

**TWENTY-FIRST REPORT**  
**STANDING COMMITTEE ON**  
**INFORMATION TECHNOLOGY**  
**(2001)**

**(THIRTEENTH LOK SABHA)**

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

**DEMANDS FOR GRANTS**  
**(2001-2002)**

*Presented to Lok Sabha on 16.4.2001*

*Laid in Rajya Sabha on 18.4.2001*



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*April, 2001/Chaitra, 1923 (Saka)*

COMPOSITION OF THE STANDING COMMITTEE  
ON INFORMATION TECHNOLOGY  
(2001)

	PAGE
COMPOSITION OF THE COMMITTEE .....	(iii)
INTRODUCTION .....	(v)
REPORT .....	1
APPENDICES	
I. Minutes of the Fourteenth Sitting of the Committee, 2001 held on March 14, 2001 .....	27
II. Minutes of the Eighteenth Sitting of the Committee, 2001 held on March 23, 2001 .....	30
III. Minutes of the Twenty-Third Sitting of the Committee, 2001 held on April 12, 2001 .....	33
ANNEXURE Amendments made by the Committee in the Draft Twenty-First Report .....	35

COMPOSITION OF THE STANDING COMMITTEE  
ON INFORMATION TECHNOLOGY  
(2001)

Shri Somnath Chatterjee — *Chairman*

MEMBERS  
*Lok Sabha*

2. Shri Ambareesha
3. Shri Mahendra Baitha
4. Shri Pawan Kumar Bansal
5. Prof. Dukha Bhagat
6. Shri Tara Chand Bhagora
7. Shri Nikhil Kumar Chaudhary
8. Shri Adhir Ranjan Chowdhary
9. Shri T. Govindan
10. Adv. Uttamrao Dhikale
11. Shri Jawahar Lal Jaiswal
12. Shri K.K. Kaliappan
13. Dr. C. Krishnan
14. Shri Bhartruhari Mahtab
15. Shri Simranjit Singh Mann
16. Shri G. Ram Mohan
17. Shri A.K. Moorthy
18. Shri Karia Munda
19. Shri K. Balrama Krishna Murthy
20. Shri Sheeshram Singh Ravi
21. Shri K.A. Sangtam
22. Shri Saroj Tufani
23. Sardar Buta Singh
24. Shri Chandra Vijay Singh
25. Rajkumari Ratna Singh
26. Shri Vinay Kumar Sorake
27. Shrimati D.M. Vijaya Kumari
28. Shri Vinay Katiyar
29. Shri A. Krishnaswamy
30. Shri G. Ganga Reddy

**Rajya Sabha**

- 31. Dr. M.N. Das
- 32. Shri Balkavi Bairagi
- 33. Shri Shatrughan Sinha
- 34. Shri Narendra Mohan
- 35. Shri Balbir K. Punj
- 36. Dr. Y. Radhakrishna Murthy
- 37. Shri Munavvar Hasan
- 38. Shri P.N. Siva
- 39. Shri Kartar Singh Duggal
- 40. Miss Lata Mangeshkar
- 41. Shri R.N. Arya
- 42. Shri K. Rama Mohana Rao
- 43. Shrimati Kum Kum Rai
- 44. Dr. Dasari Narayana Rao
- 45. Shri Rajiv Shukla

**SECRETARIAT**

- 1. Shri P.D.T. Achary — **Joint Secretary**
- 2. Shri S.K. Sharma — **Deputy Secretary**
- 3. Shri A.S. Chera — **Under Secretary**

K. Dasarma Krishna Murthy  
 Shri Ram Singh Kavi

## INTRODUCTION

1. I, the Chairman, Standing Committee on Information Technology (2001) having been authorised by the Committee to submit the Report on its behalf, present this Twenty-First Report on 'Demands for Grants (2001-2002)' relating to the Ministry of Communications (Department of Posts).

2. The Standing Committee on Information Technology (2001) was constituted on 1 January, 2001. 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 Ministry/Department and make a Report on the same to the House.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Communications (Department of Posts) for current year i.e. 2001-2002 which were laid on the Table of the House on 19 March, 2001. The representatives of the Department of Posts briefed the Committee on March 14, 2001 about the Demands for Grants (2001-2002) pertaining to their Department. The Committee took evidence of the representatives of the Department of Posts on March 23, 2001.

4. The Report was considered and adopted by the Committee at its sitting held on April 12, 2001.

5. The Committee wishes to express its thanks to the Officers of the Department of Posts for appearing before the Committee for furnishing the information, that Committee desired in connection with the examination of the subject.

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;  
12 April, 2001  
22 Chaitra, 1923 (Saka)

SOMNATH CHATTERJEE,  
Chairman,  
Standing Committee on  
Information Technology.

## REPORT

### Introductory

The Department of Posts (DoP) under the Ministry of Communications aims to ensure availability of basic postal services in all parts of the country including tribal, hilly and remote areas; provide efficient, reliable and economic service; provide value added services according to market requirement; modernize the services to handle the growing volume of work with efficiency and enhance customer and employee satisfaction and to be a forward looking organization. The postal network now covers 1,54,551 post-offices as on 31.3.2000 which includes 1,38,149 post-offices in rural areas. Apart from the basic services as mail operations, sale of stamps and stationery, remittance of money orders etc, the Department also discharges certain agency functions like Saving Bank and other Small Saving Schemes including Mahila Samridhi Yojana, collection of customs duty on Postal article and disbursement of pension to Military and Railway pensioners, Family pension to Industrial Employees of Coal Mines etc. on behalf of various Departments of the Central and State Governments. The Department also administers Postal Life Insurance for the benefit of Postal, Telecom and other Central Government Employees and Employees of State Governments, Public Sector Undertakings, Nationalised Banks and Local bodies etc.

2. For providing postal services, the country is divided into 22 Circles, each under the charge of Chief Post Master General. Each Circle is divided into Regions comprising groups of field units called Divisions (Postal/RMS Divisions), headed by a Post Master General. In the Circles and Regions there are other functional supporting logistical units like Circle Stamp Depots, Postal Store Depots, and Mail Motor Services, etc.

3. The Postal Services Board is the apex management body of the Department which directs and supervises the management of the postal services in the country, with the assistance of Deputy Directors General in the Directorate General of Posts.

4. A separate Business Development Directorate was set up in 1995 to design, develop and market value-added premium products of the Department. At present, the Directorate is marketing products/ services like Speed Post, Business Post, Media Post, Satellite Post, Express, Parcel Post and Retail Post.

5. The Department of Posts has presented Demands for Grants to Parliament for the year ending 19 March, 2001 as under:—

**Postal Services—Demand No. 11**

(Rs. in Thousand)

	Revenue	Capital	Total
Voted Plan	25,83,00	94,91,00	1,20,74,00
	+		
	*3,81,00	*10,45,00	14,26,00
Non-Plan	52,59,97,50	2,01,00	52,61,98,50
<b>Total</b>	<b>52,89,61,50</b>	<b>107,37,00</b>	<b>53,96,98,50</b>
Charged Plan	—	—	—
Non-Plan	2,50	—	2,50
<b>Total</b>	<b>52,89,64,00</b>	<b>107,37,00</b>	<b>53,97,01,00</b>

\* Allocation of North-Eastern Region

6. It may be seen from above that out of the proposed Annual outlay for year 2001-2002 of Rs. 5397.01 crore, Plan outlay is Rs. 135 crore and Rs. 5262.01 crore is Non-Plan outlay. Plan outlay during 2000-2001 was Rs. 120 crore.

