

STANDING COMMITTEE ON INFORMATION TECHNOLOGY

(2017-18)

52

SIXTEENTH LOK SABHA

MINISTRY OF COMMUNICATIONS

(DEPARTMENT OF POSTS)

**[Action Taken by the Government on the Observations/Recommendations of
the Committee contained in their Forty-Eighth Report**

(Sixteenth Lok Sabha) on 'Demands for Grants (2018-19)]

FIFTY SECOND REPORT



LOK SABHA SECRETARIAT

NEW DELHI

August, 2018/Shravana, 1940 (Saka)

FIFTY SECOND REPORT

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INFORMATION TECHNOLOGY**

(2017-18)

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(DEPARTMENT OF POSTS)

**[Action Taken by the Government on the Observations/Recommendations of
the Committee contained in their Forty-Eighth Report (Sixteenth Lok Sabha) on
Demands for Grants (2018-19)]**

Presented to Lok Sabha on 7 August, 2018

Laid in Rajya Sabha on 7 August, 2018



LOK SABHA SECRETARIAT

NEW DELHI

August, 2018/Shravana, 1940 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2017-18)

Shri Anurag Singh Thakur - Chairperson

Lok Sabha

2. Shri Lal Krishna Advani
3. Shri Prasun Banerjee
4. Shri Harishchandra alias Harish Dwivedi
5. Dr. Sunil Baliram Gaikwad
6. Shri Hemant Tukaram Godse
7. Dr. Anupam Hazra
8. Smt. Hema Malini
9. Dr. J. Jayavardhan
10. Shri P. Karunakaran
11. Shri Virender Kashyap
12. Shri Harinder Singh Khalsa
13. Dr. K.C. Patel
14. Shri Raosaheb Danve Patil
15. Smt. R. Vanaroja
16. Shri Paresh Rawal
17. Dr. Bharatiben D. Shyal
18. Shri Abhishek Singh
19. Shri D.K. Suresh
20. Shri Ramdas C. Tadas
21. Shri Nagendra Pratap Singh Patel[#]

Rajya Sabha

22. Shri Raj Babbar
23. Dr. Subhash Chandra
24. Shri Suresh Gopi
25. Shri K.G. Kenye
26. Shri Santiuse Kujur
27. Smt. Kahkashan Perween
28. Dr. K.V.P. Ramachandra Rao
29. Dr. Vinay P. Sahasrabuddhe
30. Shri Beni Prasad Verma
31. **VACANT***

Secretariat

- | | | | |
|----|--------------------|---|---------------------|
| 1. | Shri. R C Tiwari | - | Joint Secretary |
| 2. | Shri Y.M. Kandpal | - | Director |
| 3. | Smt. Geeta Parmar | - | Deputy Secretary |
| 4. | Smt. Rinku Awasthi | - | Executive Assistant |

Committee constituted w.e.f. 1st September, 2017 vide Bulletin Part-II Para No. 5829 dated 26th September, 2017

*Shri Sachin Ramesh Tendulkar, M.P. retired from Rajya Sabha w.e.f. 26-04-2018.

#Shri Nagendra Pratap Singh Patel nominated to the Committee w.e.f. 27.04.2018 vide Bulletin Part-II No.6866 dated 27.04.2018.

INTRODUCTION

I, the Chairperson, Standing Committee on Information Technology (2017-2018), having been authorised by the Committee, present this Fifty-second Report on 'Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Forty eighth Report (Sixteenth Lok Sabha) on Demands for Grants (2018-19)' of the Ministry of Information and Broadcasting.

2. The Forty eighth Report was presented to Lok Sabha and also laid on the Table of Rajya Sabha on 13th March, 2018. The Ministry furnished their Action Taken Notes on the Observations/Recommendations contained in the Forty eighth Report on 12th June, 2018.

3. The Report was considered and adopted by the Committee at their sitting held on 3rd August, 2018.

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

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

New Delhi;

03 August, 2018

Shravana, 1940(Saka)

ANURAG SINGH THAKUR,

Chairperson,

Standing Committee on

Information Technology.

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology deals with action taken by Government on the Observations/Recommendations of the Committee contained in their Forty-Eighth Report (Sixteenth Lok Sabha) on 'Demands for Grants (2018-19)' relating to the Ministry of Communications (Department of Posts).

2. The Forty-Eighth Report was presented to Lok Sabha on the 13 March, 2018 and also laid in Rajya Sabha, the same day. It contained 22 Observations/ Recommendations. Replies of the Government in respect of all the Observations/Recommendations have been received from the Department of Posts and are categorized as under:-

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

Para Nos. 2, 3, 4, 6, 8, 10, 11, 12, 13, 14, 15, 18 and 22

Total : 13

Chapter II

- (ii) Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies:-

Para Nos. 1, 5, 16 ,17, 19, 20 and 21

Total : 07

Chapter III

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

Para No. 7 and 9

Total : 02

Chapter IV

- (iv) Recommendations/observations in respect of which final replies are still awaited:-

Para No. NIL

Total : NIL

Chapter V

3. The Committee trust that utmost importance would be given to implementation of the Observations/Recommendations accepted by the Government. The Committee further desire that Action Taken Notes on the Observations/Recommendations contained in Chapter-I of this Report should be furnished to them at an early date.

