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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2013-14)**

FIFTEENTH LOK SABHA

**MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(DEPARTMENT OF POSTS)**

**[Action Taken by the Government on the Recommendations/Observations of the Committee contained in their
Forty-fifth Report (Fifteenth Lok Sabha) on 'Demands for Grants (2013-14)']**

FIFTIETH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2013/Agrahayana, 1935 (Saka)

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*Presented to Lok Sabha on 17.12.2013
Laid in Rajya Sabha on 17.12.2013*



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2013/Agrahayana, 1935 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2013-14)**

Shri Rao Inderjit Singh - Chairman

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Raj Babbar
4. Shri Nikhil Kumar Choudhary
5. Shri Khagen Das
6. Shri A. Ganeshamurthi
7. Shri Rajen Gohain
8. Smt. Darshana Jardosh
9. Shri Baidya Nath Prasad Mahato
10. Shri Sadashivrao D. Mandlik
11. Dr. Thokchom Meinya
12. Shri Tapas Paul
13. Dr. (Prof.) Prasanna Kumar Patasani
14. Shri Abdul Rahman
15. Shri Radhe Mohan Singh (Ghazipur)
16. Smt. Seema Upadhyay
17. Vacant
18. Vacant
19. Vacant
20. Vacant
21. Vacant

Rajya Sabha

22. Shri Joy Abraham
23. Shri Mohammed Adeeb
24. Shri Javed Akhtar
25. Shri Salim Ansari
26. Shri B.K. Hariprasad
27. Shri Basavaraj Patil
28. Dr. Kunwar Deep Singh
29. Shri Sachin Ramesh Tendulkar
30. Dr. C.P. Thakur
31. Vacant

Secretariat

1. Shri Brahm Dutt - Joint Secretary
2. Shri N. C. Gupta - Director
3. Shri Ajay Kumar Garg - Additional Director
4. Shri Shangreiso Zimik - Executive Officer

INTRODUCTION

I, the Chairman, Standing Committee on Information Technology (2013-14) having been authorized by the Committee to submit the Report on their behalf, present this Fiftieth Report on Action Taken by the Government on the Recommendations/Observations of the Committee contained in their Forty-fifth Report (Fifteenth Lok Sabha) on 'Demands for Grants (2013-14)' of the Department of Posts (Ministry of Communications and Information Technology).

2. The Forty-fifth Report was presented to Lok Sabha/laid on the Table of Rajya Sabha on 30th April, 2013. The Department of Posts furnished their Action Taken Notes on the Recommendations/Observations contained in the Forty-fifth Report on 5th August, 2013.

3. The Report was considered and adopted by the Committee at their sitting held on 13th December, 2013.

4. For facility of reference and convenience, Recommendations/Observations of the Committee have been printed in bold in Chapter-I of the Report.

5. An analysis of Action Taken by the Government on the Recommendations/Observations contained in the Forty-fifth Report of the Committee is given at Annexure-II.

New Delhi
13 December, 2013
22 Agrahayana, 1935 (Saka)

RAO INDERJIT SINGH,
Chairman,
Standing Committee on
Information Technology

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology deals with the action taken by the Government on the Recommendations/Observations of the Committee contained in their Forty-fifth Report (Fifteenth Lok Sabha) on 'Demands for Grants (2013-14)' relating to the Ministry of Communications and Information Technology (Department of Posts).

2. The Forty-fifth Report was presented to Lok Sabha/laid in Rajya Sabha on the 30 April, 2013. It contained 21 Recommendations/Observations.

3. Action Taken Notes in respect of all the Recommendations/Observations contained in the Report have been received from the Department of Posts and are categorized as under:-

(i)	Recommendations/Observations which have been accepted by the Government Rec. Sl. Nos.:- 1, 2, 4, 5, 6, 7, 9, 13, 15, 17, 18, 19, 20 and 21	Total	14
		Chapter	II
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government Rec. Sl. No.: Nil	Total	Nil
		Chapter	III
(iii)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Rec. Sl. Nos.:- 3 and 8	Total	02
		Chapter	IV
(iv)	Recommendations/Observations in respect of which the reply of the Government are of interim in nature Rec. Sl. Nos.:- 10, 11, 12, 14 and 16	Total	05
		Chapter	V

4. The Committee trust that utmost importance would be given to implementation of the Recommendations/Observations accepted by the Government. The Committee further desire that Action Taken Notes on the Recommendations/Observations contained in Chapter-I and final action

taken replies to the Recommendations/Observations contained in Chapter-V of this Report should be furnished to them at an early date.

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

A. Revenue Receipts

(Recommendation Sl. No. 3, Para No. 2.4)

6. In their Forty-fifth Report, the Committee had recommended as under:-

“The Committee note that ‘Revenue Receipts’ are an account of sale of postal articles, commission on money orders and Indian Postal Orders, receipts from other premium services, remuneration for Savings Bank, Saving Certificates, etc. The Committee note that the revenue receipts of the Department show a gradual increase. The revenue receipts of the Department of Posts during 2009-10 was ₹6266.70 crores which increased to ₹ 6962.33 crore in 2010-11. The Revenue Receipts in 2011-12 were ₹7899.35 crore. During 2012-13, the revenue receipts at BE stage were Rs. 7793.31 crore which improved at RE stage to ₹ 8762.75 crore and the actual upto January, 2013 has been ₹7342.92 crore. For the year, 2013-14, the Receipts have been projected at Rs. 9101.81 crore. While the revenue from ‘PRC on Ordinary Services’ and ‘Sale of Postage Stamps’ shows a sharp decline, the areas where the revenue receipts of the Department show an upward trend include Speed Post and SB/CC Remuneration. The Committee feel that the Department should take steps to increase its revenue receipts in order to meet the increasing working expenditure. Further, on analysis of cost and revenue from the various postal services, it is observed that out of 18 services, only 3 services viz. Competition Postcard, Letters and Insurance are net revenue generating services. The Committee do not feel contend with this and would like the Department to focus on bringing more products and services in the net revenue generating category. Further, the Department should focus on Schemes envisaged in the Twelfth Plan which include implementation of new and improved processes that are efficient and cost effective, integration and interlinking of applications, network access, etc. which will also help the Department to retail products and services of other service providers. The Committee may be apprised of the action taken in this regard”

7. The Department of Posts in the action taken note has stated as under:-

“The revenue receipts from Postal Operation and Savings Bank is as follows:

(i)	2008-09	- ₹ 5862.3cr
(ii)	2009-10	- ₹ 6266.7cr
(iii)	2010-11	- ₹ 6962.3cr
(iv)	2011-12	- ₹ 7899.4cr
(v)	2012-13	- ₹ 9357.3cr

Thus the revenue growth of 2012-13 in comparison to 2008-09 is 59.6%.

As regards working expenditure it is pointed out that DOP has 1,55,000 post offices which have to be physically manned and hence 92% of DOP cost is on staff of the 1,55,000 locations, 1,30,000 are Gramin Post offices. Thus just to maintain physical locations, the expenditure on staff is mandatory.

Though the department has a wide basket of services, the services which generate maximum revenue is POSB and mails.

The marketing and product management efforts of India Post have resulted into a consistent growth Speed Post of more than 20% for the past three financial years. Revenue generated through Speed Post during last 3 years is as follows :

Year	Revenue (₹in cr)	Percentage increase in revenue
2010-11	748.82	22.00%
2011-12	889.63	18.80%
2012-13*(provl fig)	1261.48	41.80%

*Figures for 2012-13 received up to IInd Supplementary

Revenue receipts of the Express Parcel services have been showing an increasing trend in the previous years. Department has initiated action to automate and mechanise the parcel handling and delivery so as to reduce the working expenditure, increase output and revenue, reduce per parcel handling cost thereby resulting into net profit from the parcel business.

Department has already initiated rationalization exercise for parcel service considering the market demands, offering from the competitors and with a view to increase the customer satisfaction level and market share from the parcel business.

During 12th Five Year plan it is proposed to establish more parcel centers, provided with mechanized handling solutions, mechanized delivery solution etc. These steps will definitely help the department to generate more revenue and decrease its revenue deficit.”

8. During the examination of Demands for Grants (2013-14), the Committee had noted the gradual increase in the revenue receipts of the Department. However, an upward trend in revenue receipts of the Department was only on few items like Speed Post and SB/CC. To increase revenue receipts, the Committee had desired the Department to bring more products and services in the net revenue generating category and focus on schemes envisaged in the Twelfth Plan which include implementation of new and improved processes that are efficient and cost

effective and integration of applications etc. The Committee, however, are constrained to note that the reply of the Department is silent on these aspects of the recommendation although the Department has taken some initiatives for rationalising its parcel services by establishing more parcel centres having mechanized handling and delivery services so as to generate more revenue. The Committee have been consistently recommending that the Department should take steps to increase its revenue receipts through greater application of technology and better utilisation of manpower. The Committee, therefore, reiterate their earlier recommendation to bring more products and services in the net revenue generating category and focus on schemes envisaged in the Twelfth Plan which include implementation of new and improved processes that are efficient and cost effective, integration and interlinking of applications, network access, etc. The steps initiated by the Department to mechanise and automate the parcel handling and delivery system and proposal for establishing of more parcel centres should also be implemented with due promptitude so as to generate more revenue and decrease revenue deficit. The Committee hope that the Department would sincerely implement the measures as recommended and keep the Committee informed of all the progress made in this regard.

