with efficiency and speed. It is proposed in 1999-2000 that Business Development Directorate should strive to improve its Track and Trace systems, which should be accessible to the customer, at his office and home through the Internet. The improved Track and Trace system will track Speed Post as well as 'Express Parcel Post'.

71. Accordingly, even though no specific target was fixed in the last two years, Business Development Directorate has proposed to equip most of its Business offices with computer, modems, fax and photocopiers.

72. As regards the constraints in development of 'Speed Post' service, it has been stated that lack of manpower and other material resources are the major bottlenecks. Speed post has a dedicated staff of just 345, compared to couriers like DHL, Bluedart which employ staff ranging from 3000 to 6000. Private Couriers are stated to be using sophisticated technology based logistics systems ensuring online track and trace system. Though the Department of Posts has introduced track and trace system, it is available only for 8 cities at present. Private couriers invested upto 10% of their turnover on promotion and publicity. In contrast speed post has been investing as little as 1.25% of its annual turnover on the promotion of premium products. This has led to low awareness about speed post.

73. The Committee regrets to note that the amount of Rs. 5.15 crores allocated for Business Development and marketing was not fully utilised and only Rs. 3.49 crores were spent. The Committee does not find any justification for upward revision of the estimates from Rs. 3.55 crores to Rs. 5.15 crores when suitable steps were not taken to utilise it. It is highly disturbing. The Committee deprecates such a casual attitude of the Department in fulfilling the targets for the scheme deserving utmost importance. It desires that the Department should intensify its efforts and ensure that the allocation made for Business Development and Marketing in subsequent years is optimally utilised.

74. The Committee is distressed to find that adequate attention is not paid to Business Development and Marketing. No target was kept for modernising business office for Speed Post and setting up mail network between Business Directorate and units in the Circles. Besides against a target of 20 only 7 Speed Post Concentration Centres are likely to be computerised. The Committee takes a serious note of these shortfalls.

75. The Committee further observes that the track and trace systems of the Department is available only in 8 cities. The Committee desires that priority should be accorded to extend track and and trace system for Speed Post to some more cities in order to withstand the challenges of private courier services for the higher growth of postal revenue.

Postal Life Insurance

76. The details of the number of policies sold by the Department during 1996-97 and 1997-98 is as under:

Year	Number of policies sold	Sum assured
1996-97	229676	641.08 cr.
1997-98	117766	362.20 cr.

77. When asked about the reasons for the decreasing trend in Rural Postal Life Insurance business, they are stated to be non-sanction of staff and lack of infrastructure. The other reason is stated to be that in the first two years, PLI staff showed extra enthusiasm in procurement of business but the efforts could not be sustained in the subsequent years as there is a limit to the capacity of the same staff.

78. As regards steps taken by the department to boost up the Rural PLI business, it has been stated that the case for additional staff and setting up a conducive infrastructure including actuarial and computer support systems has been taken up and it is under active consideration of the Department. Also RPLI has been decentralised to Regions for greater efficiency and customer satisfaction. Besides, RPLI work is being computerised.

79. On being asked whether a decline in the RPLI business is expected in 1998-99 also, it is replied in affirmative. It has further been stated that RPLI was started initially for a period of 3 years. In accordance with the orders of Ministry of Finance a review was to be carried out to examine whether RPLI would continue beyond 3 years. A case for continuing RPLI permanently has been submitted to Ministry of Finance and the proposal is under active consideration.

80. The Internal Finance is further stated to have desired that the proposal for sanction of staff for RPLI should be based on computerised norms. It took sometime for the Work Study to evolve these norms.

These have still to be approved by the Ministry of Finance. However, a case for sanction of staff based on computerised norms suggesting setting up of an adequate infrastructure has again been taken up which, is under active consideration and should be finalised very soon. On receipt of the approval of Ministry of Finance to continue RPLI permanently, the proposal for sanction of staff will be submitted to Ministry of Finance.

81. The Committee is concerned to note that the Rural Postal Life Insurance business has decreased during 1997-98 and 1998-99. The number of policies sold during 1997-98 was 1,17,766 and 2,29,676 during 1996-97. Reasons for the decline in RPLI business is stated to be non-sanction of staff and lack of infrastructure. The Committee further notes that the case of setting up of a conducive infrastructure including actuarial and computer support systems has been taken up and it is under active consideration of the Department. The Committee finds that business of RPLI and opening of new post offices has been adversely affected for want of sanction of staff. The Ministry of Finance should be requested at the highest level in this regard.