**Ninth Plan Targets and Achievements**

7. The Ninth Five Year Plan of the Department of Posts (DoP) sought to expand the scope and coverage of the programmes of modernisation through induction of new technology initiated during the Eighth Plan period alongwith provision of basic postal facilities in uncovered areas. It was submitted to the Committee in reply to a query that an outlay of Rs. 754.76 crores was proposed by the Department of Posts which was initially reduced to Rs. 658.98 crores

and then downsized to Rs. 580 crore, Rs. 550 crore and finally to Rs. 507.25 crore by the Planning Commission in stages. When asked about the schemes/projects which have been affected due to the reduced outlay, the Department of Posts has furnished the following details:—

(Rs. in crore)

Plan Schemes	Proposed outlay	Allocated outlay	Cuts made
Up-gradation of Technology	216.22	133.08	83.14
Modernisation of Mail Processing	222.39	141.30	81.09
Postal Buildings and Staff Quarters	176.00	119.62	56.38
Streamlining of Administrative and Financial Management	25.00	9.63	15.37
Postal Life Insurance	22.69	14.42	8.27
Business Development and Marketing	22.25	17.80	7.45
Human Resource Development	17.95	14.08	3.87
Material Management	2.92	1.20	1.72

8. The Department of Posts has further added that the proposed outlay of Rs. 141.42 crore, Rs. 135.24 crore, Rs. 162.74 crore, Rs. 134.51 crore and Rs. 152.25 crore for the years 1997-98, 1998-99, 1999-2000, 2000-2001 and 2001-2002 respectively was reduced to Rs. 80 crore, Rs. 84.11 crore, Rs. 100 crore, Rs. 120 crore and Rs. 135 crore.

9. 2001-2002 being the final year of the plan, an outlay of Rs. 152.25 crore has been proposed so that the targets laid down during the Ninth Five Year Plan could be achieved. However, the Planning Commission has stated to have approved an outlay of Rs. 135 crore, out of which Rs. 14.26 crore is meant exclusively for developmental activities in North-Eastern States.

10. To a specific query regarding priorities of the Department during the year 2001-2002, the Secretary, DoP submitted that the outlay of Rs. 135 crore for 2001-2002 comprises mainly of Modernisation of Mail Processing which constitutes 45 per cent of total plan outlay and on Upgradation of Technology which is 15.5 per cent (i.e. about 60 per cent of the outlay is for modernization and upgradation of technology). The



table indicating the approved outlay and expenditure 1997-98, 1998-99, 1999-2000, Revised Estimates 2000-2001 and Annual Plan Outlay (2001-2002) is as under:—

Sl. No.	Particulars of Schemes	Outlay as per 9th Five Year Plan* (1997-2002)	(In lakhs of Rupees)							
			Outlay Approved 1997-98	Actual Exp. 1998-99	Outlay Approved 1999-2000	Actual Exp. 2000-2001	Revised Estimates 2001-2002	Annual Plan 2001-2002		
1	2	3	4	5	6	7	8	9	10	11
1.	Expansion of Postal Network	4270	355	392	466	396	553	779	1089	1500
2.	Upgradation of Technology	13308	2964	2721	2347	2276	3398	3022	2817	2101
3.	Material Management	120	32	20	10	2	21	12	63	77
4.	Human Resource Development	1408	279	235	320	284	345	296	273	367
5.	Modernisation of Mail Processing	14130	457	337	993	728	1906	1657	4394	6100
6.	Business Development & Marketing	1780	180	209	515	364	720	603	415	400

1	2	3	4	5	6	7	8	9	10	11
7.	Computerisation of Saving Banks in Post Offices	90	119	109	20					
							(Merged with technology)			
8.	Postal Life Insurance	1442	401	296	410	228	149	134	Activities shifted to Non-plan from Plan	120
9.	Philately	512	50	50	76	69	58	52	174	2400
10.	Postal Buildings and staff Quarters	11962	2650	2413	2800	2753	2183	2076	2665	2400
11.	Streamlining of administrative and Financial Management	963	330	273	350	169	114	121	75	400
12.	Public Grievances	740	183	172	104	100	154	76	35	35
	Total	50725	8000	7227	8411	7369	10000	8828	1200	13500

\*Figures of North-East Allocation included in Schemes 1 to 12

11. It would be observed from the above that during 1997-98, 1998-99, 1999-2000, out of the approved allocation of Rs. 80 crore, Rs. 84.11 crore and Rs. 100 crore, the Department of Post was able to utilize Rs. 72.27 crore, Rs. 73.69 crore and Rs. 88.28 crore respectively, i.e. Rs. 234.24 crore out of the total Ninth Plan allocation of Rs. 507.25 crore i.e. the utilisation was 46.17 percent. However, the Department has anticipated full utilization of Rs. 120 crore allocated for the year 2000-2001.

12. Asked about the reason for under-utilisation of funds during the first three years of the Ninth Plan, Secretary, DoP submitted during evidence that they were facing problems in the planning, getting approval from the local authorities like the municipality or other authorities and sometimes there were delays in tendering process and sometimes a contractor went in litigation.

13. As regards the number of projects delayed due to reasons as stated above are given as under:

Total number of projects commenced in the 9th Plan	101
Total Projects delayed	59
Number of Projects delayed due to tendering process	25
Number of Projects delayed due to litigation	1
Number of Projects delayed due to planning difficulties and tendering process	25
Number of Projects delayed due to planning difficulties	7
Number of Projects delayed due to act of nature	1

14. As regards special measures taken by the Department of Posts to fully utilize the targets fixed for various schemes for the year 2000-2001 and 2001-2002, the Committee has been informed that earnest efforts have been made to ensure that the allotted funds are fully utilized. The Plan activities are now being monitored in a sustained and systematic manner through frequent interaction with all concerned to ensure full utilization of funds.

15. However, the programmes which are dependent on other Ministries such as Ministry of Railways etc. the implementation and full utilization of funds is stated to be beyond the control of Department of Posts. Also, the procedure involved in clearance of the projects is stated to be time consuming and counter productive. Even after the Expenditure Finance Committee (which has representatives of the Department of Expenditure and the Planning Commission has cleared a project and the findings have been accepted by the Union Minister of Communications and the Minister of Finance, all cases involving more than Rs. 5 crore goes to the Department of Expenditure for their approval.

16. The Committee notes that with a view to expand the scope and coverage of the programmes of modernization through induction of new technology initiatives taken during the Eighth plan period alongwith the provision of basic postal facilities in uncovered areas, the Department of Posts projected an outlay of Rs. 754.76 crore for the Ninth Five Year Plan. The Planning Commission initially approved the outlay of Rs. 658.98 crore but subsequently reduced it to Rs. 580 crore, then Rs. 550 crore and finally downsized it to Rs. 507.25 crore. It is nothing but contrary to all concepts of planning. The reduced allocation resulted in subsequent downsizing of the annual plan allocations. The proposed Annual Plan allocation of Rs. 141.42 crore for 1997-98, Rs. 135.24 crore for 1998-99, Rs. 162.74 crore for 1999-2000, Rs. 134.51 crore for 2000-01 and Rs. 152.25 crores for 2001-2002 had subsequently been reduced to Rs. 80 crore, Rs. 84.11 crore, Rs. 100 crore, Rs. 120 crore and Rs. 135 crore respectively.