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

Revenue Deficit

Recommendation (Para No.6)

5. The Committee in their 48th Report on DFG(2018-19) of the Department of Posts had expressed their concern over the increasing deficit of the Department from Rs. 6007.18 crore in 2015-16 to Rs. 11969.95 crore during 2016-17 and again to Rs. 11111.51 crore at RE, 2017-18, due to increase in expenditure of the Department and also decline in revenue. Though, the Committee were convinced that it was not feasible for the Department to cut down its operational expenses due to the increasing costs on one hand and obligation to provide Universal Postal Services to the citizens at affordable costs on the other, they had desired the Department to make concerted efforts to strengthen its Business Development and e-Commerce activities so as to reduce its revenue deficit.

6. In their Action Taken Reply, the Department of Posts have stated as under:

"The department has adopted a number of steps to control expenditure and keep it within the allocated funds. Some of them as follows:

- (i) Conducting regular Video Conference with all Heads of Circles, and budget holders.
- (ii) Monthly meeting to review of scheme expenditure under the chairmanship of Secretary (Posts)
- (iii) Compliance of various guidelines and instructions with regard to austerity measures and expenditure management issued from time to time by the Ministry of Finance.
- (iv) Organisation of special meetings of Divisional Heads with Heads of Circles
- (v) Monthly report on expenditure management and control.
- (vi) Issue of instructions to all the fund spending authorities to keep the expenditure within the budgetary allocations at the various levels and also at apex level.

(vii) Day to day review of expenditure after complete roll out of CSI project.

The following initiative are being taken /proposed to be taken to increase the revenue of the Department.

- Organizing Seminars/Melas/Road Shows to open new accounts.
- Targeting the poor people for opening of savings Account with Rs.20/- as number of transactions is less in a Savings Account in comparison to other schemes.
- Fixing targets for each Post Office right from the level of EDBOs for opening of new accounts.
- Targeting every depositor having RD and MIS account to open a Savings Account and give Standing instruction for transfer of monthly installment/interest automatically from/to Savings Account.

Department is continuously reviewing its offerings and making systematic changes to improve the efficiency and increase the output so as to decrease the deficit.

Department is also focusing on tapping e-commerce and parcel business for which a separate Parcel Directorate has been created. It is expected that with the focused approach on e-commerce and parcel business DoP revenue would increase substantially in near future. "

7. The Committee note that in order to increase its revenue, Department of Posts has been taking various initiatives including opening of more Post Office Saving Bank Accounts. The Committee, however, during their recent visit to Hyderabad and Pune while having discussion with the representatives of the Telangana, Andhra Pradesh and Maharashtra Postal Circles observed that the number of Post Office Saving Bank Accounts are on the decline due to KYC requirement. Further, there were lakhs of silent accounts in the Postal Department which could be one of the reasons for

their revenue fall and their revival would have certainly boosted the revenue of the Department. The Committee, would therefore, like to know the exact number of silent accounts with the DoP and the efforts made by them so far to revive those accounts. The details about the silent accounts revived during the last three years may also be furnished.

8. The Committee are further informed that in order to increase their revenue, the Department is continuously reviewing its offerings and making systematic changes to improve the efficiency and also focusing on tapping e-commerce and parcel business for which a separate Parcel Directorate has been created. The Committee are hopeful that with these steps, the Department would be able to raise their revenue in the coming years. The Committee feel that if the scope of the work of the Directorate constituted for the purpose is widened to oversee and gauge the impact of the various steps taken for boosting business in e-Commerce and Parcel segment, the things may improve.

9. The Committee are also inclined to believe that Department requires to pay adequate attention to various social security schemes being run in post offices viz. Sukanya Samridhi Yojana, Pradhan Mantri Suraksha Bima Yojna (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY) and Atal Pension Yojna (APY) and urgently take up the issues/problems in this context hampering their performance, with the Government. Further, continuous efforts be made to meet the targets with regard to setting up

Post Office Passport Seva Kendras(POPSKs) and Aadhar Enrollment and updation Centres alongwith the transactions in order to tap all possible areas to mobilise the resources.

Promotion and Publicity of DoP's Market Offerings

Recommendation (Para No.7)

10. The Committee in their Report had noted that the Department of Posts was lagging behind in the market offerings/strategies as it was weak in the field of creating awareness, promotion & publicity to increase its customer base, which was one of the important factors in raising the revenue of the Department and therefore required focused and urgent attention. The Committee had desired to be informed of the allocation vis-à-vis utilization for this activity for the Department during the last three years and recommended that an Inter-Departmental Committee should be formed to suggest ways and means to increase level of awareness, promotion and publicity needs to increase the customer base, to achieve the desired results.

11. In their Action Taken Reply, the Department of Posts have stated as under:

“ The Department has taken various measures from time to time to promote and popularize savings schemes in rural areas by holding seminars, melas, meetings etc. and distributing pamphlets. Rural population especially workers registered under Mahatma Gandhi National Rural Guarantee Scheme and families of Below Poverty Line are also encouraged to promote savings by Gramin Dak Sewaks/Postmen through personal contact.