B. MAIL OPERATIONS

(Recommendation Sl. No. 8, Para No. 2.9)

9. The Committee had recommended as under:-

The Committee note that Mail Operations is an important scheme of the Department with the objective to streamline mail operations, keeping in view the emerging needs of various customer segments, with special emphasis on the business mail segment and speedy transmission of mails. Some of the important plan schemes under Mail Operations slated for Twelfth Plan are Mail Network Optimization Project; setting up of AMPCs upgradation of Speed Post Centres; development of road transport network; providing bicycles to Postmen for delivery of mail etc. The Department had proposed an amount of ₹ 821.20 crore against which an amount of ₹567.95 crore was approved. The Committee are unhappy to find under utilisation of fund in the scheme during the first year of the Twelfth Plan. During 2012-13, ₹ 77.60 crore was allocated at BE stage which was reduced to ₹51.20 crore at RE stage and the actual utilization upto January, 2013 was only ₹ 35.32 crore. The Committee find that the main reason for under

utilization was non-approval of the plan schemes during 2012-13. The Department is hopeful that almost all the schemes would be approved by the competent authorities in the first to second quarter of the financial year 2013-14. Since many of the plan schemes under Mail Operations are logical continuation of programmes contained in Eleventh Plan, the Committee feel that it is high time that the Department should start implementing the schemes at the earliest. The Committee while expressing their concern over the sluggish approval process, recommend that all necessary approvals for implementation of various schemes and some of which are pending with the Ministry of Finance and the Planning Commission, may be finalized at the earliest so as to ensure meaningful utilization of ₹92.15 crore allocated for Mail Operations during 2013-14. The Committee also recommend that the Government may undertake a review of their approval process so that the activities planned during the first year of the Five Year Plans do not suffer on account of delay in approvals from various quarters.

10. The Department of Posts in the action taken note has stated as under:-

“The observation of the Committee has been taken note off. Approved outlays for XIIth Plan was communicated by Planning Commission, by Sept./October of the first year of plan period. Approval/appraisal of schemes cannot be initiated for any scheme for want of approved outlay which results in delay in obtaining the approval/appraisal of schemes. Although the preliminary work of preparation of EFC/SFC memo, detailed reports are ready on hand, due to non-availability of approved outlays, there is delay in obtaining approvals of competent authority and thereby in implementation of activities and utilization of funds. However, all efforts are being made by department to complete the approval process of all schemes by the end of 1st quarter of 2nd year of plan period so that there is no further delay in implementation of the schemes in coming years.”

11. The Committee had noted that under-utilisation of fund under Mail Operations during 2012-13 was mainly due to non-approval of the plan schemes during 2012-13. The Committee had accordingly recommended for finalization of all necessary approvals for implementation of various schemes so as to ensure meaningful utilization during 2013-14. The Committee had also recommended for undertaking a review of the approval process so that implementation do not suffer an account of delay in getting approval from various quarters. From the Action Taken Note furnished by the Department, the Committee note that all efforts are being made by the Department to complete the approval process of all schemes by the end of 1st quarter of 2nd year of the plan period. However, the Action Taken Note is silent on one of the very important aspects of the

recommendation relating to the review of the approval process. The Committee are of the view that the main reason for the under utilisation of funds and delay in the implementation of various schemes of the Department is mainly due to various processes involved in obtaining approval of schemes and it has become a recurring phenomenon. The Committee are concerned to note that even though many of the plan schemes under Mail Operations are logical continuation of programmes contained in Eleventh Plan, it could not be implemented due to delay in getting approval of various schemes even during Twelfth Plan also. In view of the fact that various processes involved in getting approval of plan schemes are coming in the way for speedy implementation, the Committee would like to reiterate their earlier recommendation for review of the approval process so that the activities planned during the first year of the five year plans do not suffer on account of delay in approvals from various quarters. The Committee desire the Department to explore various means to make the approval process less complex and apprise the Committee of the action taken in this regard.

C. Introduction of new products under PLI/RPLI

(Recommendation Sl. No. 16, Para No. 2.18)

12. The Committee had recommended as under:-

“The Committee note that the objective of Postal Life Insurance (PLI) is to provide insurance schemes for the benefit of Government employees which includes the Central and State Government employees, personnel of local bodies, Government aided Educational institutions, Universities, Nationalized Banks, autonomous and financial institutions and PSUs of Central and State Governments. The Committee also note that the objective of Rural Postal Life Insurance (RPLI), which was introduced in 1995, is to provide insurance coverage to the people living in rural areas with special emphasis on weaker section and women workers. However, from the information furnished by the Department, the Committee finds that in PLI and RPLI, there are no specific term-insurance plans. Since the products under PLI & RPLI offer insurance-cum-investment benefits, their premiums are relatively higher in comparison to ‘pure insurance’ or ‘term-insurance’ plans, the Committee feel that introduction of low premium products such as term-plans would help the Department in offering life-insurance cover to economically weaker sections of the society thereby achieving the desired objectives of the scheme. Such plans, owing to their lower premium, would also help the Department to increase its market share

in the life insurance sector by bringing in more customers. On plans to introduce term-insurance in PLI and RPLI, the Committee note that term-insurance plans under PLI and RPLI are presently under examination by Consulting Actuary. The Committee, therefore, recommend that apart from the existing products, the Department should also explore introduction of lower premium products such as term-insurance plans so as to make the PLI and RPLI schemes more affordable and accessible to women and economically weaker sections of society.”

13. The Department of Posts in the action taken note has stated as under:-

“Devising the new products under PLI/RPLI including the term insurance plans is under examination of consulting Actuary. Once the products design is received from Actuary, the same will be sent to IRDA for vetting as per directions of Ministry of Finance.”

14. The Committee in their Original Report while taking note of the fact that the introduction of low premium products such as term plans would help the Department in offering life-insurance cover to economically weaker section of the society besides helping the Department to increase its market share had recommended introduction of such low premium products. The Committee have been apprised the matter is under the examination of the Consulting Actuary and the same will be sent for IRDA for vetting as per directions of Ministry of Finance. The Committee would like to Ministry to introduce lower premium products including term insurance plans at the earliest and desire that Consulting Actuary may be asked to expedite and furnish their comments with regard to devising the new products under PLI/RPLI. The Committees may be apprised of the conclusive action taken in this regard.

CHAPTER-II

RECOMMENDATIONS / OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Statement of the Minister under Direction 73A of the Directions by the Speaker

(Recommendation Sl. No. 1)

Gross Expenditure

The Committee find that year after year, there has been a gradual increase in the Gross Expenditure of the Department of Posts. It has risen from ₹ 13346.94 crore in 2009-10 to ₹15,231.24 crore in 2012-13 at RE stage and the actual expenditure was ₹ 12,791.65 crore upto January, 2013 and might have further increased by the closing of the financial year. It has been projected at ₹16876.17 crore in 2013-14. According to the Department, the increase in expenditure is mainly on account of payment of salary of its regular employees and Gramin Dak Sewaks and Pensionary charges of the retirees. Both the components, which constitute more than 92 per cent of the Gross Expenditure, are subject to increase due to annual increment, enhancement in DA and MACP. Increase in the cost of materials, services, AMC, petrol, oil and fuel also factors in the increase of Gross Expenditure of the Department. In this regard, the Committee note that to contain the expenditure within the BE 2013-14 provision, the Department is reviewing it on month to month basis. While the Committee are aware of the constraints being faced by the Department in controlling the expenditures under Revenue Section, the Committee desire that the Department should focus on efficient utilization of the available resources and identify areas where introduction of technology can bring in the desired efficiency in curtailing the expenditure. The Committee also desire that all possible steps to be taken to use the existing manpower and resources to their optimum utilization in expanding its activities. The Committee would like to be apprised of the initiatives taken by the Department in this regard.

Reply of the Government

While the increase in revenue expenditure may be attributed to increase in the pay and allowances of the staff from time to time due to periodical increments, MACP and increase in the Dearness Allowance as well as Dearness Relief on the pension, the Department is making all out efforts in containing the expenditure by adopting suitable austerity and economic measures as elicited below :

1. There are prescribed/fixed norms for sanction of establishment to any big or small office of the Department. Based on these norms, periodical review of the establishment of each of the office is carried out and savings in one office are being diverted and redeployed in the other/needly offices from time to time in order to ensure optimum utilization of the manpower available in the Department.

2. The staff is being trained and retrained in new services and developments through various Postal Training Centres (PTCs). Apart from these PTCs, Zonal Training Centres and Workplace Training Centres have been opened in the country as a whole in order to impart training and refresher courses to the various categories of employees and officers, during the

year as a whole, in order to bring efficiency in the manpower and utilize the human resource effectively with increased output.

