

FIFTIETH REPORT

STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2003)

(THIRTEENTH LOK SABHA)

MINISTRY OF COMMUNICATIONS AND
INFORMATION TECHNOLOGY
(DEPARTMENT OF POSTS)

THE INDIAN POST OFFICE (AMENDMENT) BILL, 2002

Presented to Hon'ble Speaker on 22 JUL 2003
Presented to Lok Sabha on
Laid in Rajya Sabha on 23 JUL 2003



LOK SABHA SECRETARIAT
NEW DELHI

June, 2003/Jyaishta, 1925 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY
(2003)**

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Yogi Aditya Nath
3. Shri Pawan Kumar Bansal
4. Prof. Dukha Bhagat
5. Shri Ajay Singh Chautala
6. Shri P.D. Elangovan
7. Shri Rama Mohan Gadde
8. Shri Jarbom Gamlin
9. Kumari Bhavana Pundlikrao Gawali
10. Shri T. Govindan
11. Shri Jawahar Lal Jaiswal
12. Shri K.K. Kaliappan
13. Shri A. Krishnaswamy
14. Shri K. Balrama Krishna Murthy
15. Shri Bhartruhari Mahtab
16. Shri Amarsinh Vasanttrao Patil
17. Shri Sheeshram Singh Ravi
18. Shri Saroj Tufani
19. Shri K.A. Sangtam
20. Shri C.N. Singh
21. Rajkumari Ratna Singh
22. Shri Nikhil Kumar Chowdhary
- *23. Vacant
24. Shri Vanlalawma
25. Shri Rajesh Varma
26. Smt. Kanti Singh
27. Shri Amir Alam Khan
28. Shri Charanjit Singh
29. Shri Arun Kumar
30. Dr. Bikram Sarkar

*Vacancy caused *vice* appointment of Shri P.C. Thomas as Minister *w.e.f.* 24 May, 2003.

(iv)

Rajya Sabha

31. Shri Vijay J. Darda
32. Shri Dasari Narayana Rao
33. Dr. Prabha Thakur
34. Shri Suresh Pachouri
35. Shri S.S. Ahluwalia
36. Shri Balbir K. Punj
37. Shri Dina Nath Mishra
38. Smt. Sarla Maheshwari
39. Shri K. Rama Mohana Rao
40. Shri Shahid Siddiqui
41. Ms. Lata Mangeshkar
42. Shri Rajeev Shukla
43. Shri Sanjay Nirupam
44. Shri Kartar Singh Duggal
45. Shri Mukhtar Abbas Naqvi

SECRETARIAT

- | | | |
|-----------------------|---|-----------------------------|
| 1. Shri P.D.T. Achary | — | <i>Additional Secretary</i> |
| 2. Shri S.K. Sharma | — | <i>Joint Secretary</i> |
| 3. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 4. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

INTRODUCTION

1. I, the Chairman, Standing Committee on Information Technology (2003) having been authorized by the Committee to submit the Report on its behalf present this Fiftieth Report on "The Indian Post Office (Amendment) Bill, 2002" relating to Ministry of Communications and Information Technology (Department of Posts).

2. The Indian Post Office (Amendment) Bill, 2002, was referred by the Hon'ble Speaker to the Standing Committee on Information Technology on 17 May 2002 for examination and report. The Committee invited memoranda on the bill from the public in general and experts/professionals/organizations/associations interested in particular, for which the text of the bill was hosted at the website <http://www.parliamentofindia.nic.in> on internet. Thereafter the Committee invited several organizations/associations/institutions/professionals to hear their views on the subject and sought clarifications at its sittings held on 4, 5, 6 September, 2002. The representatives of the Department of Post, deposed before the Committee on 25 July, 2002 and 18 September, 2002.

3. The Committee held clause by clause consideration of the Bill on 4 December 2002 and 6 March 2003. The Committee considered and adopted the Draft Report on the Bill at its sitting held on 12 June 2003.

4. The Committee wishes to express its thanks to Confederation of Indian Industry (CII), Postal Officers Association, Federation of Andhra Pradesh Chambers of Commerce and Industry, Andhra Pradesh Couriers Association, Courier Forum Chennai, Federation of National Postal Organization New Delhi, National Federation of Postal Employees, All India Postal Employees Union Group-C, All India Postal Employees Union-Postmen & Group-D, All India RMS & MMS Employees Union-Mailguard & Group-D, All India Postal Administrative Officers Employees Union Group-D, All India Postal Accounts Employees Association, All India Postal Extra Departmental Employees Union Express Industry Council of India, Federation of Indian Chambers of Commerce and Industry and Shri Maruti Courier Service for appearing before the Committee and also furnishing views on written Memoranda to enlighten the Committee.

5. The Committee also expresses its thanks to the representatives of Department of Posts for tendering evidence before the Committee and placing before it the detailed information as the Committee desired in connection with the examination of the subject.

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

NEW DELHI;
17 June, 2003
27 Jyaishta, 1925 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Information Technology.

THE INDIAN POST OFFICE (AMENDMENT) BILL, 2002**REPORT****INTRODUCTORY**

1. The developments in information technology and in the field of communication have transformed the perception and expectations of the consumers of postal services and products. There is now demand in the new environment for such services and products which will meet the growing requirements of the consumers. In the context of changes in the field of communications, the Department of Posts is of the view that the amendment of the Indian Post Office Act, 1898 has become urgent to bring about qualitative improvement in the services with more consumer-friendly features, which are sought to be achieved within the basic legal framework provided by the Indian Post Office Act.

2. To justify the rationale for amendments to the provisions of the Indian Post Office Act, 1898, the Department of Posts has stated that many of the provisions of the Act have become anachronistic and archaic. The Department has also felt the need to bring about qualitative improvements in postal services with consumer friendly features to maintain their usefulness in changed circumstances. An attempt was earlier made in 1982 to amend the Indian Post Office Act, 1898 when the Indian Post Office (IPO) (Amendment)

Bill, 1982 was introduced in the Seventh Lok Sabha. However, the Bill lapsed on the dissolution of the Lok Sabha. Another attempt was made to bring about comprehensive amendment of the Indian Post Office Act, 1898 (IPO Act) by introducing the Indian Post Office (Amendment) Bill, 1986, but it did not materialize as the Bill passed by both Houses of parliament was returned by the President to the Rajya Sabha for reconsideration under the proviso to Article 111 of the Constitution. The Bill introduced in 1986 has been recently withdrawn by the Government so as to pave the way for introduction of the Indian Post Office (Amendment) Bill, 2002.

3. The Indian Post Office (Amendment) Bill, 2002 was introduced in Lok Sabha on 17 May, 2002. It was referred to the Standing Committee on Information Technology by the Hon'ble Speaker under Rule 331E of the rules of Procedure and Conduct of Business in Lok Sabha for examination and Report thereon.
4. Some of the important amendments proposed in the Indian Post Office (Amendment) Bill, 2002, as mentioned in the Statement of Objects and Reasons appended to the Bill, are, as follows:-

- a. Preservation of exclusive privilege of the Central Government to convey all letters with certain exceptions;
- b. Empowering the Central Government to grant rebate for prepayment of postage on postal articles by means of stamping machine;
- c. Restricting the transmission of Business Reply Cards along with a registered newspaper only for the purpose of bona fide subscription of that newspaper;
- d. Vesting the Central Government with necessary powers to monitor the usage, maintenance and inspection of postage franking machine as also to deal with usage of such machine under the law;
- e. Provide statutory basis for the Postal Service Board.
- f. Empowering the Department of Posts to introduce e-enabled services bridging the digital divide in the country;
- g. Empowering the Central Government to introduce customized new service and products and generate adequate resources while meeting its social obligations;
- h. Making the existing penal provisions in the IPO Act more stringent;
- i. Providing for registration and accountability of private entrepreneurs commonly known as

"couriers" to safeguard the consumers' interests;

j. To make a provision for the laying of rules made under the Act before Parliament.

5. Keeping in view the fact that the Indian Post Office (Amendment) Bill, 2002 intends to bring about major amendments in the Indian Post Office Act, 1898, the Committee decided to invite memoranda on the Bill from the Public in general and experts/professionals, organizations/associations interested in particular, for which the text of the Bill was hoisted at the web site www.parliamentofindia.nic.in on Internet. In addition copies of the Bill were sent to various organizations/associations/individuals on demand for eliciting their views and suggestions thereon.
6. In all 1,715 memoranda/representations were received from various organizations/individuals on the provision of the Bill. After going through the memoranda received from various organizations/individuals, the Committee invited the representatives of the Confederation of Indian Industry, Postal Officers' Association of India, Federation of Andhra Pradesh Chambers of Commerce & Industry, Andhra Pradesh Couriers Association, Courier Forum, Chennai, Federation of National Postal Organization New Delhi, National Federation

of Postal Employees, All India Postal Employees Union Group-C, All India Postal Employees Union-Postmen & Group-D, All India RMS & MMS Employees Union - Mailguard & Group-D, All India Postal Administrative Offices Employees Union-Group-D, All India Postal Accounts Employees Association, All India Postal Extra Departmental Employees Union, Express Industry Council of India, Federation of Indian Chambers of Commerce and Industry and Shree Maruti Courier Service to depose and place their view points before Committee on 4, 5 and 6 September, 2002. The Committee also called the representative of the Department of Posts on 25 July and 18 September, 2002 to seek certain clarifications.