In order to increase awareness about PLI/RPLI products, publicity through all available channels of publicity i.e. print media, Television, Radio, Outdoor media etc is carried out on regular

intervals within the available outlays/funds at Directorate & Circle level. Specific awareness creation print advertisements are issued on special occasions. Allotment of funds for Advertisement & Publicity (Plan) and utilization thereof for the last 3 years is as under:-
(In Rs. crore)

Year	BE	RE	FG	Utilizat ion	% utilizat ion
2015 -16	7.1 0	7.1 0	7.10	7.1343	100.40
2016 -17	8.4 0	8.4 0	8.40	8.36	99.52
2017 -18	8.5 0	11. 00	11.0 0	10.74	97.63

The allocation and utilization of the Department under the activity 'Marketing Function of the Department' which relates to the promotion and publicity of the Department's offerings are as follows:

Year	Allotment in Crore Rs.	Expenditure in Crore Rs
2014-15	6.33	6.13
2015-16	5.50	5.57
2016-17	11.60	11.39
2017-18	17.30	17.26

In last few years allocation has shown an increasing trend. With the optimum utilization of the allotted funds Department has been able to formulate effective strategies for promotion and publicity of its products and services and create awareness among the public and staff. Department is utilizing the fund in various promotion campaigns in print media, Radio, TV, Digital Cinema, LCD/ LED screens at Railway Stations, Bus stations and outdoor media viz. Metro Wrap, train Wrap, Airport Taxi wraps, Display boards/ Hoardings at Airports/ Railway Stations/ Metro Stations, Bus Queue Shelters. Additionally Department is also participating in various events like India International Trade Fair, Vibrant Gujarat, Global Exhibition on Services etc where Department does not only place a stall but also takes speaker opportunity in the

knowledge session to create awareness about the offerings of the Department. The allocation of the Department in this segment has increased to Rs. 50 Cores at BE stage for 2018-19.”

12. The Committee note that though there is an increasing trend in the yearly allocation for the activity “Marketing Function of the Department” related to promotion and publicity of the Department’s offerings, yet the impact on the revenue figures of the Department is not visible. Keeping this in view, the Committee had recommended to the Department to constitute an Inter-Departmental Committee with specific mandate to suggest ways and means to increase level of awareness, promotion and publicity needs to increase the customer base. However, no attention was paid by the Department in this regard.

The Committee further note that the allocation for the activity “Marketing Function of the Department” has been substantially increased to Rs. 50 crore at BE stage for 2018-19 from Rs. 17.26 crore allocated during 2017-18. The Committee are of the opinion that this is an area which requires Departments’ serious consideration. Therefore, the Committee reiterate their earlier recommendation to constitute an Inter-Departmental Committee to see the promotion and publicity needs of the Department’s market offerings and suggest future roadmap to increase their customer base.

Publicity of Government Social Welfare Schemes run by DoP

Recommendation (Para No. 9)

13. The Committee in their earlier Report had emphasised that whenever Department of Posts launches any of the Government welfare schemes or inaugurate Aadhaar Enrolment & Updation Centres and Post Office Passport Seva Kendras, they should invariably invite/associate the local MPs/MLAs, who by virtue of being local representatives enjoy public support and trust and

can make public aware of the benefits of the schemes/enhancement of the various facilities available for them. Further, local units of Doordarshan, AIR and other media units of Ministry of I & B may be approached to get the postal schemes publicized.

14. In their Action Taken Reply, the Department of Posts have stated as under:

" Member of Parliament/ Member of the Legislative Assembly and other dignitaries are invariably invited for the inauguration of Post Office Passport Sewa Kendra and Aadhar Enrolment Centres. Further these launch functions and new facilities are given adequate popularity in the vicinity so as to create awareness and publicise these new facilities to ensure the benefits reaches to greater masses. Minister of State for Communications (Independent Charge) has addressed all the Members of Parliament with booklet on Aadhar services through Post Office with a request to publicise these facilities in their constituencies so that public is benefitted in large and in turn Department can earn additional revenue by providing these services. As of now more than 12000 Aadhar enrolments cum updation centres are functioning in various parts of the country. "

15. While the Committee are satisfied to note from the action taken reply that MPs/MLAs and other dignitaries are invariably invited for the inauguration of Post Office Passport Sewa Kendra and Aadhar Enrolment Centres, they find that the Department is silent on their suggestion to approach local units of Doordarshan, AIR and other media units of Ministry of I & B, to publicize their schemes. Therefore, the Committee would reiterate their recommendation in this regard. The Committee are of the strong opinion that if the Government Social Security Schemes and other facilities provided by the Department of Posts are adequately publicised, it would yield the desired result which would not only benefit

the Department in raising their revenue but would help the Government in creating awareness among the masses to avail such facilities for their own benefits. Therefore, it is prudent that the Department of Posts pay special attention to publicise all the schemes/facilities extended by them. They further desire that the Department should also use the social media platforms for the purpose.

Jan Suraksha Schemes

Recommendation (Para No. 18)

16. In their Report on DFG(2018-19) of the Department of Posts, the Committee had noted that Pradhan Mantri Suraksha Bima Yojna (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY) which were launched in post offices on 07.09.2015 had been getting good response of the public. Further, though the Department of Financial Services was placing promotional advertisement of the PMSBY and PMJJBY in the national and local newspapers across country, there was no mention of Post offices in the advertisements, which was adversely affecting the performance of the Department towards the various social security schemes provided by them besides losing the morale of postal officials engaged in making PMSBY & PMJJBY enrollment in the field. The Committee had desired the Department of Financial Services should include DoP in all its advertisement in the electronic media and also enhance staff incentive.