3. Apart from Administrative offices, computerization of the post offices as well as Mail Offices is also going on steadily which is resulting in effective and efficient utilization of manpower. This measure is cost effective as well. The Department is able to get more and improved output from its employees by use of technology in its administrative as well as operative offices.

4. However one fact which is important to note that 1,55,000 post offices have to be physically manned by staff. To even operate the computer, staff is required. Hence there can be no further staff reduction unless there is a reduction in the number of post offices. However optimum utilization of staff has always been the effort of the Department and with IT the quality of service is to improved.

5. The vacancy which arises out of retirement, death, transfer etc. are filled up promptly by DPCs/Examinations subject to maximum of sanctioned strength in the respective cadres. Till the filling up of vacancies by regular personnel, the work of the vacant posts are managed by attaching the work with other staff, engaging people on temporary basis, posting of staff from other offices etc. This is done with the objective to ensure that the work does not suffer and public interest/their aspiration are taken care of.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 2)

Recoveries

The Committee note that the Department of Posts are paid agency charges for the services rendered by them on behalf of other Departments/Organizations. The Committee find that the recoveries of the Department have marginally increased from Rs. 438.94 crore in 2009-10 to ₹ 485.72 crore in 2010-11 and then reduced to ₹458.64 crore in 2011-12. The recoveries during 2012-13 upto January, 2013 are ₹ 425.97 crore only as against Rs. 665.05 crore at the BE stage which was reduced to ₹623.03 crore at RE stage. As regards the reasons for low recovery in the year 2012-13, the Department has stated that a major source of revenue by way of recovery is the Postal Life Insurance sector and the revenue from PLI & RPLI business during the year 2012-13 is estimated to the tune of ₹ 496.25 crore apart from the recovery of ₹126.78 crore from the other sources. The Committee also note that the estimated recoveries during 2013-14 on account of PLI/RPLI operations is Rs. ₹ 576.58 crore. While the Committee appreciate the increase in recoveries from PLI/RPLI, there is a concern that the efforts made by the Department in increasing recoveries from other heads particularly the commission from WUMTS are not bearing the desired results. The Committee, therefore, recommend that the Department needs to intensify their efforts to stem the decreasing trend in recoveries from other areas in general and money remittances in particular and the Committee may be apprised of the new initiatives taken in this regard. The Committee also note that in the Railway Budget (2012-13) Speech delivered on 14 March, 2012, there was a mention of a proposal for sale of

PRS tickets through 151 Post Offices. The Committee would like to be apprised of the progress, if any, made on this proposal.

Reply of the Government

Department of Posts earned a revenue of (i) ₹ 3562cr from Post Office Savings Bank for 2010-11. (ii) ₹4304cr revenue earned for 2011-12. (iii) ₹5030 cr revenue earned for 2012-13. The total revenue from postal operation earned by DOP is ₹7899 cr.

The Committee has recommended that the Department needs to intensify its effort to strengthen the decreasing trend in recoveries from other areas, in general, and money remittance in particular. In case of International Money Remittance apart from Western Union, the department has tied up with Money Gram Payment Systems Inc. for money remittances product. Further, for both Western Union and Money Gram services, department is working to increase the number of locations offering the services. Besides this, various promotional activities are undertaken such as conducting publicity and promotion about the services through road shows and media advertising, which will help increase the number of transactions thereby increasing revenue.

Further the Department has also introduced the Instant Money Order service which caters for instant domestic money transfers. The tariff for this product has been rationalized, keeping in mind the competitive environment, so as to popularize the product and increase business thereby yielding more revenue on this account. Targets are allotted to Circles to encourage them to build business in the service

No proposal from Ministry of Railways (MOR) for sale of PRS tickets through 151 Post Offices has been received. However, as and when received the proposal for opening of PRS centre from Circles, VIP/VVIPs, the same is forwarded to Ministry of Railways with the approval of Department of Post. When MOR approves the case, the service starts at the proposed center.

At present (Upto march 2013) PRS service is being provided through 237 Post Offices across the country and nearly 650 proposals are pending with MOR for approval of PRS centres in Post Offices.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 4)

Revenue Deficit

The Revenue Deficit of the Department is the difference between the net expenditure and the revenue receipts. The revenue deficit of the Department in 2009-10 was ₹6641.30 crore which was reduced to ₹Rs. 6345.62 crore in 2010-11. It further reduced to ₹ 5805.92 crore in 2011-12. In 2012-13, the revenue deficit at BE stage was ₹5921.35 crore which increased to ₹5935.46 crore at RE stage. The actual deficit upto January, 2013 was ₹5022.76

crore. Appreciating the efforts made by the Department to reduce the deficit, the Committee hope that the Department would make all efforts to maintain the positive trend of reduction in revenue deficit. The Committee trust that the Department would follow two pronged strategy to curtail the deficit viz. reduction in gross expenditure coupled with increase in revenue receipts to reduce the gap between the two as much as possible. The Committee hope that the thrust areas during the Twelfth Plan i.e. IT Induction and Modernization and introduction of Financial Services (Savings Bank and Remittances) would help in achieving the desired objective of reduction in revenue deficit. The Committee would accordingly like the Department to continue the efforts in this regard.

Reply of the Government

Department is contributing more than 50% of the revenue generated by the Department and is continuing its efforts to increase more revenue which will help in reducing deficit of the department.

The Department has taken a series of initiatives under Mail Network Optimisation Project in order to improved the quality of mail services. The Department is also trying to upgrade the infrastructure and optimised network are expected to result in better quality of service.

The Department is putting their continued efforts in implementation of the IT modernisation project which includes the provision of Financial Services (Saving Bank and remittances). The implementation of IT modernization Project is in progress and the current status of the various RFPs of the project is given below :

RFP Name	Vendor	Summarized Status
Data Center Facility	M/s Reliance	Primary Data Center completed and handed over to Department for usage on 03.04.13.
Network Integrator(NI)	M/s Sify	Physical link deployed on 119 CBS Pilot locations and 825+ locations of Phase 1. Wan roll out started in Pos.
Financial system Integrator (FSI)	M/s Infosys	(i)Customization of Core Banking Solution to POSB requirements ongoing
Change Management (CM)	M/s. TCS	i. 1 st Change Readiness & Assessment Survey conducted. Around 19000 feedback received. ii. 30 Change Management workshops completed. iii. Stakeholder analysis in progress
Core System Integrator (CSI)	M/s TCS	Contract signed with M/s. TCS on 15 th April 2013 and project implementation has started.
Rural Hardware (RH)		RFP floated on 12.7.13
Rural System Integrator (RSI)	M/s. Infosys	Contract signed with M/s Infosys on 28 th Feb 2013. Presently on hold, on account of non-on boarding of RH vendor.
Mail Operations hardware (MOH)		Re-tendering done. Tender evaluation ongoing
PM Tools RFP		Technical Evaluation is under process.

Department has been continually engaged in providing greater impetus to business activities of the Department and formulating/organizing and implementing various policies keeping in mind the market considerations of its products and services. Further, BD & M Directorate is working on exploring new business areas by way of customizing its existing services/introduction of new services. For eg : as a value addition to the Speed Post service and with a view to build the business in e-commerce market. Department is working towards Speed Post Cash on Delivery (SP-CoD) which software is under testing at CEPT Mysore. These initiatives will help the Department to increase its revenue outcomes and control the deficit.

Revenue receipts of the Express Parcel Services have been showing an increasing trend in the previous years. Department has initiated action to automate and mechanise the parcel handling and delivery so as to reduce the working expenditure, increase output and revenue, reduce per parcel handling cost thereby resulting in net profit from the parcel business.

Department has already initiated rationalization exercise for parcel service's considering the market demands, offering from the competitors and with a view to increase the customer satisfaction level and market share from the parcel business.

During 12th Five Year Plan it is proposed to establish more parcel centres with fully automated/mechanized handling solutions, mechanized delivery solution etc. These steps will definitely help the department to generate more revenue and decrease its revenue deficit.

Department of Post has tied up and in the process of new tie ups with various organizations for sale of various products/services through Post Offices. The existing tie ups under Retail Post are also being extended depending upon the commercial viability and customer needs.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 5)

Capital Section

The Committee are concerned to note that there is persistent underutilization of funds allocated to the Department under the Capital section. During the year 2012-13, the allocation at BE stage was ₹ 615.77 crore which was reduced to ₹ 207.60 crore at the RE stage while the actual utilization upto January 2013 is just ₹73.97 crore which is a mere 12 per cent of the Budget Estimates. When asked about reasons for such low utilization of funds during 2012-13, the Department submitted that being the first year of the Twelfth Plan period, no new scheme could be implemented due to delay in approval of Plan schemes. The actual utilization is on account of ongoing schemes and to meet spillover payments of previous year. However, the Committee note that underutilization of allocated funds under the Capital section is a perennial problem. The Committee are of the strong opinion that under utilization of funds meant for capital section has a direct bearing on improving the desired infrastructure for better performance in Department schemes. Such severe underutilization indicates some serious flaws in the planning and execution of the projects undertaken by the Department. The Committee strongly feel that there is an urgent need to have a relook at the planning and execution

processes followed by the Department in implementation of the various projects that leads to significant underutilization of the allocated funds. The Committee hope that such a step would enable the Department in ensuring that allocation of funds of Rs. 433.23 crore for the year 2013-14 meant for capital expenditure are prudently and optimally utilized.