Money Order Complaints

82. The Committee pointed out about the decrease in the Money Order traffic during 1997-98 which is 11.08 crore as compared to 11.16 crore in 1996-97. The Money Order traffic expected during 1998-99 is 11.05 crore. In reply it has been stated that however the actuals in terms of traffic and booked value is expected to be higher than the estimates as in the previous year.

83. The money-order complaints are stated to be 2,78,360, 2,84,723 and 3,23,938 during 1995-96, 1996-97 and 1997-98 respectively.

84. The Committee is disturbed to find that number of complaints in respect of money order shows an increasing trend during the last 3 years. The number of complaints were 2,78,360, 2,84,723 and 3,23,938 during 1995-96, 1996-97 and 1997-98 respectively. The Committee further note that Money Order traffic which was 11.16 crore in 1996-97 has decreased by 8 lakh i.e. to 11.08 crore. Money Order traffic is

expected to further decline to 11.05 crore in 1998–99. No doubt, some steps have been taken to deal with the complaints but they cannot be termed as adequate. The Committee, therefore, recommends that the Department should make a detailed study in regard to the nature of the complaints, the regions where there were comparatively more complaints so that the effective steps to check the malpractices of the postal staff in the money order system can accordingly be taken.

85. The money orders are generally sent by the poor people and involves hard earned money of the public. The Committee, therefore would like the Department to strive to keep money order service fault-free. It urges the Department to deal with the complaints promptly.

NEW DELHI;
April 17, 1999
Chaitra 27, 1921 (Saka)

SOMNATH CHATTERJEE
Chairman,
Standing Committee on Communications.

APPENDIX-I

MINUTES OF THE TWENTY-SEVENTH SITTING OF THE COMMITTEE ON COMMUNICATIONS (1998-99)

The Committee sat on Tuesday, the 16th March, 1999 from 15.00 hrs. to 16.30 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Mahendra Baitha
3. Smt. Sheela Gautam
4. Shri T. Govindan
5. Shri Mahesh Kumar Mithabhai Kanodia
6. Shri Jay Krishna Mandal
7. Shri Chandrashekhar Sahu
8. Shri K. Asungba Sangtam
9. Shri Harpal Singh Sathi
10. Shri Braja Kishore Tripathy

Rajya Sabha

11. Shri R.N. Arya
12. Shri Kartar Singh Duggal
13. Shri Narendra Mohan
14. Shri Kuldeep Nayyar
15. Shri K. Kalavenkata Rao
16. Ms. Mabel Rebello
17. Shri Mrinal Sen
18. Smt. Veena Verma

SECRETARIAT

- | | | | |
|----|--------------------|---|-------------------------|
| 1. | Shri P.D.T. Achary | — | <i>Joint Secretary</i> |
| 2. | Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 3. | Shri A.S. Chera | — | <i>Under Secretary</i> |

Representatives of Department of Posts

- | | | | |
|-----|---------------------|---|----------------|
| 1. | Shri R.U.S. Prasad | — | Secretary, DoP |
| 2. | Shri B.M. Som | — | Member (O) |
| 3. | Shri P. Bhagwan Das | — | Member (D) |
| 4. | Shri S.C. Dutta | — | Member (P) |
| 5. | Shri K.S. Menon | — | JS & FA |
| 6. | Shri Gautam Gupta | — | Sr. DDG (CPT) |
| 7. | Mrs. Aparna Mohile | — | Sr. DDG (PO) |
| 8. | Shri L.K. Puri | — | OSD (Tech) |
| 9. | Shri S.P. Singh | — | DDG (M&TS) |
| 10. | Shri Gurmel Singh | — | DDG (PAF) |
| 11. | Shri G.S. Mishra | — | DDG (SB) |

2. At the outset, the Chairman welcomed the Secretary, Department of Posts and other officials accompanying him. The Secretary and other officials of the Department of Posts briefed the Committee on Demands for Grants (1999–2000) relating to Department of Posts. The Committee, then, sought certain clarifications on the issues relating to the Demands for Grants (1999–2000) of the Department. The officials replied to queries made by the Committee.

3. A verbatim record of the sitting has been kept.

4. The Chairman thanked the officials of Department of Posts for furnishing valuable information to the Committee and for the free and frank views expressed on various points raised by the Members.

The Committee then adjourned.