17. In their Action Taken Reply, the Department of Posts have stated as under:

“Secretary, Department of Financial Services, Ministry of Finance has already been requested to issue necessary Instructions to the concerned persons in their Department to indicate in further advertisement that Post Offices are also involved in Pradhan Mantri Suraksha Bima Yojna and Pradhan Mantri Jeevan Jyoti Yojna schemes. While allotting the target for Atal Pension Yojna for the year

2018-19, all the Postal Circles have been suggested to include Gramin Dak Sewaks into Atal Pension Yojna.”

18. The Committee note that the Department of Posts have requested the Secretary, Department of Financial Services, Ministry of Finance to issue necessary instructions to the concerned persons in their Department to indicate in further advertisements that Post Offices are also involved in Pradhan Mantri Suraksha Bima Yojna and Pradhan Mantri Jeevan Jyoti Yojna schemes. The Committee would like to be apprised of the progress in the matter.

Gender Neutral nomenclature for Delivery personnel

Recommendation (Para No. 22)

19. The Committee in their Report of Demands for Grants felt a need to make the nomenclature for delivery personnel in the Department of Posts and suggested that to further call “postman” as "Post Person".

20. In their Action Taken Reply, the Department of Posts have stated as under:

“ The proposal to rename postman as post persons is under consideration. It is also submitted that word ‘Dakia’, which is generally used is gender neutral”

21. The Committee agree that word ‘Dakia’ is gender neutral, however this word is of Hindi vocabulary. They desire that likewise, in English also, a gender neutral word ‘postperson’ should be used for delivery personnel of the postal articles.

CHAPTER II
OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN
ACCEPTED BY THE GOVERNMENT

Recommendation Sl.No.2

Budgetary Allocations during 2018-19

2. The Committee are not happy to note the downsizing of the proposed allocation for various schemes of the Department of Posts. During 2017-18, the Department had proposed an allocation of Rs. 3707.711 crore for its four central sector schemes, viz. Postal Operations, Human Resource Management, Estates Management and India Post Payments Bank. However, the same had been reduced to Rs. 1050.00 crore. Also, during 2018-19, against the proposed allocations for its various schemes to the tune of Rs. 2350.30 crore, Rs. 92.41 crore, Rs. 489.50 crore and Rs. 585.00 crore, respectively, the Department has been allocated funds to the tune of Rs. 715.00 crore, Rs. 60.00 crore, Rs. 85.00 crore and Rs. 300.00 crore, respectively. According to the Ministry, Mail Operations including Establishment of e-commerce/Parcel Booking/International Business Centres, IT Induction & Modernization projects, Business Promotion & Marketing Research and Product Development will suffer due to the less allocations. The Committee are aware that the Department had proposed the allocations for its various schemes keeping in mind their physical targets, and with the reduced budget allocations, the physical targets will have to be revised downwards. The Committee are of the view that the reduced outlays will

adversely affect the progress and growth of various schemes/sub-schemes undertaken by the Department. They, therefore, strongly recommend that the allocations be stepped up suitably at the RE stage and if necessary matter may be taken up at an appropriate level with the Ministry of Finance.

Reply of the Government

(1) Scheme: Philately Operations under “Postal Operation”

During the year 2017-18, an outlay of Rs. 7.50 crore was provided under the scheme “Philately Operations”. Necessary allocations have been made to all the Postal Circles and a regular review and monitoring were carried out and instructions were issued to all the concerned to utilize the funds fully and achieve the physical targets. As a result, an amount of Rs. 7.48 Crs. has been incurred in the FY 2017-18 (i.e.) 99.73%.

(2) Scheme: Postal Life Insurance Operation and Promotion under “Postal Operation”

There is no reduction in RE & FG stage in respect of allocation for PLI scheme activities during the year 2017-18. At BE stage total allocation was Rs. 11.40 Cr and at RE stage the same was Rs. 13.90 Cr and at FG stage the same was Rs. 13.65 Cr.

Total allocation for the year 2018-19 is Rs. 20 Cr. at BE stage in comparison to Rs. 13.65 Cr at FG stage for the year 2017-18 as detailed under:-

Sl No	Plan Scheme/Activity	Account Head	BE for 2017-18 (Rs. In crore)	RE for 2017-18 (Rs. In crore)	FG for 2017-18 (Rs. In crore)	Expenditure upto March 2018 (e-lekha/ as reported by Circles) (Rs. in crore)	BE for 2018-19 (Rs. In crore)
1.	Publicity of Insurance Products – A&P	3201.03.101.07.01.26	7.00	9.00	9.00	10.74	11.50
2.	Publicity of	2552.03.101.	1.50	2.00	2.00		2.50

	Insurance Products – NE	07.01.26					
3.	Training of Marketing /Circle Office Personnel - TE	3201.03.101.08.01.11	1.50	1.50	1.50	1.50	2.00
4.	Training of Marketing /Circle Office Personnel - OE	3201.03.101.08.01.13	0.50	0.50	0.50	0.50	2.00
5.	Training of Marketing /Circle Office Personnel - PPS	3201.03.101.08.01.28	0.50	0.50	0.50	0.50	1.00
6.	Computerization of Investment division	5201.00.104.53.99.52	0.20	0.20	0.10	-	0.50
7.	Development/procurement of software for Investment division	3201.03.101.07.01.28	0.20	0.20	0.05	0.05	0.50
Total			11.40	13.90	13.65	13.29	20.00

(3) Scheme: IT Induction and Modernization under “Postal Operation”

During 2018-19, only Rs. 300.00 crore has been allotted for IT Modernization Project. However, keeping in view of the physical targets, the allocations would be suitably stepped up at the RE stage so that no projects are affected due to reduced outlays. Also, as recommended, if necessary, matter regarding stepping up of fund allocations will be taken up at an appropriate level with the Ministry of Finance.