17. The Committee also observes that the Department of Posts projected an outlay of Rs. 152.25 crore for the year 2001-2002 which happens to be the final year of the Plan so that the Ninth Plan targets could be achieved. It is distressing to note that the same has been reduced to Rs. 135 crore. Keeping in view, the Plan priorities of the Department and also the fact that there was slow progress in first 3 years of the Plan, the Committee feels that the Annual Plan outlay of Rs. 152.25 crore as proposed by the Department be restored, failing which the important schemes/projects of the Department of Posts will be seriously affected.

18. The Committee notes with concern the substantial reduction in the proposed outlay for all the major schemes undertaken by the Department of Posts during the Ninth plan, namely Upgradation of Technology, Modernisation of Mail processing, Postal Buildings and Staff Quarters, Streamlining of Administrative and Financial Management, Postal Life Insurance, Business Development and Marketing, Human Resource development and Material Management. Financial allocation on these schemes has been reduced to the extent of Rs. 83.14 crore *i.e.* 38.45 per cent, Rs. 81.09 crore *i.e.* 36.46 per cent, Rs. 56.38 crore *i.e.* 32.03 per cent, Rs. 15.37 crore *i.e.* 61.48 per cent, Rs. 8.27 crore *i.e.* 36.44 per cent, Rs. 7.45 crore *i.e.* 29.50 per cent, 3.87 crore *i.e.* 21.55 per cent and Rs. 1.72 crore *i.e.* 58.90 per cent respectively. The Committee is of the opinion that with the reduced allocations, implementation of the above mentioned schemes would be tardy as is evident from succeeding paragraphs and it will not be possible to achieve even the broad objectives of Ninth plan in vital areas.

19. The Committee regrets to note that in the first three years of the Ninth Plan period, out of the total approved allocation of Rs. 507.25 crore, the Department has been allocated Rs. 264.11 crore and the actual utilization was only Rs. 234.24 crore. Further during 1999-2000, except for Expansion of Postal Network and Streamlining of Administrative and Financial Management, there had been under-utilization of funds for all the schemes undertaken by the Department of Posts. This Committee has been impressing upon the Department of Posts year after year to devise steps for optimum utilization of allocated funds which are already meagre for various schemes. However, no concrete steps appear to have been taken to tone up the administrative machinery. It is a matter of grave concern. The Committee, therefore, again emphasizes on the Department of Posts that specific steps should be taken by gearing up the machinery for proper and optimum utilisation of funds. Whatever might be the constraints, the fact remains that the plan growth is tardy and aspirations of the people are not being fulfilled.

20. The Committee further notes that the Department is anticipating full utilization of allocated funds of Rs. 120 crore for the year 2001-2002. The Committee apprehends that at the present rate of low utilization of funds, the Department will not be able to fully utilize the funds during 2001-2002. The Committee, therefore, would like to be duly informed of the steps initiated in pursuance of its observations in the preceding paragraph for optimum utilization of funds during the year and proper monitoring done for the said purpose.

21. The Committee is not convinced of the reasons for under-utilization of funds which are stated to be problems being faced by the Department of Posts in planning, getting approval of the projects from the local authorities like the municipalities or other authorities and also delays occurring due to tendering process or because of contractor going in litigation etc. The Committee is perturbed to note that out of 101 projects commenced in the 9th Plan as many as 59 projects have been delayed due to reasons stated above. Out of the 59 delayed projects, 25 projects have delayed due to tendering process alone and 25 due to tendering process and planning difficulties and 7 due to planning difficulties. The Committee is not at all impressed by these reasons as the same could be overcome by proper administrative action. The Committee trusts that as assured by the Department of Posts every effort will be made by them to avoid any further delay and the projects will be completed well within the stipulated period of Ninth Plan.

22. The Committee is unhappy to note that the procedure for the clearance of projects is time consuming and often counter-productive. Even after the clearance of the project by the Expenditure Finance Committee, which comprises of, *inter-alia*, the representatives of the Department of Expenditure and the Planning Commission and after the acceptance of its findings by the Minister of Communications and the Minister of Finance, all cases involving expenditure of more than Rs. 5 crore have to be again referred to the Department of Expenditure for their approval. The Committee feels that the procedural dilatoriness should be resolved urgently by taking up the matter at the highest level with the Ministry of Finance.

#### Expansion of Postal Network

23. The Committee enquired about the number of Extra Department Branch offices (EDBOs) that the Department has been able to open during 2000-2001. In reply, the Secretary, DoP submitted in evidence that so far they could open 323 EDBOs against the target of 500 EDBOs and for the rest Department had approached Ministry of Finance for sanction of posts. The Ministry of Finance instead of sanctioning of posts has asked the Department to review the norms for opening of post offices. The Planning Commission has also asked the Department to re-look at the norms for opening post offices.

28. The Committee pointed out that the target of opening up of 50 Departmental Sub-Offices (DSO) in each year of the Ninth Five Year Plan *i.e.* opening less than 2 post offices per State in the country is very low, when urbanization is taking place at a fast pace. In response, Secretary, DoP submitted that the need today is to cater to the postal facilities to each and every citizen of the country, which is their basic right, who should get their letters delivered at their door step and also facilities connected with the post office like money-order and Saving Bank account activities etc. He further admitted that the number of post offices in the country was inadequate to look after the needs of the entire population.

29. The Committee emphasized on the need of opening of new post offices in the urban areas where the increase in population and extension of municipal limits and development of new habitations on the outskirts of towns and cities have created new agglomerations. Many of the areas newly developed are without post office and often there may be clusters with a population of 20,000 or more without a post office. People at those places have to travel longer distances to the nearby city to buy the postal stationery. Reacting to it, the Secretary, DoP submitted that the Department has also looked into this matter.

30. The Committee enquired whether the Department has made any exercise to find out the areas which require setting up of post office and if so which are those places. In reply, the Secretary, DoP promised to collect the information and supply to the Committee.

31. Regarding steps taken by the Department to cater to the needs of new clusters and extensions of urban areas and particularly to workers settlements, the Committee has been informed that the field formations continually examine the needs of new urban clusters and labour settlements. Their needs are met by installing new letter boxes, mail boxes and by setting up of post office extension counters to provide the necessary counter facilities.

32. It may be seen that Rs. 42.70 crores have been allocated for the entire Ninth Five Year Plan on Expansion of Postal Network, while for the first three years the Department was allotted only Rs. 13.74 crore *i.e.* 32.17 percent of the total Plan allocation. As regards physical achievement, the Committee has been informed that against the target to open 1598 EDBOs, 1386 EDBOs have been opened. The reasons for the shortfall are stated to be non-sanctioning of the posts by the Ministry of Finance.

24. When asked about the further plan of action to solve the manpower problem, the Department has submitted that it is continuing its efforts to persuade the Government to find a solution in the matter.

25. To a specific query regarding redeployment of the surplus staff, the Department of Posts in a written note, furnished to the Committee, has stated that the Ministry of Finance has been persistently insisting on the instructions issued by the Cabinet Secretariat in February 1992 for imposing 10 percent cut on the establishment of all Ministries/ Departments in order to reduce administrative expenditure of the Government.

26. The difficulties encountered by the Department of Posts in implementing these instructions has been stated to have been repeatedly brought to the notice of Ministry of Finance. The Department of Posts is obliged to provide postal services in the entire country. It has a workforce of about 2.8 lakh regular employees, most of whom are involved in day to day handling of mails. Postal operations are largely manpower intensive. Reduction of posts from 1986 onwards due to introduction of time bound promotion scheme for the operative staff and non-availability of adequate additional staff as per approved norms due to ban on creation of posts, have combined to keep the work force of the Department greatly restricted even though the demand for postal services has been increasing with the growth of urban agglomeration. On the other hand, while there is lack of postal counter facilities specially in the rural areas, there has been an overall increase in the volume of mails handled by the Department and also, in the area of agency functions, the workforce has, however, remained almost at the same level.

