

THIRD REPORT
STANDING COMMITTEE ON
COMMUNICATIONS
(1999-2000)

(THIRTEENTH LOK SABHA)

MINISTRY OF COMMUNICATIONS
(DEPARTMENT OF POSTS)

[Action Taken by the Government on the Recommendations/Observations
contained in its Fourteenth Report (Twelfth Lok Sabha) of Standing
Committee on Communications on Demands for Grants (1999-2000)]

Presented to Lok Sabha on.....
Laid in Rajya Sabha on



LOK SABHA SECRETARIAT
NEW DELHI

March, 2000/Phalgun, 1921 (Saka)

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER I Report	1
CHAPTER II Recommendations/Observations which have been accepted by the Government	7
CHAPTER III Recommendations/Observations which the Committee does not desire to pursue in view of Reply of the Government	17
CHAPTER IV Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration	26
CHAPTER V Recommendations/Observations in respect of which Government have furnished interim replies	30

APPENDICES

I.	Minutes of the Second Sitting of the Standing Committee on Communications (1999-2000) held on 27.01.2000	31
II.	Analysis of Action Taken by the Government on the Recommendations contained in the Fifteenth Report of Standing Committee on Communications (Twelfth Lok Sabha)	35

COMPOSITION OF THE STANDING COMMITTEE ON
COMMUNICATIONS (1999-2000)

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. Shri Shreechand Kriplani
14. Dr. C. Krishnan
15. Shri Bhartruhari Mahtab
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18. Shri A.K. Moorthy
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20. Shri K. Balrama Krishna Murthy
21. Shri Sheeshram Singh Ravi
22. Shri K.A. Sangtam
23. Shri Saroj Tufani
24. Sardar Buta Singh

(iv)

25. Shri Chandra Vijay Singh
26. Rajkumari Ratna Singh
27. Shri Vinay Kumar Sorake
28. Shrimati D.M. Vijaya Kumari
29. Vacant
30. Vacant

Rajya Sabha

31. Dr. M.N. Das
32. Shrimati Veena Verma
33. Shri Balkavi Bairagi
34. Shri Shatrughan Sinha
35. Shri Narendra Mohan
36. Dr. Mahesh Chandra Sharma
37. Dr. Y. Radhakrishna Murthy
38. Shri Munavvar Hasan
39. Shri S. Agniraj
40. Shri Kartar Singh Duggal
41. Miss Lata Mangeshkar
42. Shri Cho. S. Ramaswamy
43. Shri R.N. Arya
44. Vacant
45. Vacant

SECRETARIAT

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

INTRODUCTION

I, the Chairman Standing Committee on Communications (1999-2000) having been authorised by the Committee to submit the Report on its behalf, present this Third Report on Action Taken by Government on the recommendations/observations of the Committee contained in its Fourteenth Report (Twelfth Lok Sabha) on Demands for Grants (1999-2000) relating to the Ministry of Communications (Department of Posts).

2. The Fourteenth Report was presented to Lok Sabha on 21 April, 1999 and also laid in Rajya Sabha on 23 April, 1999. The Government furnished Action Taken Notes on the recommendations contained in the Report on 16.7.1999.

3. The Report was considered and adopted by the Committee at its sitting held on 27 January, 2000.

4. 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.

5. An analysis of Action Taken by Government on the recommendations contained in the Fourteenth Report of Standing Committee on Communications (Twelfth Lok Sabha) is given in Appendix-II.

NEW DELHI;
11 February, 2000
22 Magha, 1921 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

CHAPTER I

REPORT

This Report of the Standing Committee on Communications deals with the action taken by the Government on the Recommendations contained in its Fourteenth Report (Twelfth Lok Sabha) on Demands for Grants (1999-2000) relating to the Ministry of Communications (Department of Posts).

2. The Fourteenth Report was presented to Lok Sabha on 21.4.1999 and was also laid on the Table of Rajya Sabha on 23.4.1999. It contained 25 Observations/Recommendations.

3. Action Taken Notes in respect of all the Observations/Recommendations contained in the Report have been received and categorised as under:

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

Paragraph Nos.: 38, 39, 47, 50, 52, 67, 74, 75, 81, 84 and 85

Total : 11
Chapter II

- (ii) Recommendations/Observations which the Committee does not desire to pursue in view of the replies of the Government:

Paragraph Nos.: 18, 19, 20, 21, 22, 36, 37, 49, 64 and 65

Total : 10
Chapter III

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

Paragraph Nos.: 35, 48, 66 and 73

Total : 4
Chapter IV

- (iv) Recommendations/Observations in respect of which replies are of interim nature:

Paragraph Nos. : Nil

Total : NIL

Chapter V

4. The Committee trusts that utmost importance would be given to the implementation of the recommendations accepted by the Government. In cases, where it is not possible for the Department to implement the recommendations in their letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee further desires that Action Taken Notes on the Recommendations/Observations contained in Chapter I of this Report should be furnished at an early date.

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

Basic Postal Facilities to all Villages (Paragraph No. 35)

6. The Committee in its earlier Report noted that it would take another 10 years to provide post office to 5428 eligible Gram Panchayat Villages which qualify for opening of a post office on the basis of prescribed norms. The Committee had also pointed out that @ Rs. 26000 per EDBO, an amount of Rs. 14.11 crores would be required for opening Extra Departmental Branch Offices in all the 5428 villages which would not be high considering the fact that there were 1,10,029 Gram Panchayat Villages without post offices. The Committee had also recommended that the Department should review the priority and fix a definite time frame to provide a post office to all the eligible villages and examine the feasibility of relaxing the norms for opening of post office so as to provide basic postal facilities to more and more villages.

7. The Department of Posts in its Action Taken note has stated that with the implementation of Panchayat Sanchar Sewa Yojana (PSSY), they will be able to cover a large number of Gram Panchayat Villages with basic postal facilities. The Scheme is stated to be cost-effective.