(4) Scheme: Human Resources Development under “Postal Operation”

Table showing comparative budget allocation for the previous year and this year is as follows: -

(Rs. in thousand)

Account Heads/Activity	BE 2017-18	FG 2017-18	Booked figures upto March 15, 2018	BE 2018-19
i. Work Study (TNA/Revision of STPs)/Training in other institutes	1500	500	0	43500
ii. Upgradation & Expansion of Training Facilities in training Centres/ Setting up new RTC/ Upgradation of existing WTCs	134500	70500	45254	134400
v. Training Delivery (Class room training)	105500	112000	98817	127000
iv. Maintenance and Housekeeping	17000	11400	3273	78100
v. Setting up new PTCs/Other Building projects	44900	0	0	210000
Total	303400	194400	147344	593000

(5) Scheme: Development of Infrastructure for Logistics and Warehousing under “Postal Operation”

Fund of Rs. 80 Crores towards sub –scheme ‘Development of Infrastructure for Logistics and Warehousing’ under the scheme Postal Operations and Rs. 50 Cores under the sub – scheme ‘Business Promotion, Marketing Research and Product

Development' have been allotted for the year 2018-19 against projected BE of Rs 409.69 Crores and 150 Crores respectively. Action is underway to utilize the existing allotment and the physical achievements have been revised accordingly.

(6) Scheme: Quality of Service under "Postal Operation"

The Department of Posts had projected a Scheme for Implementation of Sevottam Certification and Implementation of Dynamic Queue Management System(DQMS) in 302 HPOs and 70 Sevottam Certification at an outlay of Rs. 655.90 lakh for a period of five years in single EFC Memorandum under Umbrella Scheme. For the financial year 2018-19, PG Division had projected 248 Head Post Offices for implementation of Dynamic Queue Management System (DQMS) and 4 HPOs for Sevottam Certification with financial outlay of Rs 498.52 lakhs.

However, the observation/recommendation of the committee has been noted and Department of Posts will make all-out efforts to act according to the recommendation.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl.No. 3

Allocation for Postal Operations

The Committee are further informed that higher allocations were proposed in anticipation of the approval of the Umbrella scheme "Postal Operations" having eight sub-schemes, but the same has not been approved as yet by the Ministry of Finance (MoF). After getting EFC for the scheme approved by the MoF, the Department may seek for additional funds. The Committee would like to be informed of the development in the matter.

Reply of the Government

As per recent instructions, the revised SFC memo under the Sub-Scheme 'Philately Operations' for an outlay of Rs. 185 crore for 5 years (i.e.) 2017-18 to 2021-22 has been submitted to the concerned authority for further inclusion of this Sub-Scheme under the Scheme 'Postal Operations' of Department of Posts.

Reworked EFC proposal with revised outlay of Rs. 153.49 Crores has been submitted for approval of Competent Authority.

Department of Posts had projected a Scheme for Implementation of Sevottam Certification and Implementation of Dynamic Queue Management System(DQMS) in 302 HPOs and 70 Sevottam Certification at an outlay of Rs 655.90 lakh for a period of five years in single EFC Memorandum under Umbrella Scheme. For the financial year 2018-19, it had projected 248 HPOs for implementation of Dynamic Queue Management System (DQMS) and 4 Head Post Offices for Sevottam Certification with financial outlay of Rs. 498.52 lakhs.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 4

Approval of plan schemes

The Committee feel that the plan schemes should have been approved well in advance to enable the Department to proceed with the execution of the schemes with the availability of the allocated outlays. The resultant downsizing of the plan outlays puts the plan priorities of the Department out of gear which leads to non-achievement of the targets and hence this must be avoided.

Reply of the Government

The Revised Cost Estimate (RCE) proposal for setting up of India Post Payments Bank for Rs. 635 crore has been recommended by PIB and the Cabinet Note has been duly approved by Hon'ble Minister of State for Communication and Hon'ble Minister of State for Finance is under submission to Cabinet.

In the current FY (2018-19), an outlay of Rs. 20 crore has been provided under the scheme "Philately Operations" and funds have already been allotted to all the Circles/Philately Division well in advance (i.e.) on 13-04-2018. The physical targets under various philately activities have also been allotted to the Circles for achievement of same in the current financial year.

The Standing Finance Committee (SFC) for the period 2017-18 to 2019-20 under Plan Scheme Human Resource Management was approved in August, 2017 for an outlay of Rs. 250.00 Cr. following a third Party evaluation by Indian Institute of Public Administration (IIPA). Thereafter, funds were allotted to the training institutions and Circles.

A Consultant has been engaged to prepare detailed project report for Mail Operation related activities including Development of Infrastructure for Logistics and Ware-housing. Further, DPR for Business promotion, Marketing Research and Product Development has already been prepared. Action is under way to get the scheme approved at the earliest.