27. It has been further stated that the Department has been making efforts to increase productivity and redeployment of work force for priority areas through use of modern technology. New premium products and services specially for the business sector have been introduced bringing a new buoyancy in revenue generation. Postal Life Insurance has been extended to rural inhabitants achieving 6.5 lakh of policies without any additional manpower. Therefore, it is not practicable to reduce the staff without seriously affecting the DoP's operational efficiency. Keeping in view the overwhelming social service objective of its functions, the Department has been requesting Ministry of Finance for exemption from operation of 10 percent cut in posts specially in the operative cadre. This matter was taken up by the Secretary (Posts) and thereafter by the Minister of Communications with the Ministry of Finance.



33. Circle-wise number of villages justifying opening of EDBOs on the basis of two norms of population and distance out of the prescribed 3 norms is as under:

Sl. No.	Circle	No. of villages justifying opening of EDBO on two norms of population and distance as on 31.3.2000
1	2	3
1.	Andhra Pradesh	19
2.	Assam	332
3.	Bihar	1528
4.	Delhi	Nil
5.	Gujarat	249
	Dadar and Nagar Haveli	Nil
	Daman and Diu	Nil
6.	Haryana	3
7.	Himachal Pradesh	47
8.	J&K	204
9.	Karnataka	232
10.	Kerala	Nil
	Lakshadweep	Nil
	Mahe	Nil
11.	M.P.	467
12.	Maharashtra	448
	Goa	Nil
13.	N.E.	Nil
	Arunchal Pradesh	51
	Manipur	132

1	2	3
	Meghalaya	Nil
	Mizoram	17
	Nagaland	146
	Tripura	Nil
	Dharam Nagar	59
14.	Orissa	171
15.	Punjab	10
	Chandigarh	Nil
16.	Rajasthan	117
17.	Tamil Nadu	18
	Pondicherry	Nil
18.	U.P.	1083
19.	W.B.	87
	Andaman and Nicobar Islands	3
	Sikkim	23
	<b>Total</b>	<b>5446</b>

34. The Committee asked whether any timeframe has been evolved by the Department to cover all the villages which satisfy the norms of opening of post offices. Surprisingly, the DoP could not give a definite framework to the Committee in this regard.

#### **Panchayat Sanchar Sewa Kendras (PSSKs)**

35. To overcome the problem of non-availability of human resources which is stated to be the major constraint in opening of EDBOs, the Department is stated to be resorting to a cost effective alternative of providing postal services to rural areas by opening of PSSKs. The Department of Posts contended that it has achieved fair success in this endeavour. In the year 2000-2001, 1608 PSSKs have been opened as on 23.3.2001 against the target of 2000. In the first three years the Department was able to open 686 PSSKs, against the target to open 700 PSSKs. The reasons for slow progress has been stated to be lukewarm response from some Circles.

36. On being asked, the Committee has been informed that most of the PSSKs which have been opened so far are functioning satisfactorily and suitable monitoring mechanism is being evolved to ensure improvement in their performance. As regards measures to make the scheme attractive, the Committee has been informed that the remuneration for the PSSK Agents has been enhanced from Rs. 300/- to Rs. 600/- *w.e.f.* 1 March, 2001.

#### **Modernisation of Mail Processing**

37. It may be seen that the total Ninth Plan allocation for the scheme 'Modernisation of Mail Processing' has been kept at Rs. 141.30 crore. However, allocation of funds for the first three years was Rs. 33.56 crore *i.e.* 23.75 percent of the total Ninth Plan allocation and utilization in the first three years *i.e.* 1997-98, 1998-99 and 1999-2000 was given to be Rs. 3.37 crore, Rs. 7.28 crore and Rs. 16.57 crore respectively. The utilization is Rs. 27.22 crore *i.e.* 81.10 percent only.

38. The Committee desired to know about the areas of shortfall and the reasons therefor. In reply, Secretary, DoP submitted that by and large DoP could cover all areas except Automatic Mail Processing Centres (AMPCs). At Kolkata, although preliminary work has been started, the work will be completed next year. The expenditure on purchase of machines which is the main item of expenditure will be incurred in the next financial year. Delhi AMPC centre will also start its activities by that time. To a specific query regarding the scheme being affected due to reduction in Ninth Plan allocation, it has been submitted that earlier the Department was supposed to set up three AMPCs at Kolkata, Delhi and Bangalore. However, due to reduced allocation, DoP has deleted Bangalore and it will be taken up only during the Tenth Five Year Plan.

39. As regards reasons for abnormal delay in accomplishing the targets, it has been stated in a written reply that the Ninth Plan was approved only during 1999-2000 when allocation with regard to setting up of AMPCs was made for the first time. The appointment of consultants and a review of technologies took some time. Studies with regard to the mail matter which was earlier done in the year 1997 had to be further updated. There was also some delay in the activities pertaining to modifications to the existing building at Kolkata, and the preliminary work pertaining to the construction of building for AMPC at New Delhi.

40. In the Budget Brief furnished to the Committee, it is seen that during the year 2000-2001, out of the total annual plan allocation of Rs. 43.94 crore for Modernisation of Mail Processing, Rs. 28.31 crore was allocated alone for Automatic Mail Processing System Scheme.

41. Regarding expeditious completion of the projects, a number of steps have been stated to have been initiated, like administrative approval and sanction of expenditure for modification of the building at Kolkata and construction of new building at New Delhi. The modification to the existing building at Kolkata is stated to be underway. A number of steps for procurement of equipments is stated to have already been completed.

42. The steps initiated by the Department are detailed as under:—

- (i) The DoP has appointed M/s. Telecommunications Consultant India Ltd. (Postal Consultancy Desk), a public Sector Unit under the Department of Telecom, as Consultants' for turnkey implementation of AMPC projects at Kolkata and New Delhi.
- (ii) The pre-qualification bids have already been invited and finalized shortlisting 7 potential global vendors for supply, installation and commissioning of the facility.
- (iii) The Expenditure Finance Committee has already met and agreed in principle for setting up the AMPC systems. Pending a final meeting of the Committee for approval of the project, a Notice Inviting Tenders has been drafted for release to pre-qualified bidders.
- (iv) As the manufacturers, during pre-qualification evaluation, have indicated a time span of at least 6 months to manufacture and install the machines, and also in view of the on-going building modifications at Kolkata, the procurement has been postponed for the next financial year, within the Ninth Five Year Plan. The requisite financial outlays for the same was provided in 2000-2001.

43. One of the areas of shortfall during first three years of the Ninth Plan is stated to be Upgradation/Expansion of Mail Net. Out of the target to upgrade 4 Mail Net, only 2 could be upgraded. The reason for the same is stated to be that during the year 1999-2000, rates for hardware could not be finalized. Moreover, price of Application Software could not be finalized by Price Negotiation Committee (PNC) with the vendor.

### Business Development and Marketing

44. One of the activities under the "Scheme Business Development and Marketing" is promotion of premium products including Speed Post. During 1999-2000, the Department could utilize Rs. 6.03 crore out of the annual plan allocation of Rs. 7.20 crore on this scheme. Under-utilization of funds is stated to be mainly attributed to surrender of funds allocated for promotion of products at final grants stage.