Reply of the Government

₹5 cr. has been allocated to circles under the Plan scheme for embedding cash chests at 12500 Rural BOs during 2013-14. The circles have also been requested to ensure 100% utilization of fund and achievement of physical targets within the financial year 2013-14.

During 2012-13 Department has allotted ₹ 5.34 Crs. to Technology Division for computerization of remaining Departmental Post Offices and out of this fund ₹4.22 crs was allotted to circles for computerizing remaining Departmental Post Offices.

Action has already been initiated by the Department to obtain the approval/ appraisal of the plan schemes of XIIth Plan by end of 2nd quarter of 2013-14. So far out of 36 components of a total 74 components of 10 schemes of XII Plan have been approved by the competent authority and the remaining are in pipeline. It is anticipated that by end of September, 2013 most of the remaining components shall be approved. Once the schemes are approved implementation of process will commence immediately. Thereby it can be anticipated that department will be in a position to utilize the funds allocated to full extent during 2013-14.

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(Recommendation Sl. No. 6)

Review of Plan Schemes

The Committee note that there has been under-spending of Plan Outlays by the Department during the Eleventh Five Year Plan. Out of ₹ 4180 crore which was the total approved outlay for the Plan Schemes during the Eleventh Plan, the total budgetary allocation at BE stage was ₹2995 crore out of which ₹. 1593.63 crore had been the actual utilization. The Committee find it surprising that the Department could utilize about half of the allocated outlay during the entire Eleventh Plan. For the Twelfth Five Year Plan (2012-17), against proposed outlay of ₹12000 crore, ₹5527 crore has been approved by the Planning Commission. While observing that for the Twelfth Plan, there is massive gap between the proposed allocation by the Department and the amount allocated by Planning Commission at BE stage, the Committee are dismayed to note that the utilization of funds during the first year (2012-13) of the Twelfth Plan is quite low. The Department has informed that the low utilization of funds during the first year of the Plan-period is owing to pending approvals for a number of schemes. A case in point is IT Induction and Modernization scheme, which has been allocated ₹ 3046.75 crore for the entire Twelfth Plan period out of total allocation of ₹ 5527 crore for all the schemes. The BE of ₹516.00 crore of this Scheme for 2012-13 was reduced to ₹109.36 crore at RE stage and the actual utilization in the scheme upto January 2013 has been shown as Rs. 16.19 crore only.

During the evidence, the Secretary, Posts had informed the Committee that the projects were not able to move forward because they were at various stages of approval and funds were provided only for ongoing schemes and to meet spillover payments of previous year. With the approval of Twelfth Plan outlay/projects, the Committee expect that the Department would make concerted efforts to streamline the approval system of the schemes and steps would be taken to ensure that schemes are approved expeditiously and the funds allocated are fully utilized.

Reply of the Government

Action has already been initiated by the Department to obtain the approval/ appraisal of the plan schemes of XIIth Plan by end of 2nd quarter of 2013-14. So far, approval for ₹3438.66 crores out of total XIIth Plan outlay of ₹5527 crore has been obtained from the competent authority which consist of 36 components of a total 74 components of 10 schemes and the remaining are in pipeline. It is anticipated that by end of September, 2013 most of the componets shall be approved. Once the schemes are approved implementation of process will commence immediately. Thereby it can be anticipated that department will be in a position to utilize the funds allocated to full extent during 2013-14.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation SI. No. 7)

Franchisee Outlets

The Committee note that the Department of Posts have been implementing two commission based schemes i.e. 'Franchisee Outlets' in the urban and upcoming urban areas and 'Panchayat Sanchar Sewa Kendra' (PSSK) in the rural areas for expanding the postal network. As per its mandate, Franchisee Outlets are opened where there is a need and justification for opening of Post Offices but the Department is not in a position to open the same due to departmental norms. There was a proposal for opening of 10,000 Franchisee Outlets during the Eleventh Plan which was reduced to 8100 Franchisee Outlets and only 463 could be opened during the entire Eleventh Plan. In contrast, during the Twelfth Plan, there is a proposal of opening 1050 Franchisee outlets while there is no proposal to open any new PSSKs during the 12th Plan period as the PSSK scheme was not found to be effective. As on 31.03.2012, there are 1670 Franchisee Outlets functioning in the country. The Committee also note that against the physical target of opening 250 new Franchisee Outlets during 2012-13, 205 Outlets have been opened upto 28 February, 2013. The Committee appreciate the proposal of the Department for expansion of the range of services to be offered by the franchisees, extension of the area of activity of franchisee scheme and for provision of additional commission beyond the prescribed amount of transactions under the franchise scheme. The Committee are of the view that the concept of Franchisee Outlets is a novel idea for the expansion of postal network in the expanding urban areas as it do not add to the establishment cost of the Department. Therefore, initiatives should be taken by the Department to increase the Franchise Outlets in areas that are currently not covered by the postal network and measures should be taken to ensure that the targets of opening new Franchisee Outlets during the Twelfth Plan are fully achieved.

Reply of the Government

During last financial year 2012-13, 255 Franchisee outlets have been opened against the target of 250 Franchisee Outlets. The physical target for opening 200 Franchise Outlets during current financial year 2013-14 and fund allocation for this purpose have already been given to Circles. The circles have also been requested to ensure 100% utilization of funds and achievement of physical targets within the financial year 2013-14. RB Division will monitor the timely utilization of fund by circles and will ensure that allotted fund is fully utilized by the Circles during 2013-14. The Circles have also been requested to ensure 100% utilization of fund and achievement of physical targets within the financial year 2013-14. RB Division will monitor the timely utilization of fund by Circles and will ensure that allotted fund is fully utilized by the Circles during 2013-14.

Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 9)

Setting up of Automated Mail Processing Centres

The Committee note that the setting up of 'Automated Mail Processing Centres' (AMPCs) is one of the major activities which have been continued from the Eleventh Plan. The objective of the Scheme was to extend the AMPCs facility to more cities to enhance the mail handling capacity, reducing the cost of operations and improving the quality of the service. The financial outlay approved for this scheme was ₹ 40 crore during 2012-13 and ₹20 crore during 2013-14. The Committee have been informed that AMPC set up in 1993 is still functional in Mumbai. Besides, two new AMPCs have been set up in Delhi and Kolkata in 2012. The mail handled by these centres in comparison to the total mail handled by the Department is 5.44 per cent. The Department has also informed the Committee that it is also proposed to replace the existing AMPC in Mumbai and Chennai and set up new AMPC in Bangalore and Hyderabad. The Committee note that one of the main issues involved in setting up of AMPCs is availability of land. The Committee are however dismayed to find that even when land has been allotted in Hyderabad and Mumbai and finalized for Bangalore, the proposal for setting up AMPCs at these places is yet to be sent to the Ministry of Finance and the Planning Commission for their approval as the same is still under preparation for consideration of the Expenditure Finance Committee (EFC). The Committee deprecate such a lackadaisical attitude of the Department towards the implementation of such an important scheme. In view of the important function performed by AMPC in streamlining the mail operations and speedy delivery of mails, the Committee strongly recommend that the proposal for setting up AMPCs may be prepared and submitted to EFC without any further delay so that the subsequent approval of the Ministry of Finance and Planning Commission can be obtained at the earliest. The Committee also recommend that the Department should set up a specific time frame for implementation of the entire project. The Committee may be apprised of the progress made in this regard after 3 months of the presentation of this Report.

Reply of the Government

The land for establishment of AMPC in Hyderabad, Bangalore and Mumbai has been allotted, but the evaluation of lease value by C.P.W.D from Chennai and Mumbai ordered by Civil Aviation Ministry is awaited. At Hyderabad, discussions are going on with the State Government. At Bangalore, discussions are going on with Bangalore International Airport Ltd. (BIAL) for purchase/allotment of land on long term lease. The EFC memo on the plan scheme has been sent to Ministry of Finance and Planning Commission. A time frame for implementation of the project has been prepared.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 13)

Training of officials and Agents

The Committee note that training related to Financial Services including marketing of Financial products is critical in improving the performance of the Postal employees and feel that efforts to improve the skills and capabilities of employees through training and strategic collaborations with leading service providers in banking and insurance sectors are necessary to equip the workforce with the knowledge of financial products and services offered/proposed to be offered by DoP and should be taken up on a priority basis. The Committee also feel that since the domain of Banking and Insurance offers specialized products, a basic knowledge of the diverse range of products is a necessary pre-requisite to improve the productivity of the employees. In this regard, the Department has informed the Committee that training related to Financial Services including marketing of Financial Products is part of the overall training being imparted to the employees of various categories from Group 'C' and above through Work Place Computer training Centres, Postal Training Centres and Staff college of Department of Posts. The Committee note that during 2011-12, around 50,000 employees were trained through these institutions. During Twelfth Plan, the Department has planned to train all Group 'C' and above employees in overall IT Project related activities which also includes Financial Services. For implementation of Core Banking Solution (CBS), around 18,000 staff at various levels will be trained by Financial Services System Integrator during 2013-14. The Committee feel that since Department of Posts is a service oriented entity having a large workforce of 4.74 lakh employees, proper emphasis on training requirement of the human resource should be a priority area. While appreciating the existing efforts of the Department to meet the training requirement of its large workforce, the Committee stress upon the need to focus on training requirements of such a large workforce particularly in the area of Financial Services including marketing of Financial products and the related IT tools.