However, the observation/recommendation of the committee has been noted and the Department of Posts will make all-out efforts to act according to the recommendation.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 6

Revenue deficit

The Committee are concerned that the deficit of the Department has increased to Rs. 11969.95 crore during 2016-17 as compared to Rs. 6007.18 crore in 2015-16. The deficit at RE, 2017-18 has increased to Rs. 11111.51 crore as compared to BE, 2017-18 of Rs 9055.00 crore. With this trend of increasing deficit, the Committee apprehend further increase in deficit during 2018-19. The reason advanced by the Department for increase in the revenue deficit is increase in expenditure of the Department and also decline in revenue. The Committee are made to understand that it is not feasible to cut down the operational expenses of the Department due to the increasing costs on one hand and obligation to provide Universal Postal Services to the citizens at affordable costs throughout the country on the other hand.

In view of the foregoing, the Committee are of the opinion that higher revenue realisation is the ultimate solution to reduce the revenue deficit in the coming years. The Committee hope that the Department would make concerted efforts to strengthen its Business Development activities especially Speed Post, Express Parcel, Business Parcel, Logistics Post etc. and give a focused approach to cater to the needs of the emerging markets viz. eCommerce to improve the position of the Department with respect to revenue receipt.

Reply of the Government

The department has adopted a number of steps to control expenditure and keep it within the allocated funds. Some of them as follows:

- (viii) Conducting regular Video Conference with all Heads of Circles, and budget holders.
- (ix) Monthly meeting to review of scheme expenditure under the chairmanship of Secretary (Posts)
- (x) Compliance of various guidelines and instructions with regard to austerity measures and expenditure management issued from time to time by the Ministry of Finance.
- (xi) Organisation of special meetings of Divisional Heads with Heads of Circles
- (xii) Monthly report on expenditure management and control.
- (xiii) Issue of instructions to all the fund spending authorities to keep the expenditure within the budgetary allocations at the various levels and also at apex level.
- (xiv) Day to day review of expenditure after complete roll out of CSI project.

The following initiative are being taken /proposed to be taken to increase the revenue of the Department.

- Organizing Seminars/Melas/Road Shows to open new accounts.
- Targeting the poor people for opening of savings Account with Rs.20/- as number of transactions is less in a Savings Account in comparison to other schemes.
- Fixing targets for each Post Office right from the level of EDBOs for opening of new accounts.
- Targeting every depositor having RD and MIS account to open a Savings Account and give Standing instruction for transfer of monthly installment/interest automatically from/to Savings Account.

Department is continuously reviewing its offerings and making systematic changes to improve the efficiency and increase the output so as to decrease the deficit.

Department is also focusing on tapping e-commerce and parcel business for which a separate Parcel Directorate has been created. It is expected that with the focused

approached on e-commerce and parcel business DoP revenue would increased substantially in near future.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Comments of the Committee

(Please see Para nos. 7,8,9 of Chapter-I)

Recommendation Sl. no. 8

Post offices as one stop shop

The Committee note with some satisfaction that post offices are being transformed into 'one stop shop' to provide a range of utility services to the customers in association with third party which will help to increase the Department's revenue outcomes. The DoP and Unique Identification Authority of India (UIDAI) have agreed to provide Aadhaar Enrolment and Updation services through select Post Offices. The Ministry of Finance has allotted Rs.200 crore of financial assistance to set up Aadhaar Enrolment and Updation Centres in 13,466 Post Offices, out of which 4311 Aadhaar Enrolment and Updation Centres have already been opened. Further, the MEA and the DoP would utilize the post offices in various parts of the country as Post Office Passport Seva Kendra (POPSK) for delivering passport related services to the citizens. Of the 251 POPSKs identified by MEA, 64 have been opened and 143 POPSKs are in different stages of readiness for inauguration. The

Committee consider these steps in right direction and desire that the Department would continue to play pro-active role in this direction.

Reply of the Government-

i) Aadhaar- MoF had allocated Rs. 200 Cr. to establish Aadhaar Enrolment cum Updation Centres in selected Post Offices across the country. Out of which Rs. 176.28 Cr. was spent in procurement of kits and setting up of Aadhaar Centres. As of now, 12,272 Aadhaar Centres have been set up across the country which have performed around 85,000 Enrolment and around 3,00,000 updation transactions in these centres. Further progress in setting up of these Centres is underway.

ii) POPSKs-Department of Posts (DoP) and Ministry of External Affairs (MEA) have mutually agreed for leveraging the network of Post Office as Passport Seva Kendras for benefit of citizens. Opening of 251 Post Office Passport Seva Kendras (POPSKs) in various parts of the country has been agreed with MEA out of which 191 POPSKs have been opened and more than 7.5 lakh passport appointments have been successfully processed so far. There are 37 sites in different stages of readiness.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 10

Revenue Receipts

The analysis of the heads/items-wise details of revenue receipts of the Department of Posts reveals that during 2017-18, in the heads, viz. Speed Post, Business Post, Sale of Postage & Service Stamps, Commission on Money Orders & IPOs, other items, Management of Saving Certificates, the achievements up to 31.01.2018 is far below the

targets. Against RE of Rs. 2500 crore, Rs. 1335 crore, Rs. 660 crore, Rs. 569.09 crore, Rs. 1871.30 crore and Rs. 539.07 crore for the abovementioned schemes respectively, the achievement up to 31.01.2018 has been only Rs. 1502.60 crore(60%), Rs. 618.15 crore(46.30%), Rs. 660 crore(49.61%), Rs.569.09 crore(33.68%), Rs. 1871.30 crore(41.22%) and Rs. 539.07 crore(57.55%), respectively. The Committee are quite apprehensive with regard to achievement of targets in the remaining period of the current financial year in respect of these postal services. The Committee feel that these areas of postal services warrant Department's urgent attention and therefore Department needs to take all necessary steps to give a boost to these postal services.