45. When asked about the reasons for lower utilization of grants on such an important activity like promotion of the premium product, the Department of Posts in a written note furnished to the Committee has stated that for the year 1999-2000 under Plan activity, the following funds were allotted and expenditure incurred under Advertisement Sales and Promotion:

	(Rs. in crore)	
	Final Grant	Expenditure
Scheme and sub-head		
Promotion 3201-02.101.04.00.13	1.25	12.5
Advertisement 3201-02.101.04.26	1.25	0.77
Advertisement Sales & Publ. (Dte.) 3201-01.01.02.00.26	0.50	0.62
<b>Total</b>	<b>3.00</b>	<b>2.64</b>

46. The funds therefore surrendered are stated to be Rs. 0.36 crore. The reasons for not utilizing the full amount under promotion is stated to be that though the task of designing a full fledged advertisement campaign had been planned, it could not be put into place due to lack of adequate inputs by empanelled agencies in the form of designs, media plan, estimates etc.

47. In reply to another query by the Committee, the Secretary, DoP submitted in evidence that as a measure of faith in the Department of Posts, Mahanagar Telephone Nigam Limited (MTNL) which earlier used to dispatch its 12 lakh bills through private courier has entrusted delivery of these bills to the post offices in Delhi. It is stated to be a special service for MTNL's bill delivery at specific rates.

48. The Committee enquired whether the Department has approached Bharat Sanchar Nigam Limited (BSNL)/Water Boards/Delhi Vidyut Board (DVB)/Local authorities etc. also with similar proposals for bulk delivery of bills which can generate higher volumes of business for DoP. In reply, it has been stated that Business Development Directorate is negotiating with BSNL and DVB for bulk delivery of bills. MTNL, Mumbai has already sent a proposal for delivery of Dolphin Mobile Telephone Bills to their customers and the Department is hoping to finalize the business proposals with these companies shortly.

#### **Modernisation and Development of Philately**

49. Philately is an important activity of the Department. Sale of philatelic items was carried out all over the country through 54 Philatelic Bureaux and 205 Philatelic Centres. Demands for Rs. 1.20 crore have been provided in the Estimates for 2001-2002 for this scheme. During the year 2000-2001 for this scheme, Rs. 1.74 crore were provided. The Committee enquired whether the amount of Rs. 1.74 crore earmarked during 2000-2001 for philately was sufficient. The Secretary, DoP in reply stated that the amount was not sufficient and that DoP required more funds for modernization and development of Philately.

50. It was also submitted to the Committee that due to initiatives taken during the Ninth Plan, Philatelic revenue which was Rs. 9 crore (approx.) in 1997-98 increased to Rs. 20 crore (approx.) in 1999-2000 and therefore it is necessary to continue the planned activity, for which more funds would be needed.

#### **Money Order Complaints**

51. It has been stated in the Annual Report for the year 2000-2001 that Money orders are now being transmitted *via* satellite communication system providing utmost speed in transmission, at no extra cost to the customers. Already 12% of the total money order service has been transferred to satellite system and by the next financial year the entire money order service is expected to be covered by this system.

52. In evidence, the Secretary, Posts submitted that for modernizing the money order services they will be setting up 88 new Very Small Aperture Terminals (VSATs). DoP is also having its own, approximately 400 Extended Satellite Money Order Stations (ESMOs) and it will be possible to cover the entire network. There will be one mother station from where they will network 15 to 30 post offices through dial-up system. Money order delivery system can be linked to the telephony system.

53. Asked about the number of money order complaints received during the last three years and upto December, 2000, the statement furnished by the Department of Posts is as under:

Year	No. of complaints	Pending	Pending over 6 months
1997-98	3,33,966	30563	—
1998-99	3,88,091	23124	—
1999-2000	4,22,408	24719	—
From 1.4.2000 to 31.12.2000	3,20,201	26482	51

54. Money Order Traffic during 1998-99 and 1999-2000 was Rs. 10.91 crore and Rs. 11.37 crore respectively i.e. there is an increase of 4.22 percent.

#### Slow execution of Projects in North-Eastern States

55. The Committee learnt that there are two posts of Chief Engineers in the Department of Posts located at Bangalore and New Delhi. In the context of unusual delay in execution of civil projects of the Department of Posts in the North-East, the Committee enquired whether a post of Chief Engineer can be shifted in that area to effectively supervise execution of projects spread over seven Eastern States which are difficult to access.

56. In reply the Secretary, DoP stated that the Department of Posts is not a cadre controlling authority for civil wing, the Department of Telecommunications is the cadre controlling authority. When erstwhile Department of Posts was bifurcated in 1985, the assets of that Department were shared proportionately by the Department of Posts and Department of Telecommunications. As a result of it, two offices of Chief Engineer—one at Bangalore and other at Delhi fell to the share of Department of Posts.

57. The Committee further pointed out that in the North-East there is only one Sub-Divisional Officer (SDO) looking after the entire civil works of postal projects in the area spread all over the North-East States and enquired whether a senior level posts of the rank of Executive Engineer can be created to effectively control the construction work. In reply, the Secretary DoP promised to look into the matter.

### Agency functions

58. The Annual Report of the Department of Posts for the year 2000-2001 states that in Saving Bank, Saving Certificates & Kisan Vikas Patra and Indira Vikas Patra, the average cost incurred was Rs. 19.53, Rs. 35.87 and Rs. 10.05 respectively in 1998-99, whereas the average revenue was Rs. 15.22, Rs. 20.61 and Rs. 5.47 respectively. Again in 1999-2000 the average cost was Rs. 20.78, Rs. 38.22 and Rs. 8.24 respectively and average revenue was Rs. 16.74, Rs. 22.49 and Rs. 6.02 respectively. These services are stated to be rendered as agents on a no profit no loss basis. The matter regarding the recovery of differential is stated to be under correspondence with the Ministry of Finance.

59. The Committee desired to know the latest position in this regard. In reply, it has been stated that the Department of Posts operates Small Savings Schemes as an agency function on behalf of the Ministry of Finance. The Department is remunerated the costs for operating these schemes on an actual basis by the Ministry of Finance. The remuneration payable to the Department of Posts is decided by the Ministry of Finance on the basis of the recommendations of an Expert Group constituted by the Ministry of Finance for the purpose from time to time. The Expert Group consists of Members drawn from the Ministry of Finance, the Department of Posts as well as a few State Governments. The remuneration presently payable to the Department was arrived at on the basis of the recommendations of the Expert Group constituted in 1994 to reimburse the full cost of establishment and overheads. It also provided for an annual 10% escalation clause in the remuneration formula. However, due to the subsequent increase in costs as a result of acceptance of the Vth Pay Commission's recommendations by the Government of India, a discrepancy has arisen wherein the full cost of providing these services has not been reimbursed to the Department of Posts by the Ministry of Finance (MoF). Department of Posts has taken the matter of the differential in its correspondence with the Ministry of Finance.



60. The Committee is concerned to note that out of the total Ninth Five Year Plan allocation of Rs. 42.70 crore for the Scheme 'Expansion of Postal Network', the Department was allotted only Rs. 13.74 crore for the first three years i.e. 32.17 percent of the total Plan allocation. In physical terms, out of 1598 Extra Departmental Branch Offices (EDBOs) targetted to be opened during these years the Department could open 1386 EDBOs. In the financial year 2000-2001, out of the target to open 500 EDBOs, 323 EDBOs have been opened so far. The reason for lower achievements in this regard is stated to be non-sanctioning of the required number of posts by Ministry of Finance. The Committee is at loss to understand how it will be possible for the Department of Posts to achieve financial and physical targets if Ministry of Finance continue to hold back the proposals for sanction of essential posts for new post offices as stated by the Department of Posts.