The Bill

7. After having considered, the Indian Post Office (Amendment) Bill, 2002, clause by clause, the Committee is generally in agreement with the broad objectives of the Bill. It however, finds that the provisions of the proposed sub-section 4A(1) in clause 8 of the Bill as well as the provisions relating to Registration and Composition of the Appellate Authority, the terms and conditions of the service of the Authority, exclusive privilege of Central Government in conveying all letters, level playing field, consumer protection etc., need in-depth consideration in view of the concern

expressed by the various organizations while deposing before Committee. After consideration of the views expressed and full deliberations, the Committee approves the Bill, for enactment by the Parliament, subject to modifications/recommendations as detailed in the succeeding paragraphs.

Clause 8

8. This clause seeks to insert new sections 4A, 4B, 4C, 4D, 4E and 4F in the Principal Act to enable the Central Government to grant registration and matters connected therewith including obligations of registered persons and also for preferring appeal against any order of the Central Government refusing to grant registration etc.

9. The proposed sub-section 4A provides as follows:

4A. (1) "The Central Government may, grant registration on such terms and conditions, as it thinks fit, to any person or body for carrying out any act or performing any service falling under section 4, in consideration of such fees as is set forth in the Second Schedule".

(2) Anything done under and in accordance with the registration granted under sub-section (1)

shall not constitute an infringement of the privilege conferred on the Central Government.

- (3) The Central Government may impose such terms or conditions as it may deem fit requiring the person registered to perform such services as were performed by the Postal Department before the commencement of the Indian Post Office (Amendment) Act, 2002

10. The Committee is of the clear opinion that it will not be desirable to grant registration for carrying out any and every form of postal service by persons other than the Government or the Governmental Agencies, that is to say, by any private person or persons. There is no indication in the proposed section about the act or service that a person who or a body which is granted registration may be allowed to carry out. The effect of this would be that almost, all types of postal services may be permitted to be carried on by private persons or agencies. This the Committee feels will not be in public interest. This way the entirety of the postal services could be privatised which could at times, the Committee feels would be prejudicial to national interest.
11. The Committee is of the opinion that the Central Government should have the exclusive privilege of conveying letters, except as is provided in clause

7 of the Bill, which provides for substitution of the present section 4 of the Principal Act by a new section 4. In view thereof, the Committee is of the opinion that the proposed section 4A as quoted above and as set out at page 3 lines 44 to 47 and page 4 line 4 to 7 be substituted as follows:

"4A. The Central Government may grant registration, on such terms and conditions, as it thinks fit, to any person or body of person for carriage and delivery of postal articles other than letters, in consideration of such fees as is set forth in the Second Schedule".

12. Section 4B - the proposed section 4B as set out in clause 8 of the Bill provides for application of registration for performance of any service falling under section 4 as proposed to be amended. To avoid any confusion in the matter and to preserve the exclusive privilege of the Central Government to carry all letters, it is necessary that in clause 8 at page 4 in line 9, for the words "falling under section 4" the words "relating to any postal article other than a letter" be substituted and the Committee recommends accordingly.
13. The Committee is of the opinion that pursuant to the necessity of continuing the exclusive privilege of the Central Government to carry all

letters, the following amendments may be made in clause 8:

At page 4, line 32 after the words "any postal article" the words "as mentioned in section 4B" and at page 4 line 35 after the words "postal articles", the words "authorised to be" should be inserted.

14. In Clause 8, the proposed sub-section 4E(2) provides for immunity of the Department from payment of compensation in case of suspension or revocation of the registration. The Committee is of the opinion that such immunity should be available only in case of bonafide actions.

Therefore, it is recommended that in Clause 8 at page 5 in line 5, after the word "any" the word "bonafide" be inserted.

Appellate Authority - regarding grant, suspension, or revocation of Registration

15. The proposed section 4F of the Act as set out in clause 8 of the Bill reads as under:

"4F. "Any person aggrieved by an order of the Central Government refusing to grant a registration or suspending or revoking a registration, may, within such period as may be prescribed, prefer an appeal to the Secretary to the Government of India in the Department of

Posts, against such refusal or suspension or revocation."

16. Most of the non-official witnesses, who deposed before Committee have been of the view that since the Secretary of the Department of Posts is the executive head of the Postal Department, he or she should not act as the Appellate Authority. The Committee notes that the Department of Posts will be and in fact is a competitor to the private Courier Industry. In this situation, entrusting the Secretary, Department of Posts, which is the regulatory and enforcing authority under the Bill, with also the appellate powers, which will be of quasi-judicial nature, will be not only against the basic competitive norms and practice, but also against the principles of natural justice. Considering all aspects, the Committee, after elaborate discussion on proposed section 4F, recommends amendments to the Clause as under:

Clause 8, at page 5, in lines 10 and 11 for the words "the Secretary to the Government of India in the Department of Posts:

Substitute "the Appellate Authority consisting of one member, who has been or is qualified to be a Judge of a High Court, to be appointed by the Central Government."

17. In this regard, the Committee further recommends that consequently in Clause 8 of the Bill, new sections 4G and 4H also be inserted as under:

Clause 8, at page 5, after line 10

Insert "4G. (1) The terms and conditions of the service of the member of the Appellate Authority including the age of retirement shall be as prescribed by the Central Government.

(2) The Appellate Authority shall have power to regulate to adopt its own procedure for disposal of appeals, subject to the principles of natural justice."

"4H. The Central Government shall frame rules regarding the filing and disposal of appeals including enforcement of the orders passed by the Appellate Authority."

Clause 9

18. This clause proposes to substitute section 5 of the Principal Act, whereby it is proposed to forbid conveying or receiving letters by persons not registered as provided therein.
19. The Committee is of the opinion that to avoid all ambiguity and confusion, the following amendment

should be made in clause 9, at page 5, line 15 as follows:

for the word "letters" substitute "any postal article as mentioned in section 4B"

20. It is further recommended that in clause 9, at page 5, in line 15, the second word "letters" be substituted by the words "such articles".

Clause 10 - Liability under Consumer Protection Act

21. This Clause provides for substitution of Section 6 of the Principal Act as under:

"6. Notwithstanding anything contained in the Consumer Protection Act, 1986 or any other corresponding law for the time being in force, the Central Government shall not incur any contractual liability by reason of the loss, misdelivery or delay of, or damage to, any postal article in course of transmission by post, except in so far as such liability may, in express terms, be undertaken by the Central Government as provided in this Act or rules made there under, and no officer of the Post Office shall incur any liability by reason or any such loss, misdelivery, delay or damage, unless he has caused the same fraudulently or by this willful act or default".

22. The purport of the proposed change is to make the provisions of Consumer Protection Act 1986 or any other corresponding law for the time being in force non-applicable to the Central Government as also to any Officer of the Post Office in the matter of discharge of its or his/her functions under the Act. The Committee, after due deliberation, is of the opinion that there is no reason to make important enactments like the Consumer Protection Act or similar laws non-applicable in the case of discharge of duties and functions by the Central Government or its Officers in the Department of Posts, performing function similar to private agencies, as such laws are meant for the protection of the common people.
23. Therefore, the Committee recommends that Clause 10 of the Bill be amended as follows:

In Clause 10, at page 5, in lines 19 and 20, for the words "Notwithstanding anything contained in the Consumer Protection Act, 1986 or any other corresponding law for the time being in force, the" the word "The" be substituted.

Clause 43

24. As stated before the Committee is of the opinion that the Central Government should continue to have the exclusive privilege of conveying letters except what is provided in proposed new Section 4

and that no person or body of persons or authority shall be entitled to registration of conveying, carrying or receiving letters for carriage and delivery. As such, there cannot be any scope for collection, conveyance, or delivery of letters as proposed by sections 4A, 4C and 4D to be in contravention of any provision for registration or of the provisions of the said proposed sections. As such, the Committee recommends that lines 5 to 9 of Clause 43 at page 10 be deleted.

Clause 54

25. This Clause seeks to insert a new Schedule after the First Schedule to the Act to provide for the rates of fees for grant or renewal of registration, which reads as under:

"54 After the First Schedule to the Principal Act, the following Schedule shall be inserted namely:

"THE SECOND SCHEDULE"
[See Section 4A (1)]

RATES FOR FEES FOR GRANT OR RENEWAL OF REGISTRATION

1. For grant of registration -- A fee of fifty thousand rupees per annum.
2. For renewal of registration -- A fee of fifty thousand rupees per annum.

26. The Committee notes that the proposed second schedule contemplates payment of a fee of Rs.50,000 for grant of registration. Obviously no annual payment for grant or registration can be contemplated and the same can only be for a renewal. However, it is provided in the proposed second schedule that a fee of Rs.50,000 per annum will be payable for renewal of registration. It appears that there has been no proper application of mind by the Department while formulating the Second Schedule and that no specific study has been made and the amount has been fixed as if by a rule of thumb. The Committee is of the view that as there are different categories of couriers, those operating within a limited area, namely within a district or a State should not be charged at the same rate as the big couriers who have business transactions even at the International level. The Department is of the view that fixation at different rates of fees for grant of registration will create difficulty in its implementation, as there will be no practical criteria to differentiate between various service providers. The Committee is not impressed with the view of the Department, as it is the duty of the Department to evolve a workable mechanism in this regard.

27. The Committee after due consideration, recommends that in Clause 54, at page 11, for line 36, the following words should be inserted:

"For grant of registration -- A fee of rupees ten thousand, if the area of operation of the person or body registered, is within the boundary of only one State of the Indian Union,; in other cases rupees fifty thousand."