As against the annual cost involving a single handed Branch post office which is Rs. 26,000 p.a. the cost involved in setting up of a Panchayat Sanchar Sewa Kendra is Rs. 5700/- p.a., The Department has further informed that PSSY has been included in the Annual Plans 1998-99 and 1999-2000 and a target of setting up of 200 PSSKs under the Annual Plan 1998-99 was also fully achieved.

8. The Committee notes that the Department of Posts intends to cover a large number of Gram Panchayat Villages with basic postal facilities under Panchayat Sanchar Sewa Yojana. It further notes that the scheme is cost-effective and the cost involved in setting up of a Panchayat Sanchar Sewa Kendra is Rs. 5700 p.a. as against the annual cost of Rs. 26000/- for a single handed Branch post office. The Committee desires that the target for setting up of Panchayat Sanchar Sewa Kendras should be enhanced in such a manner that all the 5428 eligible Gram Panchayat Villages are provided with a Panchayat Sanchar Sewa Kendra during the ongoing Ninth Five Year Plan. The Committee would like to know the targets laid down for opening of Panchayat Sanchar Sewa Kendras in each States year-wise during IX Plan. The Committee would like that the norms for opening of post offices are relaxed further so that more and more villages can be provided with the basic postal facilities during IX Plan.

Creation of Posts (Paragraph No. 37)

9. The Committee in its earlier Report had observed that 5428 Gram Panchayat Villages which justified opening of post offices should be accorded top priority and it would not be difficult for the Department to provide outlay of Rs. 14 crore required for the purpose. The Committee had desired that Department of Posts should take up the matter of creation of posts with the Ministry of Finance at the highest level as the demand of these villages was highly justified.

10. The Department of Posts in its Action Taken Note has stated that the case of new posts required for fulfilling the plan targets involving opening of post offices will be taken up with the Ministry of Finance at the highest level.

11. The Committee notes that the Department proposes to take up the matter of creation of posts with the Ministry of Finance at the highest level. It would like to be apprised of the latest position in this regard.

**Installation of Multi Purpose Counter Machines
(Paragraph No. 48)**

12. The Committee in its earlier Report expressed its unhappiness to note that though an Expert Committee on Postal Excellence had desired that 20,000 counters should be covered with PC based Counter Machines during the VIII Plan, the Department had been able to provide only 5007 Multipurpose Counter Machines (MPCMs). The Committee had disapproved the slow progress. As the Department had stated that the targets could be raised provided Planning Commission places more funds at their disposal, the Committee had recommended that higher allocation should be made in the coming year of the Ninth Plan so that more and more MPCMs could be provided for upgrading counter operations.

13. The Department of Posts in its Action Taken Note has stated that with the approval for procuring the equipment on lease financing for computer hardware during 1999-2000 as a pilot project, it may be possible to achieve higher targets. It has further been stated that during 1998-99, 1429 MPCMs have been installed though target was to set up 1000 MPCMs only.

14. The Committee is not satisfied with the casual reply given by the Department that it may be possible to achieve higher targets by procuring the equipment on lease financing for computer hardware during 1999-2000. The Committee would like to be assured that efforts would be made to install Multi Purpose Counter Machines (MPCMs) on a much higher scale as desired by the Expert Committee on Postal Excellence. The Committee, therefore, reiterates that higher plan allocation should be made in the coming years of the IX Plan for upgrading the counter operations.

**Automatic Mail Processing Centres
(Paragraph No. 66)**

15. The Committee in its earlier Report expressed its unhappiness to note that Department had not taken any action for setting up of Automatic Mail Processing Centres (AMPCs) at Delhi, Calcutta and

Bangalore as targetted in the IX Plan. It was constrained to observe that how it would be possible to set up an AMPC at Calcutta with meagre allocation of Rs. 5 crore when Rs. 20 crore was stated to be required to set up an Automatic Mail Processing Centre. The Committee had desired that the Department should review the allocation for setting up of AMPCs at the time of mid-term appraisal of the Plan.

16. The Department of Posts in its Action Taken Note has stated that after completing the technical feasibility of all the three AMPCs, Calcutta has been earmarked for setting up AMPC during 1999-2000 and 2000-2001. All the formalities were stated to be under process and would take more time and, therefore, the project has been spread over to two years. It has further been stated that Rupees 5 crore has been earmarked for carrying out modifications to the building selected for installation of AMPC at Calcutta and other related activities and if sufficient funds would be made available in the remaining years of the Plan, it may not be difficult to set up the AMPCs at Calcutta, Delhi and Bangalore.

17. The Committee regrets to note that the Department took two years to complete technical feasibility exercise for setting up 3 Automatic Mail Processing Centres at Delhi, Calcutta and Bangalore. The Committee also regrets that the Department has taken more than two years to process the formalities and the project of setting up of AMPC at Calcutta has been spread over to two years *i.e.* 1999-2000 and 2000-2001. The Committee takes a serious note of all these procedural delays and recommends that the Department should avoid such delays so that the projects of setting up of all the 3 Automatic Mail Processing Centres at Delhi, Calcutta and Bangalore targetted in IX Plan are completed in time. The Committee reiterates that more funds should be earmarked at the time of mid term appraisal of the Plan so that the scheme can be implemented at the earliest for effective postal facilities in these Cities.

Under-utilisation of funds for Business Development and Marketing (Paragraph No. 73)

18. The Committee in its Fourteenth Report had expressed its unhappiness over the fact that during 1998-99, out of Rs. 5.15 crore

allocated for Business Development and Marketing, only Rs. 3.49 crore could be spent. The Committee deprecated such a casual attitude of the Department in fulfilling the targets for the scheme deserving utmost importance and desired the Department to intensify its efforts and ensured that the allocation made for Business Development and Marketing in subsequent years is optimally utilised.