61. The Committee notes that the Ministry of Finance has persistently been asking the Department of Posts to follow the instructions issued by the Cabinet Secretariat in February 1992 imposing 10% cut on the establishment in order to reduce administrative expenditure of the Government. On account of it the Ministry of Finance is not sanctioning new posts to the Department for opening of post offices. It has retarded the expansion of postal network which is a matter of grave concern.

62. The Committee notes that the Department of Posts has been providing postal services in the entire country with a workforce of about 2.8 lakh regular employees most of whom are involved in day to day handling of mails. Reduction of posts from 1986 onwards due to introduction of time bound promotion scheme for the operative staff and non-availability of adequate additional staff even as per approved norms due to ban on creation of posts, have combined to keep work force of the Department greatly restricted. On the other hand demand for postal services has been increasing with the growth of urban agglomeration and population growth. While there is lack of postal counter facilities specially in the rural areas, there has been an overall increase in the volume of mail handled by the Department and also in the area of agency functions. Moreover the operations of the Department are labour intensive. All the factors are adversely affecting the efficiency of the Department of Posts.

63. The Committee further notes that the Department of Posts is making efforts to increase productivity through use of modern technology and redeployment of work force for priority areas. New premium products and services specially for the business sector have been introduced bringing a new buoyancy in revenue. Postal Life Insurance has been extended to rural areas achieving 6.5 lakh of policies without any additional manpower. In view of these facts, the Committee earnestly desires that the demand of the Department of Posts for exemption from general reduction of 10 percent of the staff may be considered appropriately. The Committee apprehends that if the Ministry of Finance continued to insist on reduction of manpower in the Department of Posts, it may lead to collapse of postal services or the expansion may come to a halt.

64. The Committee notes that the postal needs of the urban extensions and labour settlements around and near big towns/cities are met to an extent by installation of the new letter boxes, mail boxes etc., and by setting up post office extension counters. However, the Committee feels that these facilities are not adequate and the Department of Posts has not been able to satisfy the needs of the urban conglomerations that have come up due to increase in population and also by extension of municipal area. The Committee, therefore, recommends that a study should immediately be conducted to find out the areas which require setting up of new post offices as urbanization is taking place at a fast pace. In certain areas particularly in big cities/towns existing post offices are grossly inadequate to cater to the needs increasing population.

65. The Committee regrets to note that there were 5446 villages at the end of March, 2000 which satisfy norms of population and distance for opening of Extra Department Branch Offices (EDBOs) but are not provided with such facility. The Committee finds that in view of the Ninth Plan targets of opening of post offices which have already been kept at the lower scale, covering 5446 villages would remain a distant possibility. The Committee strongly recommends that opening of EDBOs in villages satisfying norms for opening of post office be given utmost attention and a definite time frame be fixed for opening of Post offices. The aspirations of the people of those areas be fulfilled by adopting a suitable strategy within a given time frame.

66. The Committee has been informed that 'Panchayat Sanchar Sewa Yojana (PSSK)' undertaken to overcome the problem of non-availability of manpower has been functioning satisfactorily. Though it could not make much headway in the initial years of the Plan due to lukewarm response from Panchayats, it is now getting good support in various Circles. Therefore targets for 2000-01 was stepped up to 2000 Kendras and for the current year also a target of 2000 Kendras has been fixed. The Committee also appreciates that the Department has enhanced remuneration of PSSK agents from Rs. 300/- to Rs. 600/- w.e.f. 1st March 2001. The Committee trusts that the Department would suitably enhance the targets for the scheme in X Plan as it is the only cost effective way to expand postal network in rural areas.

67. The Committee expresses its serious concern to note that for 'Modernisation of Mail Processing' scheme, out of the total Ninth Plan Allocation of Rs. 141.30 crore, the Department of Posts was allocated only Rs. 33.56 crore i.e. 23.75 percent of the total plan allocation and the Department has been able to utilize only Rs. 27.22 crore during first three years of the Ninth Plan. One of the reasons for shortfall is that Automatic Mail Processing Centre (AMPC) targetted to be set up at Kolkata during 2000-2001 could not be completed. The Committee is not impressed by this line reasoning because the project is pending for two years since 1999-2000, when the allocations with regard to setting up of AMPC were first made.

68. The Committee is also not convinced by reasons advanced for delay in completion of projects viz. the appointment of Consultants and a review of technologies took some more time; studies with regard to the mail matter which was earlier done in the year 1997 had to be further updated and finally some delay occurred due to modifications to the existing building at Kolkata and the preliminary work pertaining to the construction of building for AMPC at New Delhi. The Committee strongly feels that such procedural matters should have been resolved prior to allocation of grains so that funds provided in the Estimates are fully utilized.

69. The Committee would like to mention that the targets for setting up of AMPCs have already been reduced from 3 to 2 due to the reduced Ninth Plan allocations. Implementation has been very tardy in spite of assurances given earlier. The Committee further notes that the Department has taken several measures now for timely procurement of equipments and in turn completion of the projects. The Committee feels that had these steps been taken earlier, the Department would have achieved the target. The Committee, therefore, strongly desires that the Ninth Plan target of setting up of 2 AMPCs one at Kolkata and other at Delhi should be accomplished without delay any further so that benefits of speedy mail movement could reach the masses at the earliest.

70. The Committee further notes that the Department of Posts has allocated Rs. 61 crore during 2001-2002 on Modernisation of Mail Processing which is 45% of the total Annual Plan allocation of Rs. 135 crore. The Committee finds that during the first three years of the Ninth Plan the Department could utilize Rs. 27.22 crore and in the year 2000-2001, out of the allocation of Rs. 43.94 crore, Rs. 28.31 crore allocated for setting up of Automatic Mail Processing Centre (AMPC) at Kolkata remained unutilized as major expenditure on purchase of machines could not be incurred. Thus the Committee is inclined to believe that even after utilization of the entire allocation on this scheme for the years 2000-2001 and 2001-2002, the financial targets are unlikely to be achieved unless Department gears up its machinery for expeditious implementation of 'Modernisation of Mail Processing' schemes.

71. The Committee is not at all satisfied by reasons given by the Department for upgrading only 2 Mail Net out of the target of upgrading 4 Mail Net during the first three years of the Ninth Plan. It is pity that the Department could not resolve such problems like finalization of the rates for hardware and Application Software. Such problems could easily be overcome with foresight and coordinated efforts. The Committee would like to be assured that DoP would not allow such problems to recur in future.

72. The Committee regrets to note that Rs. 3 crore allocated for various activities under promotion of premium products including speed post in 1999-2000 was utilized to the extent of Rs. 2.64 crore and the remaining amount had to be surrendered. The Committee is not satisfied with the reason given by the Department that though the task of designing a full-fledged campaign had been planned, it could not be put in place due to lack of adequate inputs by empanelled agencies in the form the design, media plan, estimates. The Committee views that with timely interactions and proper monitoring machinery, corrective steps could have been devised and such a situation could easily be avoided. Keeping in view the importance and magnitude of business development activities for growth in Department's revenue, the Committee would like to be assured that funds allocated for said scheme are fully utilized.