28. As there is no provision for renewal, the Committee is of the view that line 37, at page 11, in Clause 54 be deleted.

New Delhi
17, June, 2003
27 Jyaistha, 1925 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on
Information Technology

ANNEXURE I

**MINUTES OF THE THIRTY-FIRST SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2002)**

The Committee sat on Thursday, July 25, 2002 from 1500 hours to 1730 hours in Committee Room No. 62, Parliament House, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS*Lok Sabha*

2. Shri Jarbom Gamlin
3. Shri K.A. Sangtam
4. Shri Pawan Kumar Bansal
5. Shri C.N. Singh
6. Shri Jawahar Lal Jaiswal
7. Adv. Uttamrao Dhikale
8. Shri Bhartruhari Mahtab
9. Dr. C. Krishnan
10. Shri Vanlal Zawma
11. Shri Rattan Lal Kataria
12. Shri Saroj Tufani

Rajya Sabha

13. Shri Vijay J. Darda
14. Shri Munavvar Hasan
15. Shri Kartar Singh Duggal
16. Shri Rajeev Shukla
17. Shri Sanjay Nirupam

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 2. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 3. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

Representatives of the Department of Posts

1. Shri S.C. Dutta, Secretary (Posts) & Chairman, Postal Services Board.
2. Shri S.B. Bhattacharya, Member (Operations), Postal Services Board.
3. Shri A.K. Bhatnagar, Deputy Director General (PO&I), Department of Posts.

2. At the outset, the Chairman welcomed the representatives of the Department of Posts to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker.

3. The representatives of the Department of Posts then briefed the Committee on salient features of the Indian Post Office (Amendment) Bill, 2002 pertaining to their Ministry and other matters relating thereto.

4. The Committee sought clarification on the issues relating to the Indian Post Office (Amendment) Bill, 2002 of the Ministry. The representatives of Ministry responded to the same. On certain issues, the Committee asked them to furnish written replies thereon to the Secretariat.

5. The witnesses, then, withdrew.

6. A verbatim record of proceedings has been kept.

7. The Committee after deliberations on the Indian Post Office (Amendment) Bill, 2002 decided that a press Communique inviting memoranda on the Bill from public in general, experts/professionals and other organisations/associations interested on the subject matter may be issued.

The Committee, then, adjourned.

ANNEXURE II

MINUTES OF THE THIRTY-SIXTH SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2002)

The Committee sat on Wednesday, 4 September, 2002 from 1100 hours to 1300 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Sheeshram Singh Ravi
3. Shri K.A. Sangtam
3. Rajkumari Ratna Singh
4. Shri Pawan Kumar Bansal
5. Shri Amarsingh Vasantrao Patil
6. Shri Gadde Rama Mohan
7. Shri C.N. Singh
8. Shri Vanlal Zawma
9. Shri K.K. Kaliappan
10. Shri Ratan Lal Kataria
11. Shri Vinay Katiyar
12. Dr. Bikram Sarkar
13. Shri Saroj Tufani
14. Dr. C.P. Thakur

Rajya Sabha

15. Shri Kartar Singh Duggal
16. Shri Sanjay Nirupam
17. Shri S.S. Ahluwalia

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri K.V. Rao | — | <i>Joint Secretary</i> |
| 2. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 3. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 4. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

WITNESSES

Confederation of Indian Industry

1. Mr. Tushar Jani, Chairman, Blue Dart Couriers Ltd.
2. Mr. Vipin Vohra, M.D. Continental Air Express P. Ltd.
3. Mr. Dilip Chenoy, Deputy Director General, CII.
4. Mr. Sanjay Nigam, Sr. Consultant, CII.
5. Mr. N.B. Mathur, Advisor, CII.

Postal Officers Association (India)

6. Shri Damnesh Kumar, Chief Post Master, New Delhi & President POA (India)
7. Shri J.J. Paul—Patron, Postal Officers Association (India).

2. At the outset, the Chairman welcomed the representatives of the Confederation of Indian Industry (CII) to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. Representatives of CII then, briefed the Committee expressing their views on Indian Post Office (Amendment) Bill, 2002 and other matters relating thereto.

3. The Committee sought clarification on the issues relating to Indian Post Office (Amendment) Bill, 2002. The witnesses responded to the same. On certain issues, the Committee asked them to furnish clarifications to the Secretariat.

4. The Chairman thanked the witnesses for appearing before the Committee and tendering their views.

The witnesses then, withdrew.

5. Thereafter, the Chairman welcomed the representatives of the Postal Officers Association (India) to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. Representatives then, briefed the Committee expressing their views on Indian Post Office (Amendment) Bill, 2002 and other matters relating thereto.

6. The Committee sought clarification on the issues relating to Indian Post Office (Amendment) Bill, 2002. The witnesses responded to the same. On certain issues, the Committee asked them to furnish clarifications to the Secretariat.

7. The Chairman thanked the witnesses for appearing before the Committee to give their valuable views.

8. A verbatim record of proceedings has been kept.

The Committee, then, adjourned.

ANNEXURE III

MINUTES OF THE THIRTY-EIGHTH SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2002)

The Committee sat on Thursday, 5 September, 2002 from 1100 hours to 1310 hours in Committee Room 'C,' Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Prof. Dukha Bhagat
3. Shri K.A. Sangtam
4. Shri Amarsingh Vasanttrao Patil
5. Shri T. Govindan
6. Dr. C. Krishnan
7. Shri Vanlal Zawma
8. Shri K.K. Kaliappan
9. Shri Gadde Rama Mohan
10. Dr. Bikram Sarkar
11. Shri Saroj Tufani
12. Dr. C.P. Thakur

Rajya Sabha

13. Shri K. Rama Mohana Rao
14. Shri Kartar Singh Duggal
15. Shri Suresh Pachouri

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 2. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 3. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

WITNESSES

National Federation of Postal Employees

1. Shri C.C. Pillai, Secretary General, National Federation of Postal Employees.
2. Shri R.N. Chaudhary, General Secretary, All India Postal Employees Union Group-C.

3. Shri Des Raj Sharma, General Secretary, All India Postal Employees Union—Postmen & Group D.
4. Shri Rajinder Prasad Verma, Deputising General Secretary, All India RMS & MMS Employees Union—Mailguard & Group D.
5. Shri Manjit Singh, General Secretary, All India Postal Administrative Offices Employees Union—Group D.
6. Shri Amaresh Thakur, General Secretary, All India Postal Accounts Employees Association.
7. Shri S.S. Mahadevaiah, General Secretary, All India Postal Extra Departmental Employees Union.

2. At the outset, the Chairman welcomed Secretary General, National Federation of Postal Employees (NFPE) and other representatives accompanying him to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. Representatives of NFPE then briefed the Committee expressing their views on Indian Post Office (Amendment) Bill, 2002 and other matters relating thereto.

3. The Committee sought clarification on the issues relating to Indian Post Office (Amendment) Bill, 2002. The witnesses responded to the same. On certain issues, the Committee asked them to furnish clarifications to the Secretariat.

4. The Chairman thanked the witnesses for appearing before the Committee and tendering their views.

5. A verbatim record of proceedings has been kept.

The Committee, then, adjourned.

ANNEXURE IV

MINUTES OF THE THIRTY-NINTH SITTING OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2002)

The Committee sat on Thursday, 5 September, 2002 from 1500 hours to 1600 hours in Committee Room 'C,' Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Prof. Dukha Bhagat
3. Shri K.A. Sangtam
4. Rajkumari Ratna Singh
5. Shri Pawan Kumar Bansal
6. Shri Amarsingh Vasanttrao Patil
7. Shri T. Govindan
8. Dr. C. Krishnan
9. Shri Rattan Lal Kataria
10. Dr. Bikram Sarkar
11. Shri Saroj Tufani

Rajya Sabha

12. Shri K. Rama Mohana Rao
13. Shri Kartar Singh Duggal
14. Shri Suresh Pachouri

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 2. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 3. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

WITNESSES

Express Industry Council of India

1. Mr. Sandip Shah, Chairman, EICI
2. Mr. S. Raghunandhan, Member, Managing Committee, EICI
3. Mr. Dilip Kulkarni, Member
4. Mr. S.C. Mahalik, Adviser
5. Mr. M.L. Kaul, Adviser
6. Mr. Rohit Srivastav

2. At the outset, the Chairman welcomed the representatives of the Express Industry Council of India (EICI) to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. Representatives then, briefed the Committee expressing their views on Indian Post Office (Amendment) Bill, 2002 and other matters relating thereto.

3. The Committee sought clarification on the issues relating to Indian Post Office (Amendment) Bill, 2002. The witnesses responded to the same. On certain issues, the Committee asked them to furnish clarifications to the Secretariat.

4. The Chairman thanked the witnesses for appearing before the Committee and tendering their valuable views.

5. A verbatim record of proceedings has been kept.

The Committee, then, adjourned.