Reply of the Government

Department is being taking following steps to increase its revenue from Management of Saving Certificates as under:-

- (1) Organizing Seminars/Melas/Road shows to purchase Savings Certificates.
- (2) Targeting the poor people for issue Savings certificates.
- (3) Fixing targets for each Post Office right from the level of EDBOs for issue of Savings Certificates.

It is also stated that revenue earned from premium products in 2017-18 was Rs. 3411 Crores against Rs. 3339 Crores in 2016-17. The revenue achievement from premium products in 2017-18 has shown an increase over 2016-17 though there was a shortfall against targets achieved. It is pertinent to mention here that a separate head of account was created for international Speed Post in 2017-18 and some revenue which earlier was part of premium products was taken out which has reduced the revenue achievement. Department is reviewing its offerings in various segments with special focus on Parcel business from eCommerce segment to increase its revenue against the targets. In order to achieve this specific objective a separate Directorate has recently been created which will exclusively look after end to end operations, administration, sales and marketing of parcel products.

Department has recently launched Electronic Indian Postal Order as a Pilot. In this service, a customer is not required to come to the Post Office for purchasing IPO. It can simply be purchased online by making payment through Debit/ Credit Cards/ Net Banking. This service is in pilot phase, at present and will be extended across the country. Similarly, Money Order service is also being reviewed and all the necessary steps are being taken for increasing the revenue from this service.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 11

E-commerce

The Committee learn that the Department of Posts perceives the emerging e-Commerce market as a business opportunity by way of offering supply chain management services including Cash-on-Delivery services to e-Commerce entities. With the improvement in service quality i.e. timely delivery, safe and secure handling by augmentation of infrastructure, technology induction etc., the Department is aiming to earn good revenue from e-Commerce business. Further, in order to strengthen the position of India Post in the e-Commerce business, a number of initiatives are being taken. Also, the Department is having a continuous delivery and performance monitoring system at various levels to examine the gaps and take necessary action to fill them. The Committee are satisfied to find the revenue earned by the Department through e-Commerce business during 2014-15, 2015-16 and 2016-17 which is to the tune of Rs. 172 crore, Rs.310 crore and Rs. 345 crore, respectively.

Keeping in view the tremendous potential and scope in the e-Commerce business, the Committee desire that the Department should continue making serious efforts to provide best services to the public. The India Post must acquire the competitive parity/edge over the privately operated courier service by virtue of faith and trust earned by the Department with masses over the years. The Committee hope that with focused attention and with the initiatives so far taken/proposed to be taken, the Department would have a quantum jump in their revenue receipts. The Committee recommend that more ambitious targets should be fixed in this direction and a road map be prepared to tap the vast potential in e-commerce segment.

Reply of the Government

A separate Parcel Directorate has already been created with ambitious revenue target to tap the vast potential of e-Commerce segment.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 12

Utilization of funds

As informed, the scheme “IT Modernization Project” of Department of Posts has suffered a lot due to less allocation than proposed for the scheme during the 12th Plan. However, the Committee are not happy to see the progress in respect of the utilization of funds under this scheme during the 12th Plan. The Committee can understand the

delays in the first year of the 12th Plan due to late approval of the outlays by the Planning Commission. However, they deplore the less utilization of funds during second and third years of the 12th Plan i.e. during 2013-14 and 2014-15 which was to the level of 47.87% and 17.54% only. Though the Department claim for higher expenditure during 2016-17 and 2017-18 with regard to BE of Rs. 276.40 crore and Rs. 176.61 crore, respectively, they cannot misinform the Committee without comparing these allocations with the higher allocations made at BE during the previous years which were Rs. 516.00 crore, Rs. 532.21 crore and Rs. 506.39 crore during 2012-13, 2013-14 and 2014-15, respectively. The Committee are of the opinion that the sanctity of plan should be maintained at all cost and recommend that while preparing budgetary estimates, original targets should be kept in view to avoid any subsequent reduction in the budgetary outlays.

Reply of the Government

As it is rightly pointed out that during second and third years of the 12th Plan i.e. during 2013-14 and 2014-15, only 47.87% and 17.54% of the funds allotted could be utilized. The reasons for less utilization of funds during the year were due to non materialization of RFPs in some of the activities and time taken for finalization of agreements with the selected bidders, the activities could not take off as anticipated.

The present utilization in terms of BE for the years 2015-16, 2016-17 and 2017-18 are 110.06%, 106.68% and 166.52%, respectively which is more than 100% in all cases. Details are as under:

(Rs. In Crore)

Sl	Year	BE	RE	FG	Actual Fund	Percentage of fund
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No					Utilization	utilization against BE (in %)
1.	2015-16	276.40	331.10	310.23	306.98	110.06
2.	2016-17	176.61	188.37	195.73	188.41	106.68
3.	2017-18	249.60	435.08	435.08	415.64	166.52

However, the observation/recommendation of the Committee is noted for future compliance.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 13

Achievement of targets

The Committee further observe that the achievement in terms of utilization of funds allocated under this Head for financial year 2017-18, the achievements up to 31.01.2018 have been far below the targets. Out of the allocation of Rs.435.08 crore, Rs. 264.55(60.80%) have only been spent till January, 2018.