73. The Committee notes with satisfaction that Business Development Directorate is negotiating with Bharat Sanchar Nigam Limited (BSNL) and Delhi Vidyut Board (DVB) for bulk delivery of bills. While Mananagar Telephone Nigam Limited, Delhi has already entrusted distribution of Telephone bills to DoP, MTNL, Mumbai has sent a proposal for delivery of Dolphin Mobile Telephone Bills to their customers. The Department is hoping to finalize the business proposals with these companies shortly. The Committee strongly feels that there are ample opportunities for business development and that DoP should also approach Water Boards, State Electricity Boards and Local authorities etc. for bulk delivery of bills so as to generate high volume of business.

74. The Committee is happy to learn that due to initiatives taken during the Ninth Plan, the Philatelic revenue of the Department of Posts which was Rs. 9 crore (approx.) at the beginning of the Plan has increased to Rs. 20 crore (approx.) in 1999-2000. Contrary to the general perception, revenue generated by Philately shows that it can also a source of much revenue besides its avowed social and educational objectives. The Committee, therefore, desires that the Department should promote and develop Philately by holding more exhibitions particularly in schools and colleges. The Committee trusts that higher allocation will be made for this scheme in the coming years, as assured by the Secretary, Posts.

75. The Department of Posts is setting up 88 new Very Small Aperture Terminals (VSATs) and with around 400 Extended Satellite Money Order Stations (ESMOS), entire money order service would be covered by satellite system. The Money order traffic has also increased from Rs. 10.91 crore in 1998-99 to Rs. 11.37 crore in 1999-2000. The Committee desires the Department to expedite setting up of 88 VSATs so as to make it benefits available to the public at the earliest.

76. The Committee is deeply concerned to note that there has been substantial increase in the number of Money Order complaints during the last three years. About 3,33,966, 3,88,091, 4,22,408 and 3,20,201 number of complaints were received during 1997-98, 1998-99, 1999-2000 and upto December, 2000 respectively. The Committee was assured last year that with the various steps taken by the Department there would be considerable reduction in the number of such complaints. Evidently, such steps have made no impact. The Committee, therefore, is of the view that there may be some inherent lacunae in the whole money order system, which should be identified with a view to take suitable remedial steps.

77. The Committee notes that the Department of Posts has got two offices of Chief Engineer located at Bangalore and Delhi for which cadre controlling authority is Department of Telecommunications. There is only one Sub Divisional Officer (S.D.O.) looking after the North-Eastern States. The Committee desires that as it is quite difficult for a single S.D.O. to handle the problems of the entire North East Circle comprising seven States which have difficult and inaccessible areas, senior level officers be posted there as assured by the Secretary, Department of Posts.

78. The Committee notes that the Department of Posts operates some small savings schemes on agency basis on behalf of the Ministry of Finance on a no profit no loss basis. For the services rendered, it is remunerated costs for operating these schemes on an actual basis by the Ministry of Finance. The remuneration presently payable to the Department was arrived at on the basis of the recommendations of an Expert Group constituted in 1994. The scheme of remuneration provided for full cost of establishment and overheads and annual 10 percent escalation in these costs. However, due to the appreciable increase in costs as a result of acceptance of the Vth Pay Commission's recommendations by the Government of India, a

discrepancy has arisen wherein the full cost of providing these services has not been reimbursed to the Department of Posts by the Ministry of Finance. The Committee notes that in 1998-99, the average cost in Saving Bank, Saving Certificates & Kisan Vikas Patrika and Indira Vikas Patra, per service was Rs. 19.53, Rs. 35.87 and Rs. 10.05 respectively, whereas the average revenue was Rs. 15.22 and Rs. 20.61 and Rs. 5.47 respectively. During 1999-2000 the average cost was Rs. 20.78, Rs. 38.22 and Rs. 8.24 respectively and average revenue Rs. 16.74, Rs. 22.49 and Rs. 6.02 respectively on these schemes. The Committee notes that Department of Posts has taken up the matter of differential in its correspondence with the Ministry of Finance. It desires an expeditious action to compensate the Department of Posts for the services rendered by it.

NEW DELHI;  
12 April, 2001  
22 Chaitra, 1923 (Saka)

SOMNATH CHATTERJEE,  
Chairman,  
Standing Committee on  
Information Technology.

MINUTES OF THE FOURTEENTH SITTING OF THE STANDING  
COMMITTEE ON INFORMATION TECHNOLOGY  
(2001)

The Committee sat on Wednesday, March 14, 2001 from 1500 hours to 1745 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Pawan Kumar Bansal
3. Shri Nikhil Kumar Chaudhary
4. Shri Bhartruhari Mahtab
5. Shri K.A. Sangtam
6. Rajkumari Ratna Singh
7. Shrimati D.M. Vijay Kumari

*Rajya Sabha*

8. Shri Balkavi Bairagi
9. Shri Narendra Mohan
10. Shri K. Rama Mohana Rao
11. Shrimati Kum Kum Rai

SECRETARIAT

1. Shri P.D.T. Achary — *Joint Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*
3. Shri A.S. Chera — *Under Secretary*



**Representatives of the Department of Telecommunications (DoT)**

- |                           |   |   |
|---------------------------|---|---|
| 1. Shri Shyamal Ghosh     | — | Chairman, Telecom<br>Commission and Secretary,<br>DoT |
| 2. Shri R. Ramanathan     | — | Member (Finance)                                      |
| 3. Shri J. Ramanaujam     | — | Member (Services)                                     |
| 4. Dr. Vijay Kumar        | — | Member (Technology)                                   |
| 5. Shri R.N. Goel         | — | Member (Production)                                   |
| 6. Shri Dhanendra Kumar   | — | Additional Secretary (T)                              |
| 7. Shri S.P. Purwar       | — | Advisor (Finance)                                     |
| 8. Shri Ramesh Chandra    | — | Advisor (Production)                                  |
| 9. Shri C.V. Rajan        | — | Advisor (Technology)                                  |
| 10. Shri S. Satagopan     | — | Advisor (HRD)   |
| 11. Shri Dilip Sahay      | — | Advisor (Operations)                                  |
| 12. Mrs. Annie Moraes     | — | DDG (BLF)   |
| 13. Dr. D.P.S. Seth       | — | CMD, BSNL   |
| 14. Shri N. Sharma        | — | CMD, MTNL   |
| 15. Shri S.K. Gupta       | — | CMD, VSNL   |
| 16. Mrs. G. Lakshmi Menon | — | CMD, ITI Ltd.   |
| 17. Shri S.S. Sekhawat    | — | CMD, HTL Ltd.   |

**Representatives of the Department of Posts (DoP)**

- |                       |   |                    |
|-----------------------|---|--------------------|
| 1. Shri B.N. Som      | — | Secretary (Posts)  |
| 2. Shri S.C. Dutta    | — | Member (P)         |
| 3. Shri Gautam Gupta  | — | Member (O)         |
| 4. Shri K.S. Menon    | — | JS. & FA           |
| 5. Shri L.K. Puri     | — | Sr. DDG (CPT)      |
| 6. Ms. Meera Dutta    | — | DDG (Estates & PN) |
| 7. Shri S.P. Singh    | — | DDG (M&TS)         |
| 8. Shri Gurmail Singh | — | DDG(PAF)           |

2. \*\*\*                    \*\*\*                    \*\*\*                    \*\*\*
3. \*\*\*                    \*\*\*                    \*\*\*                    \*\*\*
4. \*\*\*                    \*\*\*                    \*\*\*                    \*\*\*

5. Thereafter, the Chairman welcomed the Secretary, Department of Posts and other officials accompanying him to the sitting of the Committee.