19. The Department of Posts in its Action Taken Note has stated that the allocation of Rs. 5.15 crore for Business Development and Marketing included a projection of Rs. 1.7 crore for procurement of Inserting System for Business Post Centres and the same could not be utilised. The Department has further stated that in response to the tenders by the Business Development Directorate, 4 offers were received and a Tender Evaluation Committee constituted to assess the suitability of the equipment offered by each of the tender concluded that the equipment offered by them was not compatible with the requirements. The search for suitable machine to meet the requirements is stated to be still on.

20. The Committee notes with concern that the Department could not utilise Rs. 1.7 crore earmarked for procuring Inserting System for Business Post Centres during 1998-99. The reason for the same which is stated to be non-compatibility of the suitable equipment does not convince the Committee. The Committee, therefore, desires that there should be no laxity in future in the timely procurement of equipment so that physical as well as financial targets for Business Development and Marketing are optimally utilised and the technology existing with Business Development Directorate is compatible with private couriers in all respect.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 38)

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

Action Taken by the Government

An in-depth study of the reasons for success of some Panchayat Sanchar Seva Kendras and failure of others has been undertaken. All efforts are being made to ensure that the PSSKs set up perform satisfactorily. The Heads of Circles have been directed to spare no effort in this regard and maintain liaison with the State Governments and with the Panchayats through the Divisional Superintendents. They have also been specifically directed to closely monitor their performance and evolve a satisfactory mechanism for the same. At Directorate also, the performance of the PSSKs is being monitored.

Recommendation^A (Para No. 39)

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

Action Taken by the Government

The Panchayat Sanchar Sewa Yojana has now been included as a Plan activity under the Plan scheme of Expansion of Postal Network during the Ninth Five Year Plan. The performance of the scheme is being closely monitored with a view to incorporate any changes which would help in making it successful.

Feedback on any modifications required in the Schemes has been called for from the Heads of Postal Circles.

This includes revision of allowances also. In the very near future, as soon as the feedback is received the case for revision of allowances and other modifications in the scheme as required would be processed.

Recommendation (Para No. 47)

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

Action Taken by the Government

Rupees ten crores which were kept for setting up independent hub of the Department of Posts during the Ninth Five Year Plan are being utilized for other activities as no hub is required at present. The Planning Commission and the Department of Expenditure have agreed in principle of leasing of hardware.

Recommendation (Para No. 50)

The Committee is perturbed to note that the progress in respect of installation of Extended Satellite Money Orders (ESMOs) and VSATs

remained tardy during the first two years of IX Plan. During 1997-98, 318 ESMOs but not a single VSAT were installed against the target of 350 ESMOs. Also during 1998-99, no ESMO and VSAT was installed. The reason for the same i.e. Public Investment Board while approving Phase I of the satellite money order project stated that a performance evaluation should be made on completion of all activities relating to Phase I and that took some time is not convincing. The Committee notes that the Department has put up the case for Phase II in February 1999, which is almost two years from the completion of the Eighth Five Year Plan. With only 318 ESMO centres installed in the first year of the IX Plan and 210 targeted during 1999-2000, target of 2000 ESMO centres would be a mirage. The same is the case with the installation of VSATs. The Committee desires that the Department should draw lessons from the past and avoid such procedural pitfalls resulting in tardy progress of projects. The Committee further hopes that the target for the year 1999-2000 to instal 62 VSATs and 266 ESMOs would be achieved well in time.

Action Taken by the Government

During the year 1999-2000, all the targets will be completed well in time.

Recommendation (Para No. 52)

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

Action Taken by the Government

Networking and computerization of 15 Postal Store Depots was to be done during 1998-99. In the direction of networking of Postal Stores Depots, an experiment for transmitting data through existing software from Directorate to Saharanpur PSD, at PTC Saharanpur was successfully completed during the year 1998-99.

Regarding computerization of 15 PSDs, the necessity for development of a new software was felt, since license for operating software i.e. FOXBASE PLUS being used in other Postal Stores Depots was difficult to obtain. For this, a proposal received from M/s. CMC Ltd., who earlier computerized the 31 PSDs in two phases on turn-key basis was processed. However, it was opined by the Integrated Finance on 6.11.98, that Department should go for open tenders for selecting the vendors. Complete negotiations regarding total cost of project and technical formalities, in consultations with Technology Branch of the Directorate could not be completed during Financial Year 1998-99. This has since been done and order for development of new PSD Software has been issued on 23.6.99.

An amount of Rs. 1.71 lakhs was spent by MM division during 1998-99 towards networking and computerization of PSDs.

Recommendation (Para No. 67)

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

Action Taken by the Government

All efforts will be made to set up all the three AMPCs during the IX Plan.

Recommendation (Para No. 74)

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

Action Taken by the Government

During 1998-99, we had targeted computerisation of twenty Speed Post Concentration Centres and this was achieved. During 1999-2000,

we have planned for modernisation of Speed Post Business Office in Delhi. In the next two years, Speed Post Business offices in Mumbai, Calcutta, Chennai & Bangalore will be modernized.

Recommendation (Para No. 75)

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

Action Taken by the Government

Extension of Track And Trace System to other centres will be implemented as soon as the present system is upgraded to a window based platform. The Department has engaged consultants from the Indian Institute of Technology to suggest appropriate technological inputs.

Recommendation (Para No. 81)

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

Action Taken by the Government

The Rural Postal Life Insurance business declined in the year 1997-98 due to paucity of adequate staff. This deficiency has been taken care of to an extent by progressive computerisation of RPLI operations. This has helped the Department in procuring business of Rs. 506.27 crore in respect of 132435 policies during the year 1998-99. As regard sanction of staff for Rural PLI, action was taken to evolve

norms for various items of work as no SIU norms exist for RPLI. The Work Study Unit of the Department was entrusted with task of evolving the norms which have since been finalised after carrying out necessary field studies. A proposal for sanction of additional staff will shortly be submitted to the Ministry of Finance.