Reply of the Government

Presently, training on Banking Insurance and financial services is being imparted by the Department in-house. Training to all personnel involved in "across-the-counter" and "back office" banking and insurance activities is imparted using Standard Training Package (STP) developed by the Department. Training is also conducted at the six Postal Training centres at Mysore, Vadodara, Madurai, Saharanpur, Gawahati and Darbhanga, both as Induction Training

and In-Service Training . Work Place Training Centres (WTCs) and all the categories of operative staff are covered during all Mid Career training in a phased manner.

Under the new IT Modernization Project, the implementation of multiple solutions and new processes will significantly impact the way employees work across India Post today. Training will be organized in a manner so as to prepare and support the workforce to understand, learn and adapt the new way of working to fully realize the potential benefits of this change. To manage this large scale implementation, which will impact almost all the employees, a comprehensive and well structured training has been planned in all the functional areas. This training will be given at the time of roll out of the new banking and Insurance Software.

On the Core Banking system (CBS) and Postal Life Insurance (PLI) applications under the India Post Project, about 4000 trainers (Departmental officials) will be trained by the vendor (Infosys) and these trainers will in turn train all the employees on CBS and PLI applications. The entire CBS and PLI training management, scheduling, effectiveness and evaluation will have very professional approach as it will be overseen and co-ordinated by the Change Management Vendor (TCS).

The training will be imparted in PTCs and WTCs. To bring the training closer to their workplace, opening of 100 new WTCs has been planned during 2013-14.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 15)

Postal Life Insurance (PLI)

The Committee note that Postal Life Insurance (PLI) is amongst the few services offered by the Department that makes significant contribution to the revenue of Department of Posts. During the evidence, it was identified by the Secretary of Posts as amongst the areas of work where the Department is going to focus in order to improve its revenue receipts. The Committee are, however, unhappy to find that although the overall subscription to PLI Schemes is rising, the year-on-year number of policy procurement shows a decline for both PLI and RPLI. In PLI, the number of Policies procured during 2009-10 was 5,97,234, during 2010-11 it reduced to 5,40,482 and during 2011-12 it further reduced to 4,82,423. The trend is an indicator of waning popularity of the Postal Life Insurance schemes amongst the subscribers. When viewed in light of the fact that PLI contributes significantly towards the revenue of the Department of Posts, it assumes even greater significance. There is also a simultaneous increase in the number of policy surrender/withdrawal in RPLI. In RPLI, the total number of surrender(withdrawal) of policies during 2009-10 was 16,295, during 2010-11 it increased to 22,118 and during 2011-12, it further increased to 28,776. The trend of declining policy procurement coupled with increasing surrender/withdrawal compounds the problem and presents a bleak outlook for a scheme that contributes significantly to the revenue of Department of Posts. The Committee trust that the Department would take immediate measures to stem the decline in subscriptions

and focus on initiatives to popularize the Postal Life Insurance Schemes amongst the intended beneficiaries.

Reply of the Government

Over the past few years, emphasis has been to increase revenue in the shape of premium income by procuring high value policies rather than merely increasing number of policies. PLI premium income has registered a growth of 24.77%, 22.56% and 25.89% respectively in 2010-11, 2011-12 and 2012-13 respectively over preceding financial year with an average growth of about 24% each year. In RPLI there were 99.25 lacs, 122.02 lacs and 135.47 lacs policies as on 31-03-10, 31-03-2011 and 31-03-2012 and out of these policies the percentage surrender was 0.16%, 0.18% and 0.21% respectively in 2009-12, 2010-11 and 2011-12.

In order to increase the business of PLI/RPLI in terms of number of policies the following steps are being initiated :

- i. Coverage of newly expanded clientele base of PLI such as employees of commercial banks, joint ventures, credit co-operative societies, deemed universities etc.
- ii. Aggressive marketing and publicity of PLI/RPLI products through electronic, outdoor and print media.
- iii. Raising the outer sum assured limit of PLI and RPLI.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 17)

Online viewing and payment of premium of PLI/RPLI policies

The Committee are disappointed to note that the Department of Posts has been unable to meet the long pending demand for facility of online viewing and payment of premium of PLI/RPLI policies by the customers. The Committee had also taken up the issue in their Twenty-fourth Report of Demands for Grants (2011-12). However, the facility to view and pay the premium online is yet to be rolled out for the benefit of PLI/RPLI customers.

In this regard, the Committee note that the Department is presently in the process of restructuring/computerizing all operations of PLI/RPLI under the Financial Services Integration Project. Under the project, comprehensive software is being developed by M/s Infosys which will handle all aspects related to issue of policy bond, collection of premium through post office or online, surrender of policies and sanction of loans etc. This software is slated to roll out in Pilot Phase, Phase-I & Phase-II and the Phase-I rollout is scheduled for July, 2013. The Committee strongly recommend that the Department should make sincere efforts to facilitate introduction of online view and pay facility for its PLI/RPLI customers to make the Postal Life insurance products more accessible and user-friendly. The Committee may be apprised about the outcome of the efforts made by the Department in this regards.

Reply of the Government

Under the Financial Services Integration Project of the Department which is at Software Development stage there is already a provision of facility of viewing PLI/RPLI policy status online. This is expected to be rolled out within a period of one year.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 18)

IT INDUCTION AND MODERNIZATION

The Committee note that IT Induction and Modernization is an important scheme of the Department that got maximum Outlay of Rs. 3046.75 crore for the entire Twelfth Five Year Plan. The Committee also note that the Scheme is a continuation from the Eleventh Plan with some additions and changes in its scope and objectives. The new initiatives to be implemented under this schemes includes supply of Mail Office Hardware; Development and deployment of Rural ICT solutions and Banking and PLI solutions; setting up of Data Centre and Disaster Recovery system; Network Integration, etc. The Secretary, Posts, while deposing before the Committee acknowledged the importance of the scheme to the Department. Under this Scheme, the Department had floated 8 Requests for Proposals (RFPs) which are at various stages of finalization. There were plans to computerize all the Departmental Post Offices by 31st March, 2013. It is also proposed that all the Departmental Offices would be electronically networked by December, 2013. As regard setting up of National Data Center and Disaster Recovery Center, the Committee note that the Data Center has been set up at the Vendor's space and DRC would be set up at CEPT Mysore. The Committee have been repeatedly emphasizing the need for computerization of Post Offices since a number of core activities of the Department such as implementation of Core Banking Solution, setting up of Post Bank of India and delivery of Financial Services are reliant upon computerization of Post Offices. However, the Committee are perturbed to note that despite being continued from the Eleventh Plan, the objective of computerization of Post Offices is yet to be achieved. As per information furnished by the Department, 24,969 Departmental Post Offices have been computerized so far and out of this 23,552 computerized post offices have internet facility. While noting that being the first year of the Plan period, projects under the scheme are at various stages of approval, the Committee find gross under utilization of allocations in such an important scheme is a cause for concern. The Committee find that for 2012-13, an amount of ₹516.00 crore was allocated at BE stage which was reduced to ₹109.36 crore at RE stage and the actual utilization upto January, 2013 was only ₹16.19 crore. The Committee while observing that IT induction and modernization is an all encompassing Scheme that will improve the performance and efficiency of the Department in all its functional areas are of the opinion that any delay in implementation of this Scheme is likely to have a cascading effect on other areas as well. Therefore, the Committee urge the Department to give due importance to the Scheme and ensure that the various projects are completed in a time-bound manner while making optimum utilization of the allocated funds. The Committee also recommend that the appropriate

monitoring mechanism is also put into place for ensuring the time bound implementation of the planned physical and financial targets.