**MINUTES OF THE FORTIETH SITTING OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY (2002)**

The Committee sat on Friday, 6 September, 2002 from 1200 hours to 1310 hours in Committee Room 'C,' Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — Chairman

MEMBERS

Lok Sabha

2. Prof. Dukha Bhagat
3. Shri K.A. Sangtam
4. Rajkumari Ratna Singh
5. Shri Pawan Kumar Barsal
6. Shri C.N. Singh
7. Shri P.C. Thomas
8. Dr. C Krishnan
9. Shri Varlal Zawma
10. Shri Rattan Lal Kataria
11. Dr. Bikram Sarkar
12. Shri Saroj Tufani
13. Shri K. Rama Mohana Rao
14. Shri Kartar Singh Duggal
15. Shri Suresh Pachouri
16. Shri R. Shunmugasundaram

Rajya Sabha

13. Shri K. Rama Mohana Rao
14. Shri Kartar Singh Duggal
15. Shri Suresh Pachouri
16. Shri R. Shunmugasundaram

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 2. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 3. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

WITNESSES

**Federation of Indian Chambers of Commerce
and Industry (FICCI)**

1. Dr. Amit Mitra, Secretary General, FICCI
2. Shri S.C. Mahalik, Chairman, Working Group Committee on Post and Former Secretary, DoP
3. Shri D.P. Hemant, Member, Working Group Committee on Post
4. Shri Amitabh Singhal, Member, Working Group Committee on Post and Secretary, ISPAI
5. Shri Sugato Hazra, Secretary, FICCI
6. Shri Rajpal Singh, Assistant Secretary, Telecommunications, FICCI

Shree Maruti Courier Service

1. Shri R.P. Popli, General Manager.
2. Shri R.G. Garg, Delhi Franchisee.

2. At the outset, the Chairman welcomed representatives of the Federation of Indian Chambers of Commerce and Industry (FICCI) to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. The representatives of the FICCI then, briefed the Committee expressing their views on Indian Post Office (Amendment) Bill, 2002 and other matters relating thereto.

3. The Committee sought clarification on the issues relating to Indian Post Office (Amendment) Bill, 2002. The witnesses responded to the same. On certain issues, the Committee asked them to furnish clarifications to the Secretariat.

4. The Chairman thanked the witnesses for appearing before the Committee and tendering their valuable views.

The witnesses then, withdrew.

5. At the outset, the Chairman welcomed representatives of the Shree Maruti Courier Service to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. The representatives then, briefed the Committee expressing their views on Indian Post Office (Amendment) Bill, 2002 and other matters relating thereto.

6. The Chairman thanked the witnesses for appearing before the Committee for tendering their views.

7. A verbatim record of proceedings has been kept.

The Committee, then, adjourned.

ANNEXURE VI

MINUTES OF THE FORTY-FIRST SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2002)

The Committee sat on Wednesday, 18 September, 2002 from 1030 hours to 1215 hours in Committee Room 'C,' Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

2. Shri Jambon Gahlin

3. Shri K.A. Sangtam

4. Shri Pawan Kumar Bansal

5. Shri T. Govindan

6. Shri K. Balrama Krishna Murthy

7. Shri Gadde Rama Mohan

8. Shri C.N. Singh

9. Adv. Uttamrao Dhikale

10. Shri A. Krishnaswamy

11. Shri Bhartruhari Mahtab

12. Shri P.C. Thomas

13. Dr. C. Krishnan

14. Shri Vanlal Zawma

15. Shri Rattan Lal Kataria

16. Dr. Bikram Sarkar

17. Shri Chandra Vijay Singh

18. Shri Saroj Tufani

19. Dr. C.P. Thakur

Rajya Sabha

20. Shri Balbir K. Punj

21. Shri K. Rama Mohana Rao

22. Shri Munavvar Hasan

23. Shri Kartar Singh Duggal

24. Shri Suresh Pachouri

25. Shri R. Shunmugasundaram

26. Smt. Sarla Maheshwari

SECRETARIAT

1. Shri P.D.T. Achary	—	<i>Additional Secretary</i>
2. Shri K.V. Rao	—	<i>Joint Secretary</i>
3. Shri S.K. Sharma	—	<i>Deputy Secretary</i>
4. Shri B.D. Swan	—	<i>Under Secretary</i>
5. Shri D.R. Shekhar	—	<i>Assistant Director</i>

WITNESSES

1. Shri S.C. Dutta, Secretary (Posts) & Chairman, Postal Services Board.
2. Shri S.B. Bhattacharya, Member (Operations), Postal Services Board.
3. Shri A.K. Bhatnagar, Deputy Director General (PO&I).

2. At the outset, the Chairman welcomed representatives of the Department of Posts to the sitting of the Committee and invited their attention to the provisions contained in Direction 58 of the Directions by the Speaker. The Committee then took up for consideration Indian Post Office (Amendment) Bill, 2002 and sought certain clarifications from the Secretary (Posts). The representatives of the Department of Posts replied to the queries of the Members.

3. On certain issues, the Committee asked them to furnish detailed clarifications to the Secretariat.

4. The Chairman thanked the witnesses for appearing before the Committee and tendering their valuable views.

5. A verbatim record of proceedings has been kept.

The Committee, then, adjourned.

ANNEXURE VII

MINUTES OF THE FORTY-FIFTH SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2002)

The Committee sat on Wednesday, 4 December, 2002 from 1500 hours to 1600 hours in Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri K.A. Sangtam
3. Shri Pawan Kumar Bansal
4. Shri T. Govindan
5. Shri Bhartruhari Mahtab
6. Dr. C. Krishnan
7. Shri Vanlal Zawma
8. Shri Rattan Lal Kataria
9. Dr. Bikram Sarkar
10. Shri Saroj Tufani

Rajya Sabha

11. Shri Vijay J. Darda
12. Dr. M.N. Das
13. Shri K. Rama Mohana Rao
14. Shri Sanjay Nirupam
15. Smt. Sarla Maheshwari

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri K.V. Rao | — | <i>Joint Secretary</i> |
| 2. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 3. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. The Committee, then, took up the Indian Post Office (Amendment) Bill, 2002 for Clause by Clause consideration. The Committee in principle agreed with the amendments proposed by some Members of the Committee. However, some Members of the Committee during the discussion desired to have more time for submission of amendments/modifications on the Indian Post Office (Amendment) Bill, 2002. The Hon'ble Chairman gave his consent to extend the period *i.e.* upto 10 December, 2002 for submission of amendments/modifications to the Bill under reference.

3. The Committee, then, adjourned to meet again on 12 December, 2002 for taking up further Clause by Clause consideration of the Indian Post Office (Amendment) Bill, 2002.

The Committee, then, adjourned.

ANNEXURE VIII

MINUTES OF THE FOURTH SITTING OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY (2003)

The Committee sat on Thursday, 6 March, 2003 from 1500 hours to 1600 hours in Committee Room 'B,' Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Prof. Dukha Bhagat
3. Shri T. Govindan
4. Shri A. Krishnaswamy
5. Shri Bhartruhari Mahtab
6. Shri Saroj Tufani
7. Shri C.N. Singh
8. Shri Varlalawma
9. Shri Rajesh Varma
10. Shri Amir Alam Khan

Rajya Sabha

11. Shri Vijay J. Darda
12. Shri Dina Nath Mishra
13. Smt. Sarla Maheshwari
14. Shri K. Rama Mohana Rao
15. Shri Rajeev Shukla
16. Shri Kartar Singh Duggal

SECRETARIAT

- | | | |
|-----------------------|---|-----------------------------|
| 1. Shri P.D.T. Achary | — | <i>Additional Secretary</i> |
| 2. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 3. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 4. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. The Committee then took up Clause-by-Clause consideration of the Indian Post Office (Amendment) Bill, 2002 in light of amendments/modifications suggested by the Members and comments thereon of the Department of Posts. The Clause-by-Clause consideration of the Bill was concluded. However, on Clause-54 of the Bill which prescribes fees for grant of registration, the Committee desired that Department of Posts might be requested to work out practicable criteria so that small couriers/companies could not be equated with big operators in the application of Registration etc.

3. Thereafter, the Committee authorised the Chairman to finalise the draft Report and other necessary modifications, in the light of amendments/modifications suggested by the Committee.

The Committee, then, adjourned.

ANNEXURE IX

MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2003)

The Committee sat on Thursday, 12 June, 2003 from 1100 hours to 1300 hours and from 1500 hours to 1545 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Pawan Kumar Bansal
3. Shri T. Govindan
4. Shri Jawahar Lal Jaiswal
5. Shri K.K. Kaliappan
6. Shri A. Krishnaswamy
7. Shri Balrama Krishna Murthy
8. Shri Bhartruhari Mahtab
9. Shri K.A. Sangtam
10. Shri C.N. Singh
11. Rajkumari Ratna Singh
12. Shri Nikhil Kumar Chaudhary
13. Shri Vanlalawma
14. Smt. Kanti Singh
15. Shri Amir Alam Khan
16. Dr. Bikram Sarkar

Rajya Sabha

17. Shri Suresh Pachouri
18. Shri K. Rama Mohana Rao
19. Shri Rajeev Shukla
20. Shri Kartar Singh Duggal

SECRETARIAT

- | | | |
|----------------------|---|---------------------------|
| 1. Shri S.K. Sharma | — | <i>Joint Secretary</i> |
| 2. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 3. Shri B.D. Swan | — | <i>Under Secretary</i> |
| 4. Shri D.R. Shekhar | — | <i>Assistant Director</i> |