Recommendation (Para No. 84)

The Committee is disturbed to find that number of complaints in respect of money order shows an increasing trend during the last 3 years. The number of complaints were 2,78,360, 2,84,723 and 3,23,938 during 1995-96, 1996-97 and 1997-98 respectively. The Committee further note that Money Order traffic which was 11.16 crore in 1996-97 has decreased by 8 lakh, i.e. to 11.08 crore. Money Order traffic is expected to further decline to 11.05 crore in 1998-99. No doubt, some steps have been taken to deal with the complaints but they cannot be termed as adequate. The Committee, therefore, recommends that the Department should make a detailed study in regard to the nature of the complaints, the regions where there were comparatively more complaints so that the effective steps to check the malpractices of the postal staff in the money order system can accordingly are taken.

Action Taken by the Government

1. The Department of Posts has carefully noted the concern expressed by the Parliamentary Standing Committee with regard to the rising trend in the complaints of Money Orders over the past few years. While the percentage of Money Orders' complaints in comparison to the Money Order traffic handled is 0.299%, the Department of Posts is not complacent with the situation and all possible efforts are being made to improve the efficiency of the money order service and also ensure prompt and effective action on all complaints received. There are, however, certain operational constraints in the delivery services, as the Department has to depend on various outside agencies like Railways, Indian Airlines and State Transports etc., for transmission of mail through these agencies.

2. Keeping in view the concern shown by the Parliamentary Standing Committee over the increasing number of complaints in the past few years, instructions have been issued to all the Heads of Circles to take all necessary measures including penal action against concerned staff for dereliction in their duties wherever noticed. Heads of Circles

have been specifically asked to give publicity and educate the members of the public about the procedure to be followed for filling any complaint about Money Order service. They have also been asked to adhere to the time limits prescribed for disposal of public complaints.

3. The money order service provides means of money transfer, especially in the rural areas, where banking service is not easily available. In order to speed up money orders and enhance customer satisfaction, the Department has set up a Very Small Aperture Terminal (VSAT) network in the country using satellite channels for transmitting money orders. This has substantially reduced transmission time of money orders, but the money orders being transmitted through the VSAT and Extended Satellite Money Order Offices (ESMOs) are presently limited to only 9% of the total money order traffic and the number is increasing progressively with the spread of the network. Introduction of Satellite Money Order Service (SATMO) through the VSAT Network had to face some teething problems which have now been rectified with a number of steps initiated, including a new upgraded application software for VSAT (Version 3.0) which was put in place in April, 1999, and which would make the service more efficient and also have the following additional features:—

- (a) Money Orders booked for payment under the same VSAT Station can be transmitted and paid instantly.
 - (b) The message included in the money order by the remitter is to be codified to make its transmission easy and more accurate.
 - (c) In case of a complaint, tracing a money order and its details about its payment would become easy, as the originating VSAT would have the relevant information in the system.
 - (d) Remitters booking large number of money orders and payees receiving money orders in bulk will be provided more efficient service through special provisions in the software.
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4. Since money orders are still largely being transmitted and paid by conventional manual system, the Department has prescribed various measures for close monitoring of the system and these include the following:—

- (i) All money orders booked for more than Rs. 400/- are labelled as High Value Money Orders and sent along with high value money order list. These lists are entered at all levels of handling and treated like accountable articles.
- (ii) 25 MOs are required to be verified personally by all Sub-Divisional Inspectors/ASPOs every month. The result of such verification is reflected in their fortnightly diaries.
- (iii) 50 MOs are to be verified by Mail Overseers in their jurisdiction every month. These Mail Overseers are working under Sub-Divisional Inspectors and are required to visit Branch P.Os/Extra Departmental Sub P.Os.
- (iv) Likewise, Public Relation Inspectors, in cities are also to verify MO payment in their delivery areas and result of such verification is to be reflected in their daily diary.
- (v) Sr. SPOs while visiting/inspecting various POs in their jurisdiction are required to pay special attention towards payment of MOs in the Post Offices.

5. Thus, the Department is continually exercising pointed attention to the operation of the MO service and has also initiated several steps to improve the efficiency of the service and also ensure prompt and effective response to the rising incident of MO complaints. Instructions have been issued to all Heads of Circles to streamline and tighten supervision and control in the operative units. Each Circle has been asked to identify a senior office to ensure compliance with the specific instructions issued and continuous monitoring of implementation of the measures introduced. Further, the Department has been carrying out periodic drives for time-bound settlement of money order complaints. During the period of these drives, focussed attention is ensured by Senior Managers to settle pending complaints and remedy systemic difficulties. During the last three years such drives were conducted during July to September 1996, October to November 1997 and during November 1998. The results of these drives are critically analysed to assess the performance of the respective Circles and

valuable feed back is provided to help the Circle management improve its performance further. Even during the current year, *i.e.* 1999-2000, a drive has been programmed during 15th July 1999, to 14th August 1999, to tackle complaints about money orders.

6. Besides, a fresh exercise has been undertaken by the Postal Directorate to review the present stipulations regarding line limits for conveyance of cash to the Post Offices for payment of Money Orders. In addition, the line limits for carrying cash by the delivery/postman staff is also being reviewed for suitable action to ensure prompt and timely payment of Money Orders.

Recommendation (Para No. 85)

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

Action Taken by the Government

The Department of Posts have carefully noted the concern of the Committee and has been making continuous efforts to improve the efficiency of money order service. Keeping in view the idea of providing a totally fault-free service, the Department has adopted modern technology like Very Small Aperture Terminals (VSATs) for speedy transmission of money orders. MO service provides cash at the customers' door-step and hence the service has very special importance for the poorer segment of society. The individualized delivery is, however, possible only through manual operation and, therefore, the Department has been making special efforts to improve efficiency of the staff involved in this segment of the MO service. As already explained in response to para 84, various measures have been taken by the Department to streamline the money order service and these are indicated briefly below:—

- 1.1 Continuous efforts are made to make transmission of money orders fault-free and for this regular liaison is being maintained with the Railways, Indian Airlines and other transport systems to ensure that there is no transmission delay.