Reply of the Government

The Department is putting their best efforts in implementation of the IT Modernisation Project. The Department is regularly monitoring the progress of IT modernization project. Duly approved Project Governance Structure has been put in place for monitoring the implementation of the project (both physical and financial targets). It will also ensure that the various projects in IT modernization project are completed in a time bound manner with the optimum utilization of the allocated funds.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 19)

ESTATES MANAGEMENT

The Committee note that out of a total of 1802 vacant plots available with the Department of Posts in all the 22 circles, 243 plots (i.e. 13.49 per cent of the total plots) are under encroachment. The situation becomes more worrisome when it is taken into account that the Department is operating from rented accommodation in these 22 circles and has incurred expenditure of Rs. 69.40 crore, Rs. 74.66 crore and Rs. 67.48 crore for the years 2009-10, 2010-11 and 2011-12 respectively. During the evidence, the Department had informed the Committee that a special allocation of Rs. 45 crore has been made this year for construction of boundary walls on the vacant plots to prevent further encroachment. The Committee are perturbed to note that while the plots in possession of the Department are lying vacant and prone to encroachment, the Department is incurring huge expenditure by way of operating from rented accommodation. In some of the States such as Andhra Pradesh, Gujarat, Karnataka, Kerala, Maharashtra, Rajasthan, Tamil Nadu and West Bengal, both the number of vacant plots as well as the number of Post Offices operating from rented accommodation are quite high. The Committee, therefore, desire that the Department needs to focus on such States to convert these vacant plots into productive assets by construction of its own buildings thereby reducing its reliance on rented accommodation while cutting down on rental expenditure at the same time. The Committee feel that such a measure would help the Department in curtailing its increasing expenditure and also prevent the encroachment of its vacant plots in the 22 Postal Circles. The Committee would like to be apprised of the efforts made by the Department in this regard.

(Para 2.21 of the 45th Report)

Reply of the Government

Regarding encroachment of Departmental plots, it is submitted that necessary instructions have already been issued to all the Heads of Postal Circles that eviction of unauthorized personnel from the encroached land of the Department may be done after seeking assistance of the law enforcing agencies for all the plots of Department of Posts, which have been encroached upon.

It is proposed to construct 175 boundary walls for an outlay of ₹15 Crs. in the first phase of the 12th Plan. Additional funds, if any, for construction of more boundary walls will be sought after utilization of allotted funds at "Mid-Term review" stage to enable the Department to construct boundary walls on the remaining Departmental vacant plots, where there is no boundary wall/barbed-wire, as per the directions of Standing Committee on Information Technology (2011-12) on 'Demands for Grants (2012-13)' relating to the Ministry of Communications and Information Technology – Department of Posts, vide para 24 of 33rd Report.

Further, in view of approved outlay provided for 12th Plan and the estimated cost for construction of building projects projected by the Postal Engineering Wing, it is proposed to construct 73 Post Office buildings (including 1 lift project), 5 Administrative Office buildings (including 1 lift project) and 10 staff quarter projects besides implementation of other proposed Plan activities, subject to approval of 'EFC' for 12th Plan.

(Reply to Para 2.21 of the 45th Report)

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

The Committee also note that 'Preservation of heritage buildings' is an important activity under the Estates Management Scheme that got an allocation of ₹2.00 crore during 2012-13 with a physical target of preservation of 10 heritage buildings while for the year 2013-14, there is an allocation of ₹2.00 crore for preservation of 5 heritage buildings. The Committee feel that there is a need to identify heritage buildings owned by the Department of Posts and steps should be taken to preserve their heritage character. The Committee may be apprised about the initiatives taken in this regard.

(Para 2.22 of the 45th Report)

The Department has 38 Heritage Buildings, which have tremendous architectural value. It is the policy of the department to preserve of these invaluable assets. These buildings have been declared as Heritage Buildings in the light of instructions issued by 'INTACH' (Indian National Trust For Art and Cultural Heritage). Thus, special efforts are being made to preserve these heritage buildings through Plan funds.

The Plan activity "Preservation of Heritage Buildings" has already been included in the "EFC (Expenditure Finance Committee) Memorandum" under the Plan scheme "Estates Management" for 12th Five Year Plan and the issue is under examination with Planning Commission and Department of Expenditure (Ministry of Finance) and the same is likely to be finalized shortly.

During the year 2012-13, no funds under the Plan sub head "Preservation of Heritage Buildings" could be incurred due to non-finalization of 'EFC' for 12th Plan. In the current financial year (2013-14), an outlay of Rs. 1 Cr. has been provided for preservation of 3 Heritage Buildings. In view of demand projected by the circles for preservation of Heritage buildings, funds will be allotted to the concerned circles after the approval of 'EFC' for 12th plan.

(Reply to Para 2.22 of the 45th Report)

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 20)

Issues pending with Ministry of Finance

The Committee note that some of their recommendations made in the previous Reports which were taken up by the Department with the Ministry of Finance were long pending. These issues included providing autonomy to the Department of Posts on the issue of rates of interest provided under various Small Saving Schemes, increasing the ceiling of Deposits in Single and Joint Accounts of the Postal Savings Bank, starting of new schemes under Small savings schemes, in terms of policy matters with regard to insurance activities of DoP and positive consideration in fixing the rate of remuneration provided to DoP for various agency services, etc. In this regard, the Committee are pleased to note that the ceiling in Single and Joint Accounts has been removed by the Ministry of Finance and that the Department is now revising interest rates of Small Savings Schemes every financial year. However, revision of the rate of remuneration for Zero Balance Accounts is still pending with the Ministry of Rural Development for decision. The Committee, therefore, recommend that the Department should pursue the same with the Ministry of Rural Development so that the rate of remuneration for Zero Balance Accounts can be appropriately revised. The Committee may be apprised about the progress made in this regard.

Reply of the Government

An expert group was constituted by Ministry of finance to consider the issue of remuneration to the Department of Posts for POSB work. The Expert Group has recommended remuneration of ₹175 per account per annum for 2013-14. Department of Expenditure, Ministry of Finance has intimated that the issue relating to suitable remuneration to Department of Posts for disbursement of MGNREGA wages needs to be taken up by Department of Posts with Ministry of Rural Development. Subsequently, Ministry of Rural Development agreed to pay an amount not exceeding Rs.80/ per active account to Department of Posts. Department of Posts raised the claim for Rs. 566.47 Cr. Vide letter dated 5.11.12.

However, MoRD has released an amount of ₹184.99 crores towards reimbursement of administrative expenses incurred by the Department of Posts for disbursement of MGNREGS wages through Post Offices for the financial years 2009-10 to 2011-12. An amount of ₹566.47 crores is yet to be paid by MoRD to Department of Posts for the same period. Department of Posts is pursuing the matter for payment of balance amount with MoRD.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 21)**Implementation of UIDAI Project by the Department of Posts**

The Committee note that the Department has signed MoU with UIDAI for enrollment and dispatch/delivery of Aadhar letters. The Department has informed that a total of 4665 Post Offices are provided with the facility of collection of data for UID Card. According to UIDAI portal, the Department of Posts has done 93,01,084 successful enrolments of UID cards and as on 25 March, 2013, the Department has delivered a total of 19.01 crore UID cards. The data reveals that share of Department in delivery of UID cards far exceeds its share in enrolment. Out of total number of UIDAI Aadhar Speed Post Letters, as on 25 March, 2013, 98.14 per cent were delivered successfully, 1.20 per cent were returned back to UIDAI due to reasons such as addressee leaving the address, incomplete address, pin code, etc. and 0.66 per cent were in mail flow pipeline. The Committee were informed that due to non-receipt of Enrolment Agency wise, State/UT wise and month wise details of successful enrolment from UIDAI, the Department is unable to settle accounts with all enrolment agencies. Further, UIDAI has unilaterally reduced the amount paid to the Department for each successful enrolment from ₹50/- to ₹40/-. The Department has taken up both the issues with UIDAI. The Committee appreciate the significant role played by the Department in successful delivery of 19.01 crore Aadhar letters. The Committee, feel there is a lot of scope for further increasing the enrolment for UID cards through Post Offices. The Committee recommend that the Department should set up more Enrolment Centres to increase the enrolment and take measures to further improve timely delivery of Aadhar letters. The Committee desire that they may be apprised of any difficulties being countered by the Department in this regard.

Reply of the Government

Department of Posts is working as Registrar of UIDAI for Aadhar enrolments through Post Offices. India Post has completed the first phase successfully and the UID enrolment work was stopped in February, 2012 as per instruction of UIDAI.

Second phase of UID enrolment is being carried out in 8 States/UTs presently. A total of 356 enrolment stations are active currently.

The issue of non receipt of EA wise, State/UT-wise and Month-wise details of successful enrolment from UIDAI, reduction of the amount being paid to the Department for each successful enrolment from ₹50/- to ₹40/- is being pursued with the UIDAI.

At present UIDAI has started posting of Aadhar letters as first class franked mail from January, 2013 as an interim measure. The Department is not facing any major difficulties in the same.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

CHAPTER –III

**RECOMMENDATION / OBSERVATION WHICH THE COMMITTEE DO NOT DESIRE
TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT**

--NIL--

CHAPTER –IV

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

(Recommendation Sl. No. 3)

Revenue Receipts

The Committee note that 'Revenue Receipts' are an account of sale of postal articles, commission on money orders and Indian Postal Orders, receipts from other premium services, remuneration for Savings Bank, Saving Certificates, etc. The Committee note that the revenue receipts of the Department show a gradual increase. The revenue receipts of the Department of Posts during 2009-10 was ₹6266.70 crores which increased to ₹6962.33 crore in 2010-11. The Revenue Receipts in 2011-12 were ₹7899.35 crore. During 2012-13, the revenue receipts at BE stage were Rs. 7793.31 crore which improved at RE stage to ₹ 8762.75 crore and the actual upto January, 2013 has been ₹7342.92 crore. For the year, 2013-14, the Receipts have been projected at Rs. 9101.81 crore. While the revenue from 'PRC on Ordinary Services' and 'Sale of Postage Stamps' shows a sharp decline, the areas where the revenue receipts of the Department show an upward trend include Speed Post and SB/CC Remuneration. The Committee feel that the Department should take steps to increase its revenue receipts in order to meet the increasing working expenditure. Further, on analysis of cost and revenue from the various postal services, it is observed that out of 18 services, only 3 services viz. Competition Postcard, Letters and Insurance are net revenue generating services. The Committee do not feel contend with this and would like the Department to focus on bringing more products and services in the net revenue generating category. Further, the Department should focus on Schemes envisaged in the Twelfth Plan which include implementation of new and improved processes that are efficient and cost effective, integration and interlinking of applications, network access, etc. which will also help the Department to retail products and services of other service providers. The Committee may be apprised of the action taken in this regard.