ANNEXURE

AMENDMENTS/MODIFICATIONS PROPOSED BY THE COMMITTEE IN THE DRAFT REPORT ON
THE INDIAN POST OFFICE (AMENDMENT) BILL, 2002

Page No.	Para No.	Line No.	For	Read
1	2	3	4	5
6.	10	1-2	"it will be detrimental to the public interest if the Central Government is permitted"	"it will not be desirable"
6	10	8	"If the Central Government has such authority"	"The effect of this would be that"
6	10	10-15	"other thannational interest".	"this the Committee feels, will not be in public interest. This way the entirety of the postal services could be privatised which could at times, the Committee feels would be prejudicial to national interest".
7	11	9	After: "body" Add: "of person"	
7	11	10	"letter"	"letters"
7	13	3	"should"	"may"
7	13	4	After: "line 32" Delete: "by inserting"	
9	16	12	"sub-section"	"proposed-section"
9	17	2	"of the proposed Bill, new sub-sections"	"of the Bill, new sections"
10	17	2	"4G"	"4G" (1)
10	17	4	Before: "The Appellate Authority" Add: "(2)"	
10	17	5	"be entitled"	"have power to regulate"

1	2	3	4	5
10	17	6	After: "appeals"	
			Add: "subject to the principles of natural justice"	
11	22	10	After "posts,"	
			Add: "performing function similar to private agencies"	
13	26	10	"on an ad-hoc basis"	"as if by a rule of thumb"
14	27	1	"Para-27 may be read in continuation with Para-26"	
14	28	1	"para-28 may be read as Para-27"	
14	28	second line from below	"otherwise"	"in other cases"
14	29	1	"Para-29 may be read as Para-28"	

APPENDIX I

INDIAN POST OFFICE (AMENDMENT) BILL, 2002
Amendments proposed by the Members of the Committee

(1) SHRI SOMNATH CHATTERJEE, M.P.

1. **Clause 3, page 2, lines 19 and 20**
omit the words "or by any person or body.....under the Act."
2. **Clause 8, page 3, for lines 44 to 47 and page 4, lines 4 to 7**
substitute "4A. The Central Government may grant registration, on such terms and conditions, as it thinks fit, to any person or body for carriage and delivery of postal articles other than letters, in consideration of such fees as is set forth in the Second Schedule."
3. **Clause 8, page 5, in lines 10 and 11 for the words "the Secretary to the Government of India in the Department of Posts"**
substitute "the Appellate Authority consisting of one member, who has been or is qualified to be a Judge of a High Court, to be appointed by the Central Government."
4. **Clause 8, page 5, after line 10**
insert "4G. The terms and conditions of the service of the member of the Appellate Authority including the age of retirement shall be decided by the Central Government. The Appellate Authority shall be entitled to adopt its own procedure for disposal of appeals."
"4H. The Central Government shall frame rules regarding the filing and disposal of appeals including enforcement of the orders passed by the Appellate Authority".
5. **Clause 9, page 5, in lines 13 and 14**
delete the words "whenever posts or postal.....Government, all." substitute "All".
6. **Clause 10, page 5, for "Notwithstanding.... with force, the."**
substitute "The".
7. **Clause 35, page 9, in line 22**
delete the words "or Authorised Person".
8. **Clause 36, page 9, for lines 24 to 29**
substitute (i) for the words "fifty rupees" the words "one thousand rupees".
9. **Clauses 37, 38, 39, 40, 41, 42 at page 9 be altogether deleted.**
10. **Clause 54, page 10, lines 5 to 9 be deleted.**
11. **Clause 54, page 11, line 35**
delete the words "or renewal".
12. **Clause 54, page 11, for line 36**
insert "For grant of registration a fee of rupees ten thousand, if the area of operation of the person or body registered is within the boundary of only one State of the Indian Union; otherwise rupees fifty thousand."
13. **Clause 54, page 11**
delete line 37.

**Further List of Amendments from
Shri Somnath Chatterjee, MP**

Amendments/Modifications:

1. **Clause 3, page 2, lines 19 and 20**
insert the words "one or other of" after the words "to carry"
 2. **Clause 8, page 3, lines 44 to 47 and page 4, lines 1 to 7**
substitute "4A. The Central Government may grant registration, on such terms and conditions, as it thinks fit, to any person or body for carriage and delivery of postal articles other than letters, in consideration of such fees as is set forth in the Second Schedule."
 3. **Clause 8, page 4, line 9**
for the words "falling under Section 4" *substitute* "relating to any postal article other than a letter"
 4. **Clause 8, page 4, line 32**
after the words "any postal article" *insert* "as mentioned in Section 4B"
 5. **Clause 8, page 4, Line 35**
after the words "postal articles" *insert* "authorised to be"
 6. **Clause 8, page 5, line 5**
after the word "any" *insert* "bona fide"
 7. **Clause 9, page 5, line 15**
for the word "letters" *substitute* "any postal articles as mentioned in Section 4B".
 8. **Clause 9, page 5, line 15**
for the second word "letters" *substitute* "such articles"
 9. **Clause 36, page 9, line 25**
after the words "Central Government" *insert* "in accordance with the provisions of the Act"
 10. **Clause 36, page 9, line 27**
after the word "authorised" *insert* "in accordance with the provisions of the Act"
- (2) **SHRI RAJEEV SHUKLA, MP.**

The Indian Post Office (Amendment) Bill, 2002 is a positive step towards amending the 104 year old Indian Post Office Act, 1898.

The proposed Bill, however, seems to be against the spirit of economic reforms being undertaken by the Government of India. This bill seeks to concentrate all powers in the Central Government which will only lead to more red-Tapism and inspector raj in issuing the licences to the private courier services.

The following clauses of the Bill needs to be amended:

Constitution of Postal Service Board: Chapter 1A Clause 3A: The maximum number of Members of the Board need to be specified. The constitution of the Board as proposed shall have chairperson and members from service officials of the Central Government. Inclusion of members from private couriers will give a fair chance to voice their point of view.

The board of identical nature like TRAI, Insurance Regulatory Authority etc. are constituted by including members from all the areas including private operators.

Exclusive privilege of conveying letters reserved to the Govt.: Chapter 1A Clause 7: It should be the privilege of sender as to through whom he wants to send. He should be given the freedom of mode of despatch to suit his own compulsions and needs. He should have an alternative in the present days fast moving world.

Power to grant registration: Chapter 1 (A): Section 4A. (1): The proposed section seeks to confer discretionary powers upon the Central Government to grant registration. If conveying letters is the exclusive privilege of the Postal Board (Central Government), the couriers have to apply for licence.

The Couriers companies are in the business for about two decades and have some what established themselves after struggling against heavy odds. They have survived for such a long period only on MERIT OF THEIR SERVICE AND HAVE GAINED PUBLIC CONFIDENCE which is evident by the turn over which will be approximately Rs. 3500 crores during the year 2002-3. The private sector courier industry contributes to 94% and the rest 6% owned by Speed Post. There is a good measure of competition in the industry and this helped the EMS Speed Post also.

It is felt that in a situation of intense competition in the market, with large number of operators, the trend is always towards fall in prices and better service for the consumers. Further consumer protection is assured under the Consumer Protection Act, 1986. The Courier operators are registered with the Central Excise for service tax formalities as stipulated by the Finance Bill Regulations, 1996.

The postal services had a very long innings. It is felt that only on its failure (Postal Deptt.) to extend prompt and efficient postal services other agencies have emerged. The efficiency of the Govt. staff is well known. Further grant of so many holidays in Govt. particularly with five days a week will adversely affect the efficient functioning of the Postal Department if they have the monopoly. Even controlling the registered courier may further attract addition in the staff.

In view of this it is proposed that a neutral body similar to Telecom Regulatory Authority or Insurance Regulatory Authority of India be entrusted with regulatory affairs.

It is therefore suggested that clauses relating to Grant of registration, cancellation, etc. may be suitably amended.

Exemption from liability for loss, misdelivery, delay or damage; Chapter 1A. Clause (10): The Postal Authority is provided with total immunity from any liability arising from service failures whereas any lapse on the part of a Courier organisation and its officers will attract a liability upto Rs. 25000/- or imprisonment of two years or both as per the proposed amended bill. Therefore, in the interest of the consumers, specific action against the Postal Department on such lapses needs to be indicated.

Money-Order: Amendment to Section 43: a provision may be made to pay interest on the money kept with the Government in case of delay in payment and loss of money remitted through Money-Order.

The main purpose of the above suggestions for amendments is to make Postal Services competitive in the present day context of fast moving world and to be in line with economic liberalisation, consumer expectations and Government initiatives in telecom and other sectors.

(3) SHRI T. GOVINDAN

1. Clause 3, page 2, lines 19 and 20

omit the words "or by any person or body... under the Act."

2. Clause 8, page 3, for lines 44 to 47 and page 4, lines 4 to 7

substitute "4A. The Central Government may grant registration, on such terms and conditions, as it thinks fit, to any person or body for carriage and delivery of postal articles other than letters, in consideration of such fees as is set forth in the Second Schedule."

3. Clause 8, page 5, in lines 10 and 11 for the words "the Secretary to the Government of India in the Department of Posts"

substitute "the Appellate Authority consisting of one member, who has been or is qualified to be a Judge of a High Court, to be appointed by the Central Government."

4. Clause 8, page 5, after line 10

insert "4G. The terms and conditions of the service of the member of the Appellate Authority including the age of retirement shall be decided by the Central Government. The Appellate Authority shall be entitled to adopt its own procedure for disposal of appeals."

"4H. The Central Government shall frame rules regarding the filing and disposal of appeals including enforcement of the orders passed by the Appellate Authority."

5. Clause 9, page 5, in lines 13 and 14

delete the words "Wherever posts or postal...Government, all."

substitute "All".