1.2 All Heads of circles have been instructed to take stern disciplinary action against officials found responsible for delay in money order service. Heads of Circles have been instructed also to publicize relevant information so as to educate customers about the manner of lodging complaints.

1.3 Heads of Circles have been instructed to ensure that all complaints relating to money orders are settled within the time limit prescribed.

1.4 The Department has been organising periodic special drives all over the country for settlement of pending money order complaints. During the past three years, three separate drives were launched in this regard and during the current year also one more drive has been programmed for the period from 15th July to 14th August 1999.

1.5 Transmission of money order is now being speeded up with the introduction of new technology like Very Small Aperture Terminals (VSATs.) There are 77 VSATs functioning all over the country along with a total of 610 Extended Satellite Money Order Offices (ESMOs) and the number of these stations and offices are being progressively increased through successive Annual Plans of the Department. Further, some of the initial problems faced in transmission of money orders through the VSATs and ESMOs are now being overcome with the application of new software and the Department hopes to further enhance customer satisfaction through speedy and accurate service in the near future.

2. Supplying adequate amount of cash at the appropriate time to the respective Post Offices where money orders are paid poses a crucial question relating to the efficiency of the money order service. While Post Office are directly placed in account with available Branches of local banks, in smaller Post Offices, which are not within easy distance of Banks, cash is provided from nearest available Post Office which is used as the Cash Office. Keeping in view the need for safety and accountability of public funds, specific limits are laid down for conveyance of cash through departmental officials. These limits are being continuously reviewed by the competent authority in consultation with local administration and wherever feasible, these limits are raised to meet any rise in demand for payment of money orders.

CHAPTER III

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

Recommendation (Para No. 18)

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

Action Taken by the Government

Time and again the department has pleaded with the Planning Commission the vital need for providing adequate funds, pointing out that reductions would adversely affect the plan programmes of the Department. The matter was taken up at the level of Deputy Chairman, Planning Commission by the Minister of State for Communications. However, the Planning Commission has further pruned the outlay to a mere Rs. 507.25 crores. The Department has again taken up the matter with the Planning Commission to retain the Plan outlay at least at Rs. 550 crores.

Recommendation (Para No. 19)

The reduced allocation have resulted in thinning of resources for all the major schemes. Allocation for 'Upgradation of Technology' is lowered by Rs. 77.44 crores to Rs. 141.70 crores. For Human Resource Development by Rs. 4.65 crores to Rs. 13.30 crores, for Modernisation of Mail Processing by Rs. 42.39 crores to Rs. 180 crores, for Postal Life Insurance by Rs. 5.98 crores to Rs. 16.71 crores, for Postal Buildings

and Staff Quarters by Rs. 46 crores to Rs. 130 crores and for Streamlining of Administrative and Financial Management by Rs. 2.75 crores to Rs. 22.25 crores. The Committee apprehends that with such reduced allocations the progress will be tardy and it will not be possible to achieve the IX Plan objectives effectively in vital areas.

Action Taken by the Government

The Department's Ninth Plan outlay has been gradually reduced from Rs. 754.76 crores to Rs. 658.98 crores, then to Rs. 580 crores and further to Rs. 550 crores. The Department has been repeatedly pointing out to the Planning Commission that reduction in the Ninth Plan outlay would adversely affect the plan activities. The matter of retention of Ninth Plan outlay at Rs. 580 crores was also taken up at the highest level. Planning Commission has now indicated further reduction to Rs. 507.25 crores. The matter has again been taken up with Planning Commission for retention of Ninth Plan outlay at Rs. 550 crores, pointing out that the reduction would cause dislocation and would impede progress in vital areas of development. The recommendations of the Standing Committee in this regard have also been brought to the notice of the Planning Commission.

Recommendation (Para No. 20)

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

Action Taken by the Government

As against the projection of Rs. 141.42 crores under the Annual Plan 1997-98 and Rs. 137.24 crores under the Annual Plan 1998-99, the

Planning Commission approved outlays of Rs. 95 crores for each of these years. At the specific direction of the Ministry of Finance, this was further limited to Rs. 80 crores in the year 1997-98 and to Rs. 85 crores (inclusive of Rs. 0.89 crores for central NE pool) in the year 1998-99, at the Revised Estimate stages. Likewise, during the Annual Plan 1999-2000, the Planning Commission approved Rs. 100 crores against the proposed outlay of Rs. 162.74 crores at Budget Estimates stage.

In view of the above position, many of the proposed activities were downsized so as not to exceed the approved outlay of the Annual Plans.

Recommendation (Para No. 21)

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

Action Taken by the Government

Keeping in view its needs and priorities, the Department has already taken up with the Planning Commission the need for restoration of an outlay of Rs. 550 crores for the Ninth Plan. Higher Plan allocation will be emphasized at the mid-term appraisal stage also.

Recommendation (Para No. 22)

The Committee regrets to note the apparent incongruity that during the first year of IX Plan i.e. 1997-98, even the reduced financial outlay was not fully utilised. Although Budget Estimates for the year 1997-98 of Rs. 95 crores was revised to Rs. 80 crores, yet even the reduced allocation was not optimally utilised. The under utilisation of funds was there in respect of 9 out of the 12 schemes undertaken by the Department. The reasons for the shortfall like backing out of vendors to whom supply orders was issued for Multi Purposes Counter Machines (MPCMs), non-receipt of software and hardware for

International Postal System and delay in the project of fabrication of mail vans for want of clearance by Expenditure Finance Committees etc. are not at all convincing. The Committee deprecates such an approach as these problems could be overcome with foresight and coordinated efforts. The pace of progress could have been accelerated with better planning and effective monitoring. The Committee would like to be assured that the Department would not allow such problems to recur in future and the financial and physical target would be fully achieved.

Action Taken by the Government

At the instance of the Ministry of Finance the plan outlays of Department are being downsized at RE stages, resulting in pruning of activities, when they are at a sufficiently advanced stages of implementation. This leads to management and related problems.