Reply of the Government

The revenue receipts from Postal Operation and Savings Bank is as follows:

(i)	2008-09	- ₹5862.3cr
(ii)	2009-10	- ₹6266.7cr
(iii)	2010-11	- ₹6962.3cr
(iv)	2011-12	- ₹7899.4cr
(v)	2012-13	- ₹9357.3cr

Thus the revenue growth of 2012-13 in comparison to 2008-09 is 59.6%.

As regards working expenditure it is pointed out that DOP has 1,55,000 post offices which have to be physically manned and hence 92% of DOP cost is on staff of the 1,55,000 Locations, 1,30,000 are Gramin Post offices. Thus just to maintain physical locations, the expenditure on staff is mandatory.

Though the department has a wide basket of services, the services which generate maximum revenue is POSB and mails.

The marketing and product management efforts of India Post have resulted into a consistent growth Speed Post of more than 20% for the past three financial years. Revenue generated through Speed Post during last 3 years is as follows :

Year	Revenue (₹in cr)	Percentage increase in revenue
2010-11	748.82	22.00%
2011-12	889.63	18.80%
2012-13*(provl fig)	1261.48	41.80%

*Figures for 2012-13 received up to IInd Supplementary

Revenue receipts of the Express Parcel services have been showing an increasing trend in the previous years. Department has initiated action to automate and mechanise the parcel handling and delivery so as to reduce the working expenditure, increase output and revenue, reduce per parcel handling cost thereby resulting into net profit from the parcel business.

Department has already initiated rationalization exercise for parcel service considering the market demands, offering from the competitors and with a view to increase the customer satisfaction level and market share from the parcel business.

During 12th Five Year plan it is proposed to establish more parcel centers , provided with mechanized handling solutions, mechanized delivery solution etc. These steps will definitely help the department to generate more revenue and decrease its revenue deficit.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

Comments of the Committee
(Please see Para No. 8 of the Chapter I)

(Recommendation Sl. No. 8)

MAIL OPERATIONS

The Committee note that Mail Operations is an important scheme of the Department with the objective to streamline mail operations, keeping in view the emerging needs of various customer segments, with special emphasis on the business mail segment and speedy transmission of mails. Some of the important plan schemes under Mail Operations slated for Twelfth Plan are Mail Network Optimization Project; setting up of AMPCs upgradation of Speed Post Centres; development of road transport network; providing bicycles to Postmen for delivery of mail etc. The Department had proposed an amount of ₹ 821.20 crore against which an amount of ₹567.95 crore was approved. The Committee are unhappy to find under utilisation of fund in the scheme during the first year of the Twelfth Plan. During 2012-13, ₹

77.60 crore was allocated at BE stage which was reduced to ₹51.20 crore at RE stage and the actual utilization upto January, 2013 was only ₹ 35.32 crore. The Committee find that the main reason for under utilization was non-approval of the plan schemes during 2012-13. The Department is hopeful that almost all the schemes would be approved by the competent authorities in the first to second quarter of the financial year 2013-14. Since many of the plan schemes under Mail Operations are logical continuation of programmes contained in Eleventh Plan, the Committee feel that it is high time that the Department should start implementing the schemes at the earliest. The Committee while expressing their concern over the sluggish approval process, recommend that all necessary approvals for implementation of various schemes and some of which are pending with the Ministry of Finance and the Planning Commission, may be finalized at the earliest so as to ensure meaningful utilization of ₹92.15 crore allocated for Mail Operations during 2013-14. The Committee also recommend that the Government may undertake a review of their approval process so that the activities planned during the first year of the Five Year Plans do not suffer on account of delay in approvals from various quarters.

Reply of the Government

The observation of the Committee has been taken note off. Approved outlays for XIIth Plan was communicated by Planning Commission, by Sept./October of the first year of plan period. Approval/appraisal of schemes cannot be initiated for any scheme for want of approved outlay which results in delay in obtaining the approval/appraisal of schemes. Although the preliminary work of preparation of EFC/SFC memo, detailed reports are ready on hand, due to non-availability of approved outlays, there is delay in obtaining approvals of competent authority and thereby in implementation of activities and utilization of funds. However, all efforts are being made by department to complete the approval process of all schemes by the end of 1st quarter of 2nd year of plan period so that there is no further delay in implementation of the schemes in coming years.

Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

Comments of the Committee (Please see Para No. 11 the Chapter I)

CHAPTER –V**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM IN NATURE****(Recommendation Sl. No. 10)**Providing bicycles to Postmen for delivery of Mails

The Committee note that providing bicycles for delivery of mails is an important activity under the 'Mail Operations including International Mails and Global Business' Scheme as a part of the new Schemes/Projects initiated during 2012-13. Under this activity, ₹11.50 crore has been allocated during 2013-14 for providing 30,000 bicycles to postmen for delivery of mails. The Committee are, however, constrained to note that the Scheme could not be approved till December, 2012 and only recently, the Competent Authority has accorded the approval and the action has been initiated. The Committee feel that the mobility of Postmen is critical in ensuring timely delivery of Mails in the villages located in the rural and far flung areas. To deliver the dak from the post offices to the villages, which are not connected with the motorable roads, the bicycles are the best options in such areas to overcome the problem of last mile connectivity. The Committee while finding the delay in approval of the scheme to provide bicycles to postmen for delivery of mails is quite disheartening are of the opinion that this Scheme should be given utmost attention by the Department. The Committee, therefore, recommend that all steps must be taken by the Department for ensuring timely implementation of the Scheme so that delivery of mails, especially in far-flung and rural areas is not hampered and the mobility of the postmen is ensured. The Committee may be informed about the progress made in this activity.

Reply of the Government

The plan scheme stands approved by the Standing Finance Commission (SFC). The Notice Inviting Tender (NIT) for procurement of bicycles has also been prepared and would be brought out soon.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 11)Centralized Banking for Post Office Savings Bank (POSB)

The Committee note that the Department plans to implement core banking in all the Departmental Post Offices by September, 2014. This includes setting up of ATMs, Circle Processing Centres, Call Centres and issue of debit cards to customers. The 1.3 lakh Branch Offices are also proposed to be covered by deploying the Core Banking Solution (CBS) mobile application in hand held devices that are to be supplied to these offices. As per Annual Plan 2012-13, there was a target of setting up 4000 ATMS. However, upto December, 2012 not a single ATM was opened. The Department informed that during 2012-13 no ATM could be

installed since it was the first year of the Twelfth Plan and the appraisal of the scheme was under process. The Committee are unhappy to note that the scheme for Centralised Banking for POSB is pending for a long time. The Committee feel that computerization of Post Offices and implementation of centralized Banking for POSB are inter-linked since computerization and networking of Post Offices is a necessary pre-requisite for implementation of Centralized Banking for Post Office Savings Bank (POSB). Despite the issue being repeatedly highlighted by the Committee in their previous reports, the Department is yet to achieve full computerization and networking of its Post Offices. The Committee are also dismayed to note that while full computerization of all the Post offices is still a distant dream, the Department has proposed new schemes such as setting up of Post Bank of India that would require computerization and networking of Post Offices for its smooth functioning. Such oversight on the part of Department is a cause of concern. Since all these schemes are inter-dependent, failure to achieve the objectives in one scheme can have cascading effect on the performance of other schemes as well. The Committee exhorts the Department to focus on implementation of computerization of Post Offices so that the other Schemes such as Centralized Banking for POSB and setting up of Post Bank of India do not suffer on account of under-achievement in the ongoing schemes. The Committee may be apprised of the progress made in this regard.