6. Clause 10, page 5, for "Notwithstanding...with force, the."

substitute "The".

7. Clause 35, page 9, in line 22

delete the words "or Authorised Person".

8. Clause 36, page 9, for lines 24 to 29

substitute (1) for the words "fifty rupees" the words "one thousand rupees".

9. Clauses 37, 38, 39, 40, 41, 42 at page 9 be altogether deleted.

10. Clause 43, page 10, lines 5 to 9 be deleted.

11. Clause 54, page 11, line 35

delete the words "or renewal".

12. **Clause 54, page 11, for line 36**

insert "For grant of registration a fee of rupees ten thousand, if the area of operation of the person or body registered is within the boundary of only one State of the Indian Union; otherwise rupees fifty thousand."

13. **Clause 54, page 11**

delete line 37.

(4) SHRIMATI SARLA MAHESHWARI, M.P.

Amendments/Modifications:—

1. **Clause 3, page 2—lines 19 and 20**

omit the words "or by any person or body...under the Act."

2. **Clause 8, page 3, for lines 44 to 47 and page 4 lines 4 to 7**

substitute "4A. The Central Government may grant registration, on such terms and conditions, as it thinks fit, to any person or body for carriage and delivery of postal articles other than letters, in consideration of such fees as is set forth in the Second Schedule."

3. **Clause 8, page 5, in lines 10 and 11 for the words "the Secretary to the Government of India in the Department of Posts"**

substitute "the Appellate Authority consisting of one member, who has been or is qualified to be a Judge of a High Court, to be appointed by the Central Government."

4. **Clause 8, page 5, after line 10**

insert "4G. The terms and conditions of the service of the member of the Appellate Authority including the age of retirement shall be decided by the Central Government. The Appellate Authority shall be entitled to adopt its own procedure for disposal of appeals."

"4H. The Central Government shall frame rules regarding the filing and disposal of appeals including enforcement of the orders passed by the Appellate Authority."

5. **Clause 9, page 5, in lines 13 and 14**

delete the words "Wherever posts or postal...Government, all."

substitute "All."

6. **Clause 10, page 5, for "Notwithstanding...with force, the."**

substitutue "The".

7. **Clause 35, page 9, in line 22**

delete the words "or Authorised Person".

8. **Clause 36 page 9, for lines 24 to 29**

substitute (i) for the words "fifty rupees" the words "one thousand rupees".

9. Clause 37,38,39,40,41,42 at page 9 be altogether deleted.
10. Clause 43, page 10, lines 5 to 9 be deleted.
11. Clause 54, page 11, line 35
delete the words "or renewal".
12. Clause 54, page 11, for line 36
insert "For grant of registration a fee of rupees ten thousand, if the area of operation of the person or body registered is within the boundary of only one State of the Indian Union; otherwise rupees fifty thousand."
13. Clause 54, page 11
delete line 37.
- (5) SHRI PAWAN KUMAR BANSAL, MP.
Page 2, line 12, clause 3
for the word "envelope" substitute the words:
"envelope which does not exceed one hundred grams in weight"
line 19
for the words "such articles" substitute the words:
"such articles other than a letter"
page 3, lines 44 to 47 clause 8 & 4 lines 1 to 3
substitute lines 44 to 47 and lines 1 to 3 (p.4)
"4A (1) Notwithstanding anything contained hereinabove, the Central Government may grant registration on such terms and conditions as may be prescribed to any person for carrying out any act performing any service falling under section 4 other than transmission or delivery of letters, in consideration of such fee as may be prescribed."
- page 4, line 4, clause 8
Renumber sub-clause (3) as sub-clause (2)
page 4, line 39, Clause 8
Delete the words "or any agent or servant of such person".
page 5, line 10, clause 8
for the words "Secretary to the Government of India in the Department of Posts" substitute the words:
"the Appellate Authority consisting of a member who has been or is qualified to be appointed a Judge of a High Court, as appointed by the Central Government."

page 5, line 10

after line 10, insert

"4G (1) The terms and conditions of service of the Member of the Appellate Authority including the tenure and age of retirement shall be such as may be prescribed.

(2) The Appellate Authority may adopt its own procedure as it deems fit for Consonance with principles of natural justice for disposal of appeals under Section 4F".

"4H. The Central Government may frame rules for filing and disposal of appeals and enforcement of the orders and directives of the Appellate Authority."

"4I. (1) The one-member Appellate Authority appointed under Section 4F shall, for the purpose of discharging its powers and functions, have the some powers as are vested in a Civil Court under the Code of Civil Procedure, 1973.

(2) The Appellate Authority shall decide every appeal within a period of four months.

page 5, lines 17 to 26, Clause 10

Delete Clause 10

page 7, lines 25-26, Clause 26

Substitute sub-clause (ii) by:

"(ii) in sub-section (3) delete the words "free of charge" after the word sender," insert the words:

"on payment of a fee a equivalent to the postage rate applicable to the undelivered article."

page 11, line 9, Clause 52

Renumber sub-clauses (a) & (b) as (b) & (c) respectively and before sub-clause (b) as so renumbered insert "(a) After sub-section (1) of Section 74 insert:

(1A) In particular, and without prejudice to the generality of the fore going power, such rules may provide for all or any of the following matters, namely:—

(a) the terms and conditions of registration under Section 4A;

(b) rates of fees for grant or renewal of registration;

(c) the terms and conditions of service etc. of the member of Appellate Authority under section-G

(d) manner and form of filing and disposal of appeals and enforcement of Orders of the Appellate Authority."

2 page 11, lines 31 to 37

Delete clause 54.

(6) SHRI K.A. SANGTAM, M.P.

1. After going through Clause 8. I find there are some ambiguity in insertion of Section 4A (1) (2) and (3) of the proposed Bill. Hence, I propose following modifications in Clause 8.

(i) Clause 8, page 3, for lines 44 to 47 and page 4 lines 4 to 7

Substitute "4A. The Central Government may grant registration, on such terms and conditions, as it thinks fit, to any person or body for carriage and delivery of postal articles other than letter, in consideration of such fees as is set forth in the Second Schedule."

2. Further going through Clause 8 in regard to insertion of 4F in the Bill, I observe that courier agencies and Department of Posts are competitor of each other that's why I feel in regard to registration of persons/body, Secretary to the Government of India, Department of Posts should not be an appellat authority, I therefore, propose following amendments in this regard:

(ii) Clause 8, page 5, in lines 10 and 11 for the words "the Secretary to the Government of India in the Department of Posts"

substitute "the Appellate Authority consisting of one member, who has been or is qualified to be a Judge of a High Court, to be appointed by the Central Government."

General Suggestions on the proposed Bill

3. I desire that the Committee should recommend that Courier/Express agencies out of their total profit they should make 10 per cent expenditure on rural areas and North-East regions. There should be mandatory provision for Courier/Express Service therefor Government should suitably incorporate the said issues in the proposed Bill.

4. The definition of the letter is required to be clarified so that only the Government can have privilege in transmission of letters and further, tariff and charges on delivery of postal articles other than letters whether delivered by courier agency or expressed services must be defined in the proposed Bill.

(7) SHRI VIJAY DARDA, M.P.

The Following amendment to the "Indian Post Office (Amendment) Bill, 2002" is suggested for consideration in the ensuing meeting of the Standing Committee on 12th of December 02:

In Chapter 1A, under clause 8, page 4, after line 7, insert "(4) The registered person to perform services both in Urban and Rural areas and non-performance of services in Rural Areas would attract heavy penalty even leading to cancellation of registration".

This sub-clause is being inserted as our experience with Mobile Telephone Operators performance in rural areas is very dismal and they prefer paying fines than providing services in Rural Areas. Insertion of this sub-clause would ensure adequate provision of services of rural areas by these registered persons.

BILL AS AMENDED BY THE COMMITTEE**THE INDIAN POST OFFICE (AMENDMENT) BILL, 2002**

A

BILL*further to amend the Indian Post Office Act, 1898.*

BE it enacted by Parliament in the Fifty-third Year of the Republic of India as follows:—

- | | | |
|---------|---|-------------------------------|
| 1. | (1) This Act may be called the Indian Post Office (Amendment) act, 2002. | Short title and commencement. |
| 5 | (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act. | |
| f 1898. | 2. In section 1 of the Indian Post Office Act, 1898 (hereinafter referred to as the principal Act), in sub-section (1), the word "Indian" shall be omitted. | Amendment of section 1. |
| 10 | 3. Section 2 of the principal Act shall be re-numbered as sub-section (1) of that section and,— | Amendment of section 2. |
| | (a) in sub-section (1) as so re-numbered,— | |
| | (i) for clause (a), the following clauses shall be substituted, namely:— | |
| | (a) the expression "Board" means the Postal Services Board referred to in section 3A of this Act; | |

(aa) the expression "Director General" means the Director General of Posts and includes any other officer authorised to exercise the powers of the Director General;

(aaa) the expression "electronic post" with reference to receiving and transmitting message by post includes any message sent, received, 5 collected, transmitted or stored in media, magnetic, optical, computer memory, micro film, computer generated micro fiche or any other similar device, through computer system or secure computer network;

(ii) after clause (b), the following clause shall be inserted, namely:—

'(ba) the expression "letter" means any written communication to 10 and from any person to any specific address and includes letter-card, post-card and envelope but does not include newspapers and parcels;'

(iii) in clause (d), for the words, "or Her Majesty's Government or the Government of any British possession of foreign country", the words "or the 15 Government of any foreign country;" shall be substituted;

(iv) for clause (i), the following clause shall be substituted, namely:—

'(i) the expression "postal article" includes a letter, letter-card, post-card, newspaper, book packet, parcel and every article or thing transmissible by post, or by any person or body authorised to carry such articles under the Act'; 20

(v) for clause (j), the following clause shall be substituted, namely:—

'(j) the expression "Post Master General" means a Principal Chief Post Master General, Chief Post Master General, Regional Post Master General or a Director of Postal Services and includes any other officer exercising the powers of the Principal Chief Post Master General, Chief Post Master 25 General or Regional Post Master General;'

(vi) after clause (k), the following clauses shall be inserted, namely:—

'(l) the expression "prescribed" means prescribed by rules made under this Act;

(m) the expression "postage stamping machine" means a machine used 30 to affix impressions to indicate prepayment of postage or other sums chargeable under this Act and includes a franking machine;'

(b) after Sub-section (j), as so re-numbered, the following sub-section shall be inserted, namely:—

"(2) Any reference in this Act to a law which is not in force in any area 35 shall, in relation to that area, be construed as a reference to the corresponding law, if any, for the time being in force in that area."