However, notwithstanding the constraints, the Department makes all possible efforts for effective utilization of funds and thereby achieving physical targets.

Recommendation (Para No. 36)

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

Action Taken by the Government

Expansion of Postal Network has all along been a high priority area of the Department. With a view to providing basic postal facility

at reduced cost in areas not having such services and which do not justify opening of a post office, a scheme called Panchayat Sanchar Sewa Yojana (PSSY) was devised in 1995. Under this scheme, Gram Panchayat of a village is allowed to set up Panchayat Sanchar Sewa Kendras (PSSKs) for sale of stamps and postal stationery, booking of registered articles, and delivery of mail. During the Eighth Plan 670 PSSKs were set up. For various reasons, the scheme could not take off in the first two years of the Ninth Plan.

In consonance with the recommendations of the Standing Committee, Panchayat Sanchar Sewa Yojana was revived after receiving feedback from CPMsG and PMsG. The Department adopted a two pronged strategy to revive the scheme. This involved close interaction of CPMsG and PMsG with the Chief Secretaries of the State Governments as also direct approach to Gram Panchayats by the Divisional Superintendents of Post Offices. As a result of the sustained efforts made, positive results were achieved and in 1998-99 as many as 200 PSSKs were opened throughout the country. It is proposed to open another 500 PSSKs under the Annual Plan 1999-2000. The outlay on Expansion of Postal Network in the Ninth Plan is also proposed to be enhanced from Rs. 34.27 crores to about Rs. 40 crores. It may therefore be appreciated that expansion of postal network has not been neglected by the Department. In fact it has been given a fresh impetus in the year 1998-99, which would be sustained. The development of Postal Network in rural areas and modernisation will remain key thrust areas in the planing process of the Department

Recommendation (Para No. 37)

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

Action Taken by the Government

So far as the delivery of mail is concerned, there is no part of the country which remains uncovered. However, many Gram Panchayat

Villages do not have a post office although they justify setting up of a Post Office on the two norms of distance and population. In the Annual Plan priority is given to setting up of Post Offices in the Gram Panchayat Villages. However, in those Gram Panchayat Villages where it is not possible to open Post Office on account of financial or manpower constraints it is proposed to offer basic postal counter facilities through the scheme of Panchayat Sanchar Sewa Yojana which has been included in the plan scheme for the Annual Plan 1999-2000. It is hoped that for further plan years also Planning Commission will approve inclusion of this Scheme under Plan Schemes.

The case for creation of new posts required for fulfilling the plan targets involving opening of post offices will be taken up with the Ministry of Finance at the highest level.

Comments of the Committee

(Please see Para 11 of Chapter I.)

Recommendation (Para No. 49)

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

Action Taken by the Government

All efforts are being made to modernise the maximum numbers of post offices subject to availability of funds.

Recommendation (Para No. 64)

The Committee is constrained to note that even under the scheme of modernisation of mail processing which is one of the thrust areas during the IX Plan, there is shortfall in achievement of target. There

is under utilisation of funds in the first two years of the IX Plan. During 1997-98 and 1998-99, out of the allocations of Rs. 4.57 crores and Rs. 9.93 crores, Rs. 3.57 crores and Rs. 8.11 crores respectively were spent.

Action Taken by the Government

As regards non-utilisation of the funds allotted for the year 1997-98, against an allocation of Rs. 4.57 crores, the actual expenditure was of the order of Rs. 3.37 crores. The shortfall was because of the fact that we could not utilise the allocation of Rs. 1.40 crores made for fabrication of new RMS Vans as the Railways could not undertake the work inspite of our best efforts. Moreover, the Ministry of Finance, Department of Expenditure had advised the Department not to incur any expenditure on this project during the financial year 1997-98. However, in order to avoid surrender of funds, we had diverted a portion of the allocation made for fabrication of mail vans to other projects with the approval of the competent authority.

Regarding under-utilisation of the funds allotted during 1998-99, the reasons are the same. Out of the total allocation of Rs. 9.93 crores, Rs. 5.56 crores was for fabrication of new RMS Vans. Despite our best efforts, at the fag end of the financial year, the Railway Board had intimated that they cannot undertake the work during the year 1998-99. Again, in order to avoid non-utilisation of the plan funds the Department decided to re-appropriate a portion of this amount to other Plan project relating to computerisation and modernisation of mail processing. Accordingly, an amount of Rs. 3.74 crores was reappropriated from the allocation of RMS Vans to projects relating to Computerisation and Modernisation of Mail Processing.

Recommendation (Para No. 65)

The Committee notes with dismay that against the target to computerise 69 Head Record Offices (HROs)/Divisional Offices, modernising 50 Registration Delivery System and upgrading 40 Mailnet, only 1 HRO could be computerised and 2 Mailnet upgraded. The reasons for dropping the computerisation of 10 HROs and upgrading Mailnet at 10 Centres and modernising Registration Delivery System in 10 offices are stated to be delays in software development which does not appeal to be convincing. Further, reason for dropping of International Mail Accounting for non-development of the required

software for Universal Postal Union is also not acceptable. The Committee feels sorry to note that even the reduced target of fabrication of 9 RMS Vans could not be achieved. The Committee takes a serious view of all these avoidable procedural delays. It observes that these problems are the same which resulted in shortfall during the previous years also. The Committee fails to understand that when same problems are being faced every year, why corrective action could not be taken to resolve them. The Committee desires the Department to give serious thought to resolve these problems. It desires that the Department should identify all the difficulties which resulted in tardy implementation of schemes during the previous years and draw suitable lessons from them so that the targets during 1999-2000 are fully achieved.