6. The Secretary, DoP highlighted the salient features of the relating to that Demands for Grants (2001-2002) Department of Posts.

7. The Committee sought certain clarifications on the issues relating to the Demands for Grants (2001-2002) of the Department of Posts. The representatives of DoP responded to the same.

8. The witnesses, then, withdrew.

9. A verbatim record of the sitting has been kept separately.

*The Committee, then adjourned.*

MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING  
COMMITTEE ON INFORMATION TECHNOLOGY  
(2001)

The Committee sat on Friday, March 23, 2001 from 1500 hours to 1800 hours in Committee Room 'D', Parliament House Annex, New Delhi.

**PRESENT**

**Shri Somnath Chatterjee — Chairman**

**MEMBERS**

*Lok Sabha*

2. Shri Mahendra Baitha
3. Shri Pawan Kumar Bansal
4. Shri Nikhil Kumar Chaudhary
5. Shri K.A. Sangtam
6. Smt. D.M. Vijay Kumari

*Rajya Sabha*

7. Shri Balkavi Bairagi
8. Shri Shatrughan Sinha
9. Shri Kartar Singh Duggal
10. Shri K. Rama Mohana Rao
11. Shrimati Kum Kum Rai

**SECRETARIAT**

1. Shri P.D.T. Achary — *Joint Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*
3. Shri A.S. Chera — *Under Secretary*

### **Representatives of the Department of Telecommunications (DoT)**

1. Shri Shyamal Ghosh — Chairman, Telecom Commission and Secretary, DoT
2. Shri R. Ramanathan — Member (Finance)
3. Shri J. Ramanujam — Member (Services)
4. Dr. Vijay Kumar — Member (Technology)
5. Shri R.N. Goel — Member (Production)
6. Shri Dhanendra Kumar — Additional Secretary (T)
7. Shri S.P. Furwar — Advisor (Finance)
8. Shri Ramesh Chandra — Advisor (Production)
9. Shri C.V. Rajan — Advisor (Technology)
10. Shri S. Satagopan — Advisor (HRD)
11. Shri Dilip Sahay — Advisor (Operations)
12. Mrs. Annie Moraes — DDG (BLF)
13. Dr. D.P.S. Seth — CMD, BSNL
14. Shri N. Sharma — CMD, MTNL
15. Shri S.K. Gupta — CMD, VSNL
16. Mrs. G. Lakshmi Menon — CMD, ITI Ltd.
17. Shri S.S. Sekhawat — CMD, HTL Ltd.

### **Representatives of the Department of Posts (DoP)**

1. Shri B.N. Som — Secretary (Posts)
2. Shri S.C. Dutta — Member (P)
3. Shri Gautam Gupta — Member (O)
4. Shri K.S. Menon — JS. & FA
5. Shri L.K. Puri — Sr. DDG (CPT)
6. Ms. Meera Dutta — DDG (Estates & PN)
7. Shri S.P. Singh — DDG (M&TS)
8. Shri Gurmail Singh — DDG(PAF)

2. \*\*\*

3. \*\*\*

4. The Chairman, then, welcomed the Secretary, DoP and other officials accompanying him to the sitting of the Committee.

5. The Committee, then, sought further clarifications on the issues relating to Demands for Grants (2001-2002) of DoP. The representatives replied to the queries of the Members.

6. The Chairman thanked the representatives of DoP for appearing before the Committee and for furnishing valuable information that the Committee desired in connection with the examination of Demands for Grants (2001-2002).

7. The witnesses, then withdrew.

8. A verbatim record of the sitting has been kept separately.

*The Committee then adjourned.*

MINUTES OF THE TWENTY-THIRD SITTING OF THE STANDING  
COMMITTEE ON INFORMATION TECHNOLOGY  
(2001)

The Committee sat on Thursday, 12 April, 2001 from 1100 hours to 1300 hours in Committee Room '53', Parliament House, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Mahendra Baitha
3. Shri Pawan Kumar Bansal
4. Shri Nikhil Kumar Chaudhary
5. Shri T. Govindan
6. Shri K.K. Kalippan
7. Shri G. Ram Mohan
8. Shri K.A. Sangtam
9. Sardar Buta Singh
10. Rajkumari Ratna Singh

*Rajya Sabha*

11. Shri Shatrughan Sinha
12. Shri Narendra Mohan
13. Shri Balbir K. Punj
14. Dr. Y. Radhakrishna Murthy
15. Shri P.N. Siva
16. Shri Kartar Singh Duggal
17. Shri K. Rama Mohana Rao
18. Shrimati Kum Kum Rai
19. Shri Rajiv Shukla

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 Ministry of Information & Broadcasting

1. Shri Pawan Chopra — Secretary (I&B)
2. Shri Anil Bajjal — Addl. Secretary and CEO,  
Prasar Bharati
3. Smt. Aruna Makhan — Addl. Secretary & Financial  
Adviser (I&B)
4. Shri Rakesh Mohan — Joint Secretary (B), (I&B)
5. Shri R.C. Mishra — Executive Director, PB
6. Shri T.R. Malakar — DDG, PB
7. Shri Jaideep Bhatnagar — Controller of Sales, PB
8. Shri H.R. Goel — Consultant, PB
9. Shri Biswanath Das — Director, DDK, Calcutta
10. Ms. Mahua Pal — DS (BD & Vig)
11. Shri S. Kumaraswamy — DS (TVP)

2. \*\*\*                      \*\*\*

3. \*\*\*                      \*\*\*

4. \*\*\*                      \*\*\*

5. The Committee then took up for consideration the following Draft Reports and adopted the same with amendments/modifications as shown in Anexure.

(i) \*\*\*                      \*\*\*

(ii) Draft Twenty-First Report of the Standing Committee on Information Technology on Demands for Grants (2001-2002) relating to Department of Posts.

(iii) \*\*\*                      \*\*\*

6. The Committee then authorized the Chairman to finalise the draft reports in the light of the factual verifications received from the concerned Ministry/Department and present/lay the Reports in both the Houses of Parliament.

*The Committee then adjourned.*

ANNEXURE

MODIFICATIONS/AMENDMENTS MADE BY THE COMMITTEE  
IN THE DRAFT TWENTY-FIRST REPORT

Page No.	Para No.	Line No.	For	Read
10	21	3	"municipality"	"municipalities"
10	21	4	"and sometimes"	"or because of"
10	21	5	"goes"	"going"
26	63	8	"sympathetically"	"appropriately"
27	64 (Contd.)	4	"provided adequately"	"adequate"
-do-	-do-	3 (from below)	"faster rate"	"fast pace"
-do-	-do-	2 (from below)	"increased"	"needs of increasing"
-do-	65	3	"without a post office"	"not provided with such facility"
-do-	-do-	2 (from below)	After "fixed" Add "for opening of post offices"	
-do-	66	1	"notes"	"has been informed"
28	69	1	Delete "here"	
29	69 (contd.)	1 (from below)	After "accomplished" Add "without any further delay"	
31	74	4	"is a paying proposition"	"can also be a source of much revenue besides its avowed social and educational objectives."
-do-	-do-	3 (from below)	Delete "as growing—about it"	
32	77	4-5	"quite unmanageable"	"difficult"
-do-	78	3 (from below)	After "that" Add "in 1998-99 the average cost"	
-do-	-do-	12-13	"the average—1998-99"	"per service"