Substitution of references of certain expressions by certain other expressions.

4. Throughout the principal Act, unless otherwise expressly provided, for the words "Post Master General", wherever they occur, the words "Principal Chief Post Master General or Chief Post Master General or Regional Post Master General or Director of Postal Services 40 or any other officer of the equivalent rank", shall be substituted and such other consequential amendments as the rules of grammar may require shall also be made.

Amendment of section 3.

5. In section 3 of the principal Act, in clause (c), after the words "according to the usual manner of delivering postal articles to the addressee," the words "or the placing of a postal article in a letter deposit box kept at the house or office of the addressee or in a post 45 box at the post office rented by the addressee in such manner as may be prescribed," shall be inserted.

6. After Chapter 1 of the principal Act, the following Chapter shall be inserted, namely:—

Insertion of new Chapter IA.

"CHAPTER IA

POSTAL SERVICES BOARD

5 3A. (1) The Central Government shall constitute a Postal Services Board with Chairperson and as many Members of the Board as the Government may appoint from time to time:

Constitution of Postal Services Board.

10 Provided that the existing Postal Services Boards shall, until the constitution of the Board under this section, continue to function as if the Indian Post Office (Amendment) Act, 2002 had not been passed.

(2) The Board shall, subject to the control of the Central Government, exercise such powers and perform such duties as may be entrusted to it by that Government under this Act or under any other law for the time being in force.

15 (3) The Central Government may make rules for the purpose of regulating the transaction of business by the Board and every order made or act done in accordance with such rules shall be deemed to be the order or act, as the case may be, of the Board."

7. For section 4 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 4.

20 "4. Wherever within India posts or postal communications are established by the Central Government, the Central Government shall have the exclusive privilege of conveying by post, from one place to another, all letters except in the following cases, and shall also have the exclusive privilege of performing all the incidental services of receiving, collecting, sending, despatching and delivering all letters, except in the following cases, that is to say:—

Exclusive privilege of conveying letters reserved to the Government.

(a) letters sent by a private friend in his way, journey or travel, to be delivered by him to the person to whom they are directed, without hire, reward or other profit or advantage for receiving, carrying or delivering them;

30 (b) letters solely concerning the affairs of the sender and delivered by his employee or a messenger employed by him and the sender is not engaged in the business of procuring or delivery of letters;

(c) documents issued by a court or other authority entitled to issue the same, or any return or answers to such documents sent, conveyed and delivered otherwise than by post;

35 (d) letters solely concerning goods or property sent either by land, sea or air to be delivered with the goods or property to which the letters concern, without hire, reward or other profit or advantage for receiving, carrying or delivering them:

40 Provided that nothing in this section shall authorise any person to make a collection of letters excepted as aforesaid for the purpose of sending them otherwise than by post."

8. After section 4 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 4A to 4F.

45 "4A. (1) The Central Government may, grant registration on such terms and conditions, as it thinks fit, to any person or body of person for carriage and delivery of postal articles other than letters, in consideration of such fees as is set forth in the second schedule."

Power to grant registration.

(2) Anything done under and in accordance with the registration granted under sub-section (1) shall not constitute an infringement of the privilege conferred on the Central Government.

(3) The Central Government may impose such terms or conditions as it may deem fit requiring the person registered to perform such services as were performed by the Postal Department before the commencement of the Indian Post Office (Amendment) Act, 2002.

Application
for
registration.

4B. Every person desirous of carrying on any act or performing any service falling under section 4, shall make an application to the Central Government in such form and containing such particulars as may be prescribed: 10

Provided that a person carrying out any act or performing any services at the commencement of the Indian Post Office (Amendment) Act, 2002 shall be allowed a period of three months from such commencement to make an application for registration.

Grant of
registration.

4C. (1) On receipt of an application under section 4B, the Central Government, after making such inquiry as it considers necessary, shall, by order in writing, either grant the registration or refuse to grant it. 15

(2) Where the registration is refused, the grounds for such refusal shall be communicated to the applicant in the prescribed manner.

(3) The registration, unless sooner revoked, shall remain in force for such period as may be specified in the registration order, and may, on application made in this behalf within such time as may be prescribed before the date of its expiration, be renewed for such period as the Central Government may deem proper: 20

Provided that a registration may be renewed on an application made within such time as may be prescribed after the date of its expiration if the Central Government is satisfied that there was sufficient cause for not making the application earlier. 25

(4) Every registration granted under this Act shall be in the prescribed form and shall be subject to such conditions as may be prescribed.

Obligation
of a
registered
person.

4D. (1) A registration granted under this Act shall not be transferable except with the written permission of the Central Government. 30

(2) No person registered under the Act, shall accept for transmission or transmit or deliver any postal article authorised to be the transmission or delivery, as the case may be, of which through post is prohibited under this Act.

(3) The provisions of sections 20, 23, 24, 24A, 25 and 26 of this Act shall apply in relation to postal articles authorised to be handled by a registered person in the same manner as they apply in case of transmission or delivery of such postal articles by the postal authorities under this Act. 35

Suspension
or
revocation
of
registration.

4E. (1) Where any person to whom a registration has been granted under this Act, or any agent or servant of such person commits a breach of any of the conditions thereof, or any of the provisions of this Act or the rules made thereunder, the Central Government may, without prejudice to any other penalty which may have been incurred under this Act, for reasons to be recorded, suspend or revoke the registration by order in writing: 40

Provided that no such order shall be made until an opportunity is given to the holder of the registration order to show cause as to why the registration should not be suspended or revoked.

(2) No person registered under the Act, shall be entitled to any form of compensation in case of any *bonafide* suspension or revocation of the registration under sub-section (1).

4F. Any person aggrieved by an order of the Central Government refusing to grant a registration or suspending or revoking a registration, may, within such period as may be prescribed, prefer an appeal to the Appellate Authority consisting of one member, who has been or is qualified to be a Judge of a High Court to be appointed by the Central Government, against such refusal or suspension or revocation.

"4G. (1) The terms and conditions of the service of the member of the Appellate Authority including the age of retirement shall be as prescribed by the Central Government of India

Insertion of new Sub-Sections 4G and 4H

(2) The Appellate Authority shall have power to regulate to adopt its own procedure for disposal of appeals subject to the principles of natural justice.

4H. The Central Government shall frame rules regarding the filing and disposal of appeals including enforcement of the orders passed by the Appellate Authority."

Substitution of new section for section 5.

9. For section 5 of the principal Act, the following section shall be substituted, namely:—

Persons not registered forbidden to convey letter.

"5 Wherever posts or postal communications are established by the Central Government, all persons, other than a person registered under this Act are forbidden to collect, carry, tender or deliver any postal article or to receive such articles for the purpose of carrying on delivering them."

Substitution of new section for section 6.

10. For section 6 of the principal Act, the following section shall be substituted, namely:—

Exemption from liability for loss, misdelivery, delay or damage.

"6. ** **
 20 ** ** The Central Government shall not incur any contractual liability by reason of the loss, misdelivery or delay of, or damage to, any postal article in course of transmission by post, except in so far as such liability may, in express terms, be undertaken by the Central Government as provided in this Act or rules made thereunder, and no officer of the Post Office shall
 25 incur any liability by reason of any such loss, misdelivery, delay or damage, unless he has caused the same fraudulently or by his willful act or default."

11. In section 7 of the principal Act, in sub-section (3), for the words "book, pattern and sample packets", the words "book packets" shall be substituted.

Amendment of section 7.

12. In section 8 of the principal Act,—

30 (i) for clause (a), the following clause shall be substituted, namely:—

Amendment of Section 8.

35 "(a) require the pre-payment of postage on inland postal articles or any class of inland postal articles, the grant of any rebate on such postage if it is pre-paid by means of postage stamping machines or if such postal articles are pre-sorted and posted in such manner as may be specified, and prescribe the manner in which pre-payment shall be made;"

(ii) in clause (d), for the words 'charged for the "express delivery" of postal articles', the words "charged for such service in relation to the delivery of any postal article as may be specified," shall be substituted;

(iii) the *Explanation* to clause (d) shall be omitted.

40 13. In section 9 of the principal Act, in sub-section (2), after clause (b), the following clause shall be inserted, namely:—

Amendment of section 9.

"(c) that it does not contain any business reply card except business reply card for its own subscription."