Action Taken by the Government

As regards non-achievement of the target relating to Computerisation of Head Record Offices/Divisional Offices, the Andhra Pradesh Postal Circle had taken up the computerisation of one HRO. However, this project could not be completed as the software development work could not be completed by the consultant. Since the software development was not completed, the project was deferred during the financial year 1998-99. It is to be noted here that the software development is quite a time consuming activity. However, the development of the software is in the final stages. Chief Postmaster General, Andhra Pradesh Circle has been asked to complete it at the earliest. After completion of the software development, it will be evaluated and test-run to ensure that it is as per the requirements of the Department.

Regarding the project relating to upgradation of mailnet, it is stated that project is yet to take off due to non-completion of the software development. Maharashtra Postal Circle, which is piloting this project is getting the work done through the consultant after getting it benchmarked by IIT Mumbai. The development of software for this project is at an advanced stage and is likely to be completed soon. After completing the development of the software, this will have to be evaluated and test-run to ensure that it meets our requirements. All efforts are being made to make the project operational during the current financial year.

As regards the project relating to Computerisation of Registration Delivery System, this project has been dropped as it is no longer required. Instead, the Department has developed an integrated software

for total computerisation of Post Office called Meghdoot Software, which takes care of the registration delivery system also.

As regards the dropping of the project relating to International Mail Accounting, it is submitted that international mail accounting is carried out in a uniform manner all over the world as per the procedures outlined by the Universal Postal Union. It was, therefore, decided by the Universal Postal Union that it would develop the software for the international mail accounting system. In view of this it was felt that instead of developing our own software for international mail accounting, it would be prudent to use the software being developed by the UPU. It was initially, indicated by the UPU that this software would be ready by 1998-99. Accordingly, the project for computerisation of the international mail accounting was included in the 9th Five Year Plan. However, because of the extreme complexity of the task involved, UPU has not been able to prepare the software so far. UPU has now indicated that the software would be ready by 1st week of August, tested by October and made available by November 1999. On our part, we have been repeatedly requesting the UPU to expedite the process of development of the required software.

Regarding non-utilisation of the funds allotted for fabrication of RMS Mail Vans, this is an activity where the Department is fully dependent on the Railways. Since the Department of Posts do not have the necessary technical expertise, the RMS Mail Vans have to be got fabricated through the Railways. The Department has been pursuing the matter with the Railway Board vigorously at various levels but no positive response is forthcoming from the Railways. Despite our best efforts, the Railway Board could not even intimate the exact cost of fabrication of an Air-Brake Mail Van. The Department is making all possible efforts to persuade the Railways for early completion of the preliminary formalities and give this Department a firm commitment to undertake the work within a specific time limit.

CHAPTER IV

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

Recommendation (Para No. 35)

The Committee is concerned to note that as on 31.3.1998 there are 1,10,029 Gram Panchayat Villages in the country without post offices and of these 5428 Gram Panchayat Villages justify opening of a post office on the basis of two norms of distance and population and it will take 10 years to provide post office to villages justifying opening of post offices on the basis of the norms. The Committee notes that it would cost Rs. 26,000/- annually for opening of Extra Departmental Branch Office and Rs. 14.11 crores in total if EDBOs are to be opened in all the 5428 villages. The Committee considers this amount not to be so high more so when there is a question of providing basic postal facilities to 1,10,029 Gram Panchayat Villages without post offices. The Committee, therefore, recommends that priority should be reviewed and a definite time frame should be fixed to provide post office to all the eligible villages. The Committee would like to be informed about the feasibility of relaxing the norms for opening of post offices so that more and more villages can be provided with the basic postal facilities.

Action Taken by the Government

All the villages in the country are covered by the facility of daily delivery of mail. The absence of a Post Office in these villages indicates absence of fixed hour postal counter facility. For provision of the basic fixed hour counter facilities to the Gram Panchayat Villages which do not have a Post Office, without straining the budgetary resources, the scheme of Panchayat Sanchar Seva Yojana has been included as a plan scheme under "Expansion of Network" in the Annual Plans 1998-99 and 1999-2000. Planning Commission approved the target of setting up 200 PSSKS under the Annual Plan 1998-99 which was fully achieved.

This scheme (PSSY) is cost-effective. As against the annual cost involving a single handed Branch Post Office which is Rs. 26000 p.a. the cost involved in setting up of a Panchayat Sanchar Seva Kendra is Rs. 5700 p.a. With this scheme we will be able to cover a large number of Gram Panchayat Villages with the basic postal facilities.

Comments of the Committee

(Please see Para No. 8 of Chapter I.)

Recommendation (Para No. 48)

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

Action Taken by the Government

With the approval for procuring the equipment on lease financing for computer hardware during 1999-2000 as a pilot project, it may be possible to achieve higher targets. Even during 1998-99 as against of 1000, 1429 MPCMs have been installed.

Comments of the Committee

(Please see Para 14 of Chapter I.)

Recommendation (Para No. 66)

The Committee observes that the Department has kept Rs. 138 crores for setting up of 3 Automatic Mail Processing Centre (APMCs) at Delhi, Calcutta and Bangalore during the IX Plan. The Committee regret to note that the Department has not initiated any action for the scheme during first two years of the IX Plan and has

kept only Rs. 5 crores for initial investment in setting up of an APMC at Calcutta. The Committee is of the view that the scheme was not given the importance it deserved. The Committee fails to understand how it would be possible to set up an AMPC during 1999-2000 as submitted by the Secretary, DOP during evidence with meager allocation of Rs. 5 crores when Rs. 20 crores are stated to be required to set up an Automatic Mail Processing Centre. The Committee, therefore, would like the Department to review the allocation for setting up of AMPCs during mid-term appraisal of the Plan.

Action Taken by the Government

After completing the technical feasibility of all the three AMPCs, Calcutta has been earmarked for setting up the AMPC during 1999-2000 and 2000-2001. All the formalities are under process which will take more time and the project has been spread over the two years. Rupees five crore has been earmarked for carrying out modifications to the building selected for installation of AMPC at Calcutta and other related activities. If sufficient funds are made available in the remaining years of the Plan it may not be difficult to set up the AMPCs at Calcutta, Delhi and Bangalore.