Reply of the Government

Infosys is providing the core banking solution for Post Office Savings Bank. The user Acceptance Test of customized Core banking service is ongoing in Chennai by a team of 40 officials. After UAT is completed the software will be rolled out in the pilot locations. The computerisation of 25145 departmental offices has been completed. The tender provision of hand held devices for Gramin Post Offices has been reissued as the vendor selected by the earlier tender did not provide PBG.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 12)

Creation of Anti-Money Laundering (AML)/Combating Financing of Terrorism (CFT) Compliance structure

The Committee note that since June 2009 Department of Posts is a regulated entity under the Prevention of Money Laundering Act and the provisions of the Act relating to Customer Due Diligence, Record Keeping and Reporting are now mandatorily applicable to all financial activities undertaken by the Department. In addition, any new provisions have to be kept updated with reference to changes in law, rule and government sanctions. The Scheme 'Creation of Anti Money Laundering (AML) /Combating of Financial of Terrorism (CFT) Compliance Structure' being initiated by the Department during 2012-13 and 2013-14 aims to provide all logistical modifications and support required to meet the changing needs of AML/CFT under the Prevention of Money Laundering Act is part of the IT 2012 Project being implemented and rolled out from 2014 onwards and EFC approval for physical storage facilities in the circles is to be obtained in 2013-14 for implementation during Twelfth Plan. The Committee note that a financial outlay of ₹22 crore was approved during 2012-13 for

implementation of this Scheme. When asked about the implementation of AML/CFT compliance structure in a total of 22 circles which was targeted to be completed during 2012-13, the Committee were informed that AML/CFT compliance structure is part of the IT 2012 Project being implemented by the Department. In addition, physical infrastructure for preservation of records has also been planned. In view of the contemporary threats posed by Money Laundering and activities related to Financing of Terrorism, the Committee strongly feel that the Department should ensure timely implementation of AML/CFT compliance structure in all the 22 circles on a priority basis to ensure that guidelines under Prevention of Money Laundering Act and its provisions relating to Customer Due Diligence, Record Keeping and Reporting are fully adhered to in all the financial activities conducted by Department of Posts.

Reply of the Government

AML is a part of Core Banking implementation of IT modernisation project of the Department of Posts. The project has been kicked off on 28th Sept, 2012, and the UAT is ongoing in Chennai. The Department is regularly monitoring the progress of the CBS project and also keeping a check on the implementation timelines of the project.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation No. 14)

Post Bank of India

The Committee note that the objective of creation of Post Bank of India is to provide full banking services primarily to the rural people who still do not have the privilege of modern banking facilities and have to depend on the informal sector for their credit requirements. The Department of Posts, with its vast network of 1,55,000 Post Offices across the country and a formidable presence in rural areas is well equipped to fulfill the objective of Financial Inclusion by offering full fledged banking services to fulfill the financial requirements of the large rural population which is as yet outside the purview of formal banking sector and have to depend on informal sources for their credit requirements. The Department is already offering Small Savings Schemes through the Post Offices Savings Bank (POSB) to a large population as an agency function on behalf of the Ministry of Finance. The Committee, therefore, in their Thirty-third Report presented to Lok Sabha on 2 May, 2012 recommended that the Department may work out the details including finalisation of EoI/RFP to engage a consultant so that the Detailed Project Report (DPR) for the project is completed at the earliest.

(Para 2.15 of the 45th Report)

Reply of the Government

The Consultant has submitted DPR on setting up of Post Bank in May 2013. The department of Posts has applied for a license for Post Bank to the Reserve Bank of India

(Reply of Para 2.15 of the 45th Report)

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

In this regard, the Committee note that after receipt of inputs/comments from the Ministry of Finance and Reserve Bank of India on the study Report of the Administrative Staff College of India on this project the Department on the direction of the Ministry of Communications and Information Technology in February, 2012 has initiated the process of selection of consultant for preparing a Detailed Project Report (DPR). The Committee note that the Expression of Interest (EoI) was floated on 26th April, 2012 for eligible firms and Request for Proposal (RFP) was issued to successful bidders on 4th September, 2012. The Committee are happy to find that the successful bidder was selected as Consultant on 23rd November, 2012 and the contract for carrying out DPR has been signed on 15th February, 2013. The Committee have also been informed that the Consultant is scheduled to submit the report in January, 2013 and an outlay of Rs. 502 crore for the Twelfth Plan has been earmarked for setting up of Post Bank of India. The Committee urge the Department to speed up the process of setting up of Post Bank of India as it would act as a milestone in bringing a large population specially in the rural areas under the fold of formal banking domain and will go a long way in achieving the objective of financial inclusion.

(Para 2.16 of the 45th Report)

Reply of the Government

The Consultant has submitted DPR on setting up of Post Bank in May 2013 .The department of Posts has applied for a license for Post Bank to the Reserve Bank of India.

(Reply of Para 2.15 of the 45th Report)

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

(Recommendation Sl. No. 16)

Introduction of new products under PLI/RPLI

The Committee note that the objective of Postal Life Insurance (PLI) is to provide insurance schemes for the benefit of Government employees which includes the Central and State Government employees, personnel of local bodies, Government aided Educational institutions, Universities, Nationalized Banks, autonomous and financial institutions and PSUs of Central and State Governments. The Committee also note that the objective of Rural Postal Life Insurance (RPLI), which was introduced in 1995, is to provide insurance coverage to the people living in rural areas with special emphasis on weaker section and women workers. However, from the information furnished by the Department, the Committee finds that in PLI and RPLI, there are no specific term-insurance plans. Since the products under PLI & RPLI offer insurance-cum-investment benefits, their premiums are relatively higher in comparison to 'pure insurance' or 'term-insurance' plans, the Committee feel that introduction of low premium products such as term-plans would help the Department in offering life-insurance cover to economically weaker sections of the society thereby achieving the desired objectives of the

scheme. Such plans, owing to their lower premium, would also help the Department to increase its market share in the life insurance sector by bringing in more customers. On plans to introduce term-insurance in PLI and RPLI, the Committee note that term-insurance plans under PLI and RPLI are presently under examination by Consulting Actuary. The Committee, therefore, recommend that apart from the existing products, the Department should also explore introduction of lower premium products such as term-insurance plans so as to make the PLI and RPLI schemes more affordable and accessible to women and economically weaker sections of society.

Reply of the Government

Devising the new products under PLI/RPLI including the term insurance plans is under examination of consulting Actuary. Once the products design is received from Actuary, the same will be sent to IRDA for vetting as per directions of Ministry of Finance.

(Ministry of Communications & IT/Department of Posts F.No.20-2/2013-Bgt(PA)/45th Report dated 26-06-2013)

Comments of the Committee (Please see Para No. 14 of the Chapter I)

New Delhi
13 December, 2013
22 Agrahayana, 1935 (Saka)

RAO INDERJIT SINGH,
Chairman
Standing Committee on
Information Technology

**STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2013-14)**

MINUTES OF THE FIFTH SITTING OF THE COMMITTEE

The Committee sat on Friday, the 13th December, 2013 from 1500 hours to 1530 hours in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Rajendra Agrawal – In the Chair

MEMBERS

Lok Sabha

2. Shri Nikhil Kumar Choudhary
3. Shri A. Ganeshamurthi
4. Smt. Darshana Jardosh
5. Shri Baidya Nath Prasad Mahato
6. Shri Sadashivrao D. Mandlik
7. Dr. Thokchom Meinya
8. Dr. (Prof.) Prasanna Kumar Patasani
9. Shri Abdul Rahman

Rajya Sabha

10. Shri Joy Abraham
11. Shri Mohammed Adeeab
12. Shri Salim Ansari
13. Shri Basawaraj Patil
14. Dr. C.P. Thakur

SECRETARIAT

- | | | | |
|----|-------------------|---|---------------------|
| 1. | Shri Brahm Dutt | - | Joint Secretary |
| 2. | Shri N.C. Gupta | - | Director |
| 3. | Shri A.K. Garg | - | Additional Director |
| 4. | Dr. Sagarika Dash | - | Deputy Secretary |

2. In the absence of the Chairman, the Committee chose Shri Rajendra Agrawal, a Member of the Committee to act as the Chairman for the sitting in accordance with Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. At the outset, the Chairman welcomed the Members to the sitting of the Committee.....xxxxx..... Thereafter, the Committee took up for consideration two Draft Action Taken Reports on Demands for Grants (2013-14) relating to the Department of Posts andxxxxx.....(Ministry of Communications and Information Technology). The Committee adopted the same without any modification. The Committee, then, authorized the Chairman to finalize and present the reports to the House during the ongoing Session of Parliament.

4. The Committee also placed on record their appreciation for the valuable assistance provided by the officials of the Secretariat attached to the Committee in drafting of the Report.

The Committee, then, adjourned.

ANNEXURE-II

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS/OBSERVATIONS
CONTAINED IN THEIR FORTY-FIFTH REPORT
(FIFTEENTH LOK SABHA)**

[Vide Paragraph No. 5 of Introduction]

(i)	Recommendations/Observations which have been accepted by the Government		
	Rec. Sl. Nos.:- 1, 2, 4, 5, 6, 7, 9, 13, 15, 17, 18, 19, 20 and 21		
	Total		14
	Percentage		66.66
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government		
	Rec. Sl. No.:- Nil		
	Total		Nil
	Percentage		00.00
(iii)	Recommendations/Observations in respect of which replies of the government have not been accepted by the Committee and require reiteration		
	Rec. Sl. Nos.:- 3 and 8		
	Total		02
	Percentage		09.54
(iv)	Recommendations/Observations in respect of the reply which is of interim nature		
	Rec. Sl. Nos.:- 10, 11, 12, 14 and 16		
	Total		05
	Percentage		23.80