45 14. For section 10 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 10.

- Power to declare rates of foreign postage. "10. Where arrangements are in force with any foreign country for the transmission by post of postal articles between India and such country, the Central Government may, in conformity with the provisions of such arrangements, declare what postage rates and other sums shall be charged in respect of such postal articles and may make rules as to the scale of weight, size, terms and conditions subject to which the rates so declared shall be charged." 5
- Amendment of section 15. 15. In section 15 of the principal Act, for the words "or to the Post Office of the United Kingdom or of any British possession or foreign country," the words "or to the post office of any foreign country," shall be substituted.
- Amendment of section 16. 16. In section 16 of the principal Act, in sub-section (3), after clause (d), the following clause shall be inserted, namely:—
 "(da) regulate the use of postage stamping machine." 10
- Amendment of section 17. 17. In section 17 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—
 "(3) The Central Government may make rules to provide for the use, maintenance and inspection of postage franking machine and the manner of dealing with such machine under the law." 15
- Amendment of section 21. 18. In section 21 of the principal Act,—
 (a) in sub-section (2),—
 (i) in clause (d), the word "and" occurring at the end shall be omitted; 20
 (ii) after clause (e), the following clauses shall be inserted, namely:—
 "(f) provide for number of postal articles to be posted at the post office in the presorted manner subject to such conditions as may be specified therein; and
 (g) notify any other class of services for collection, conveyance and delivery of postal articles as may be specified."; 25
 (b) after sub-section (3), the following sub-section and *Explanation* shall be inserted, namely:—
 "(4) The Central Government may, if it considers necessary or expedient so to do, having regard to the exigencies of the postal administration, frame rules to provide for letter deposit boxes by the addresses. 30
Explanation.—For the purposes of this section, "speed post", "business post" and "express parcel post" notified under clause (b) of sub-section (2) of section 21 shall be deemed to be the services specified under clause (g) of sub-section (2) of this section." 35
- Amendment of section 22. 19. In section 22 of the principal Act, in sub-section (1), for the words "book, pattern or sample packets" the words "book packets" shall be substituted.
- Amendment of section 23. 20. In section 23 of the principal Act, in sub-section (2), for the words "book, pattern or sample packet", the words "book packets" shall be substituted.
- Amendment of section 24A. 21. In section 24A of the principal Act, for the words and figures "the Sea Customs Act, 1878", the words and figures "the Customs Act, 1962," shall be substituted. 40
 8 of 1878.
 52 of 1962.

22. In section 27 of the principal Act, for the *Explanation*, the following *Explanation* shall be substituted, namely:—

Amendment
of section
27.

Explanation.—For the purposes of this section, the expression “postage stamp” includes any postage stamp for denoting any rate or duty of postage in India or foreign country and the impression of any stamping machine provided or authorised for the like purpose by or under the authority of the Government of India or of such country.’.

23. In section 27C of the principal Act,—

Amendment
of section
27C.

5 of 1898.10
2 of 1974.

(a) for the words, figures and letters “sections 99D and 99F of the Code of Criminal Procedure, 1898”, the words and figures “section 96 of the Code of Criminal Procedure, 1973” shall be substituted;

(b) for the word, figures and letter “section 99C”, the word and figures “section 96” shall be substituted.

24. In section 29 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

Amendment
of section
29.

“(4) The Central Government may prescribe the amount to be paid as compensation in case of loss of an article or the contents thereof.”.

25. In section 36 of the principal Act, in sub-section (1),—

Amendment
of section
36.

(a) for the words “with the United Kingdom or with any British possession, or foreign country”, the words “with any foreign country” shall be substituted;

(b) for the words “and the United Kingdom or such possession or country”, the words “and such country” shall be substituted.

26. In section 37 of the principal Act,—

Amendment
of section
37.

(i) in sub-section (2), clause (b) shall be omitted;

(ii) in sub-section (3), the words “either forwarded, free of further charge, to the post office at which it was posted for return to the sender, or” shall be omitted.

27. In Chapter IX of the principal Act, for the existing heading “Money Orders”, the following heading shall be substituted, namely:—

Substitution of
new heading
for the existing
heading of
Chapter IX.

“MONEY TRANSFER SYSTEM”.

28. For section 43 of the principal Act, the following section shall be substituted, namely:—

Substitution of
new section for
section 43.

“43. (1) The Central Government may provide for the remittance of money through the post office by means of money order, postal order, telegraphic money order, satellite money order (hereinafter referred to as the money order), or any other instrument (hereinafter referred to as money transfer instrument) and may make rules as to such money orders or money transfer instrument.

Power to
maintain
money transfer
system and to
make rules as
to remittances
thereby.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may prescribe,—

(a) the limit of amount for which money order or any such instrument may be issued;

(b) the period during which money order or such other instrument shall remain current;

(c) the rates of fee to be charged for money order or any other instrument;

(d) the receipt that shall be granted to the remitter or by the payee;

(e) the nature of the instrument and the manner of transmission, payment of money order or other instrument and the time at which payment of money order or any other instrument may be made; 5

(f) the manner of repayment of money order or any other instrument;

(g) the period within which a claim may be made in respect of money order or any other instrument;

(h) the arrangement for issue and payment of money order or any other instrument with other countries; and 10

(i) any other matter incidental or ancillary thereto."

Amendment of section 44.

29. In section 44 of the principal Act,—

(i) in sub-section (1), for the words "by means of a money order may require that the amount of the order", the words "by means of a money order or any other instrument referred to in section 43 may require that the amount of the remittance" shall be substituted; 15

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) If neither the payee nor the remitter of a money order or any other instrument can be found and if within the period of six months from the date of the issue of the remittance, no claim is made by such payee or remitter, the amount of such remittance shall not be claimable from the Government." 20

Substitution of new section for section 45.

Power to provide for the issue of money transfer instruments.

Amendment of section 46.

30. For section 45 of the principal Act, the following section shall be substituted, namely:—

"45. The Central Government may authorise the issue, in such form as may be suitable, of any type of money transfer instruments including postal order and may make rules as to the rates of commission to be charged thereon and the manner in which, and the conditions subject to which, they may be issued, paid and cancelled." 25

31. In section 46 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted; namely:—

"(1) Where arrangements made with any foreign country are in force for the issue and payment of money orders or any other instrument referred to in section 43 between India and such country through the Post Office, the Central Government may make rules to give effect to such arrangement." 30

(ii) in sub-section (2), in clause (a), for the word "order", the words "order or instrument" shall be substituted. 35

Amendment of section 47.

32. In section 47 of the principal Act,—

(i) for the marginal heading, the following shall be substituted, namely:—

"Recovery of money order or any other instrument.";

(ii) in clause (a), for the words "money order", the words "money order or any other instrument specified in section 43" shall be substituted; 40

(iii) in clause (b), for the words "money order", the word "remittance" shall be substituted.

Amendment of section 48.

33. In section 48 of the principal Act,—

(i) for the words "money order", at all the places, the words "money order or any other instrument" shall be substituted;

(ii) in clause (d), for the word "order", the word "instrument" shall be substituted.

5 34. After Chapter IX of the principal Act, the following Chapter shall be inserted namely:—

Insertion of new Chapter after the existing Chapter IX.

"CHAPTER IXA

NEW POSTAL SERVICES

10 48A. (1) The Central Government may provide for transmission of postal articles through any Postal Services, other than those for which provision has been made under this act, as it deems fit.

Power of Central Government to provide for new Postal Services.

(2) The Central Government may make rules for the purpose of sub-section (1) to regulate the procedure, scope and responsibilities for the proper, smooth and effective running of these services.

15 *Explanation*—For the purposes of this section,—

(i) the expression "Postal Services" includes Electronic Post or such other services as the Central Government may deem fit;

(ii) the expression "Postal Monetary Services" includes Postal Life Insurance and money transfer instruments."

20 35. In Chapter X of the principal Act, for the sub-heading "Offences by Officers of the Post Office", the following sub-heading shall be substituted, namely:—

Substitution of sub-heading of Chapter X.

"Offences by Officers of the Post Office"

36. In section 49 of the principal Act,—

Amendment of section 49.

25 (i) after the words "whoever, being employed", the words "or authorised by the Central Government," shall be inserted;

(ii) in clause (a), for the words "employed or", the words "employed, or as the case may be, authorised or" shall be substituted;

(iii) for the words "fifty rupees", the words "one thousand rupees" shall be substituted.

30 37. In section 50 of the principal Act, for the words "fifty rupees", the words "one thousand rupees" shall be substituted.

Amendment of section 50.

38. In section 51 of the principal Act, for the words "one hundred rupees", the words "two thousand rupees" shall be substituted.

Amendment of section 51.

35 39. In section 52 of the principal Act, after the words "Whoever, being an officer", the words "or agent authorised by the Central Government" shall be inserted.

Amendment of section 52.

40. In section 53 of the principal Act, after the words "Whoever, being an officer", the words "or agent authorised by the Central Government" shall be inserted.

Amendment of section 53.

41. In section 54 of the principal Act, after the words "Whoever, being an officer", the words "or agent authorised by the Central Government" shall be inserted.

Amendment of section 54.

40 42. In section 55 of the principal Act, for the words "Whoever, being an officer of the Post Office, the words "Whoever being an officer of the Post Office or an agent authorised by the Central Government to carry letters," shall be substituted.

Amendment of section 55.

43. In section 58 of the principal Act,—

Amendment of section 58.