Comments of the Committee

(Please see Para 17 of Chapter I.)

Recommendation (Para No. 73)

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

Action Taken by the Government

The Committee has noticed that there is a shortfall of Rs. 1.66 crores in the utilisation of Rs. 5.15 crores allocation for Business

Development and Marketing during the year 1998-99. The allocation of Rs. 5.15 crores included a project of Rs. 1.7 crores for procurement of Inserting Systems for Business Post Centres. In response to the tenders by the Business Development Directorate, 4 offers were received. A Tender Evaluation Committee was constituted to assess the suitability of the equipment offered by each of the tenderer. The Tender Evaluation Committee came to the conclusion that the requirement offered by them was not compatible with the requirements. Therefore, the amount could not be utilised for procurement of inserting system. The search for suitable machine to meet the requirements is still on.

Comments of the Committee

(Please *see* Para 20 of Chapter I.)

development and Marketing during the year 1998-99. The allocation of Rs. 2.12 crores included a project of Rs. 1.7 crores for procurement of Inserting Systems for Business Post Centres. In response to the tenders by the Business Post Directorate, 4 offers were received. A Tender Evaluation Committee was constituted to assess the tenders. The Tender Evaluation Committee has recommended the tender of M/s. The tender amount could not be utilised for procurement of inserting system. The search for suitable machine to meet the requirements is still on.

Comments of the Committee

(Please see Para 20 of Chapter I)

NIL

NEW DELHI;
11 February, 2000
22 Magha, 1921 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

APPENDIX I

MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1999-2000)

The Committee sat on Thursday, the 27th January, 2000 from 1500 hours to 1700 hours in Committee Room No. 53, Parliament House, New Delhi.

PRESENT

Shri R.N. Arya — *In the Chair*

MEMBERS

Lok Sabha

2. Shri Ambareesha
3. Shri Mahendra Baitha
4. Shri Nikhil Kumar Chaudhary
5. Shri T. Govindan
6. Shri Jawahar Lal Jaiswal
7. Shri K.K. Kaliappan
8. Dr. C. Krishnan
9. Shri Bhartruhari Mahtab
10. Shri Simranjit Singh Mann
11. Shri G. Ram Mohan
12. Shri A.K. Moorthy
13. Shri K. Balrama Krishna Murthy
14. Shri K.A. Sangtam
15. Shri Saroj Tufani
16. Shri Chandra Vijay Singh
17. Rajkumari Ratna Singh
18. Shri Vinay Kumar Sorake
19. Shrimati D.M. Vijaya Kumari
20. Shri Pawan Kumar Bansal

Rajya Sabha

21. Shrimati Veena Verma
22. Shri Balkavi Bairagi
23. Shri Shatrughan Sinha
24. Shri Narendra Mohan
25. Dr. Mahesh Chandra Sharma
26. Dr. Y. Radhakrishna Murthy
27. Shri S. Agniraj
28. Shri Kartar Singh Duggal

SECRETARIAT

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

2. As the Chairman was not present, the Committee authorised Shri R.N. Arya, to preside over the sitting of the Committee Under Rule 258 (3). The Chairperson, then, on behalf of the Chairman, welcomed the Members who could not attend the First Sitting of the Committee which was held on 12 January, 2000.

3. The Committee then took up for consideration the following Draft Reports and adopted the same with some amendments/modifications as shown in Annexure A, B, C and D.

- (i) **
- (ii) Draft Third Report on Action Taken by Government on the recommendations of the Committee contained in its Fourteenth Report on Demands for Grants (1999-2000) relating to the Department of Posts, (Annexure 'B')
- (iii) **
- (iv) **
4. **

5. The Committee then authorised the Chairman to finalise and present the above mentioned Reports to the House.

6. Some of the Members of the Committee suggested that a Sub-Committee may be constituted to consider action taken by Government on those recommendations of the Committee made in its earlier Reports which have been accepted by the Government.

The Committee then adjourned.

Page No.	Para No.	Line No.	For	Read
3	8	2	"by implementing"	"under"
3	8	4-11	"The Committee"	"The Committee would"

ANNEXURE 'B'

AMENDMENTS/MODIFICATIONS MADE BY THE COMMITTEE
IN THE DRAFT THIRD REPORT (1999-2000)

Page No.	Para No.	Line No.	For	Read
3	8	2	"by implementing"	"under"
3	8	9-11	"The Committee would postal facilities	"The Committee would like to know the targets laid down for opening of Panchayat Sanchar Sewa Kendras in each States year-wise during IX Plan. The Committee would like that the norms for opening of post offices are relaxed further so that more and more villages can be provided with the basic postal facilities during IX Plan."
5	17	2	"technical feasibility"	"technical feasibility exercise"
5	17	3	"it"	"the Department"
5	17	9-10	Delete "The Committee feels AMPC"	
7	20	1	"let up"	"laxity"
7	20	3	"in"	"with"
7	20	3-4	"do not lag any respect"	"is compatible with the private couriers in all respects."

APPENDIX II

[Vide Introduction of Report]

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FOURTEENTH REPORT ON STANDING COMMITTEE ON COMMUNICATIONS (TWELFTH LOK SABHA)

I. Total number of Recommendations 25

II. Recommendations/observations which have been accepted
by the Government:

Para Nos. 38, 39, 47, 50, 52, 67, 74, 75, 81, 84, and 85

Total 11

Percentage 44%

III. Recommendations/observations which the Committee does
not desire to pursue in view of the reply of the Government:

Para Nos. 18, 19, 20, 21, 22, 36, 37, 49, 64, and 65

Total 10

Percentage 40%

IV. Recommendations/observations in respect of which replies
of the Government have not been accepted by the
Committee and which require reiteration:

Para Nos. 35, 48, 66 and 73

Total 4

Percentage 16%

V. Recommendations/observations in respect of which replies
are of interim nature:

Total Nil