APPENDIX-II

MINUTES OF THE THIRTY-FIRST SITTING OF THE COMMITTEE ON COMMUNICATIONS (1998-99)

The Committee sat on Thursday, the 1st April, 1999 from 11.00 hrs. to 13.00 hrs. in Committee Room No. '62', Parliament House, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Dowarka Parashad Bairwa
3. Shri Mahendra Baitha
4. Smt. Nishaben Amarsinhbhai Chaudhari
5. Shri A. Ganeshamurthi
6. Smt. Sheela Gautam
7. Shri Jay Krishna Mandal
8. Shri Baijnath Rawat
9. Shri K. Asungba Sangtam
10. Shri Harpal Singh Sathi
11. Dr. Chhatrapal Singh
12. Shri Nakli Singh
13. Shri Surender Singh
14. Dr. (Smt.) Prabha Thakur
15. Shri P.C. Thomas
16. Shri Braja Kishore Tripathy
17. Shri Surendra Prasad Yadav (Jhanjharpur)

Rajya Sabha

18. Shri R. N. Arya
19. Shri Kartar Singh Duggal
20. Shri Kanak Mal Katara
21. Shri K. Rahman Khan
22. Shri Dawa Lama

23. Smt. Chandresh Kumari
24. Ms. Mabel Rebello
25. Smt. Veena Verma

SECRETARIAT

- | | | | |
|----|--------------------|---|-------------------------|
| 1. | Shri P.D.T. Achary | — | <i>Joint Secretary</i> |
| 2. | Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 3. | Shri A.S. Chera | — | <i>Under Secretary</i> |

REPRESENTATIVES OF DEPARTMENT OF POSTS

- | | | | |
|-----|--------------------|---|----------------|
| 1. | Shri R.U.S. Prasad | — | Secretary |
| 2. | Shri B.M. Som | — | Member (O) |
| 3. | Shri S.C. Dutta | — | Member (P) |
| 4. | Shri K.S. Menon | — | JS & FA |
| 5. | Shri Gautam Gupta | — | Sr. DDG (CPT) |
| 6. | Mrs. Aparna Mohile | — | Sr. DDG (PO) |
| 7. | Shri L.K. Puri | — | OSD (Tech.) |
| 8. | Shri S.P. Singh | — | DDG (M&TS) |
| 9. | Shri N.D. Dayal | — | DDG (T&E) |
| 10. | Ms. R. Doraiswamy | — | GM (Marketing) |

2. At the outset, the Chairman welcomed the Secretary, Department of Posts and other officials accompanying him.

3. The Committee, then sought certain clarifications on the issues relating to Demands for Grants for 1998–99 as well as points arising out of the written replies to the questionnaire furnished by the Department on Demands for Grants (1999–2000).

4. A verbatim record of the sitting has been kept.

5. The Chairman thanked the officials of Department of Posts for furnishing valuable information to the Committee and for the free and frank views expressed on various points raised by the Members.

The Committee then adjourned.

APPENDIX - III

MINUTES OF THE THIRTY-FOURTH SITTING OF THE COMMITTEE ON COMMUNICATIONS (1998-99)

The Committee sat on Friday, the 16th April, 1999 from 15.00 hrs. to 16.00 hrs. in Committee Room No. '62', Parliament House, New Delhi.

PRESENT

Shrimati Veena Verma — *In the Chair*

MEMBERS

Lok Sabha

2. Shri Somjibhai Damor
3. Shri T. Govindan
4. Shri Rizwan Zaheer Khan
5. Shri Jay Krishna Mandal
6. Shri Shantilal Parshotamdas Patel
7. Shri Madan Vishwanath Patil
8. Shri Baijnath Rawat
9. Shri Chandrashekhar Sahu
10. Shri K. Asungba Sangtam
11. Shri Krishan Lal Sharma
12. Dr. Chhatrapal Singh
13. Shri Nakli Singh
14. Shri Rajveer Singh
15. Shri Surendra Singh
16. Dr. (Smt.) Prabha Thakur
17. Shri Braja Kishore Tripathy
18. Shri Surendra Prasad Yadav (Jhanjharpur)

Rajya Sabha

19. Shri R.N. Arya
20. Shri Kanak Mal Katara
21. Shri K. Rahman Khan
22. Shri R. Margabandu

SECRETARIAT

1. Shri S.K. Sharma — *Deputy Secretary*
2. Shri A.S. Chera — *Under Secretary*

2. Under Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha, Smt. Veena Verma was chosen to act as Chairperson for the sitting in the absence of the Chairman, Standing Committee on Communications.

3. The Committee took up for consideration the following Draft Reports and adopted the same without any amendments/modifications:

- (i) Draft Thirteenth Report on Demands for Grants 1999–2000 relating to Department of Telecommunications, Ministry of Communications.
- (ii) Draft Fourteenth Report on Demands for Grants 1999–2000 relating to Department of Posts, Ministry of Communications.

4. The Committee then authorised the Chairman to finalise and present/lay the Reports in both the Houses of Parliament.

The Committee then adjourned.