The Committee feel that the timely completion of the IT induction and modernization projects of the Department is imperative as the adoption of the modern technology in the present competitive scenario would definitely assist the Department to come over their revenue deficit which is increasing every year. Hence the Committee impress upon the Department to take adequate measures without further loss of time

to achieve physical and financial targets during the year. The Committee would like to be apprised of the Actual Expenditure incurred on the scheme as on 31.03.2018.

Reply of the Government

With respect to the Sub-Scheme 'IT Induction and Modernization' for the financial year 2017-18 out of the total allocation of funds amounting to Rs. 475.07 Crore at RE Stage Rs. 39.99 Crore was allocated to the activity ' Supply of Hardware to POs/ Admn. Offices/ Accounts Offices (including North East)' for which the utilization was 100% i.e. Rs. 39.99 Crore as on 31.03.2018. For the other activities of the Sub Scheme 'IT Induction and Modernization' out of the allocation of funds to the tune of Rs. 435.08 Crore Rs. 415.63 Crore (which is 95.53%) have been utilized as on 31.03.2018.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 14

Completion of projects within timelines

The Committee observe that there was a major shortfall in utilization of funds allocated during the 12th Plan. Out of Rs. 175.86 crore allocated under the Scheme, only Rs. 118.50 crore (67.38%) could be utilised. This is not a satisfactory performance. The Committee are not convinced with the reasons for under-utilisation of funds like certain uncertainties of site specific problems, congested sites and delays on account of regulatory factor such as non-availability of sand and mud required for landfills besides delays on account of Municipal approvals required for buildings. The

Committee are of the firm view that all these delays could have been avoided by taking advance measures for timely execution of the projects. Consequently, there is a spill over of 28 projects. The Committee would like the Department to make sincere efforts so that these projects are completed within the revised timelines, without further delay in making their services available to the people.

Reply of the Government

The Department of Posts will make all-out efforts to act according to the recommendation.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No.F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation no. 15

Estate Management

The Committee observe that during 2018-19, Rs. 85 crore has been allocated to the Department of Posts to carry out its various activities under "Estate Management". The targets set are to provide critical infrastructure for easy access to postal services by completing 22 projects, including major activities like construction of offices and related activities, construction of 45 small post offices and Mail Offices with locally available material; Face lifting of 23 Postal Buildings and assets Purchase of 1 plot; etc. The Committee further learn that it is planned to outsource the pre-construction activity of preliminary, detailed drawing and municipal approvals through

Consultants/architects to fast pace the project work in order to combat the problem of shortage of in-house staff hampering the progress of pre-construction works, resulting in delays of the projects. The Committee hope that with the advance measures for construction activities, the Department would be able to optimally utilize the funds allocated to them and there will not be any downsizing of the outlay at RE stage.

Reply of the Government

The Department of Posts is making all-out efforts to ensure that compliance is made to the Committee's recommendation to the maximum possible extent.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 18

Jan Suraksha Schemes

The Committee learn that Pradhan Mantri Suraksha Bima Yojna (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY) in post offices have been launched w.e.f. 07.09.2015 in all CBS post offices for all post office saving bank account holders and Atal Pension Yojna (APY) has been launched in post offices w.e.f. 01.01.2015. Also the response of the public towards all the three Jan Suraksha Schemes has been encouraging, however, low publicity, low visibility, non-aggressive marketing, low pension slabs etc. are few of the reasons for decline in APY enrollments. The Committee are informed that though Department of Financial Services is placing promotional advertisement of the PMSBY and PMJJBY in the national and local newspapers across country, there is no

mention of Post offices in the advertisements, which not only is adversely affecting the performance of the Department towards the various social security schemes provided by them but also loose the morale of postal officials engaged in making PMSBY & PMJJBY enrollment in the field.

The Committee endorse the opinion of the Department in this regard. As informed, the Department of Financial Services is being requested to include DOP in all its advertisement in the electronic media and also enhance staff incentive. The Committee would like to be informed of the progress in this regard. The Committee would like to impress upon the Department to include a large number of Gramin Dak Sewaks engaged in India Post into the Atal Pension Yojana. They would like to be apprised of the measures taken in this regard.

Reply of the Government

Secretary, Department of Financial Services, Ministry of Finance has already been requested to issue necessary Instructions to the concerned persons in their Department to indicate in further advertisement that Post Offices are also involved in Pradhan Mantri Suraksha Bima Yojna and Pradhan Mantri Jeevan Jyoti Yojna schemes. While allotting the target for Atal Pension Yojna for the year 2018-19, all the Postal Circles have been suggested to include Gramin Dak Sewaks into Atal Pension Yojna.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Comments of the Committee

(Please see Para no. 18 of Chapter I)

Recommendation Sl. no. 22

Gender Neutral Nomenclature for delivery personnel

The Committee while taking note of the fact that both post man and post woman are serving the Department, feel that there is a need to change the nomenclature of this post as "Post Person" by making it gender neutral. The Department may, therefore, take appropriate action in this regard and apprise the Committee.

Reply of the Government

The proposal to rename postman as post persons is under consideration. It is also submitted that word 'Dakia', which is generally used is gender neutral

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No.F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Comments of the Committee

(Please see Para no. 21 of Chapter I)

CHAPTER III

OBSERVATIONS /RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT

Recommendation no. 1

Performance during Twelfth Five Year Plan

The Committee note that the 12th Five Year Plan priorities of the Department of Posts had been development of integrated computerization and networking, with process engineering, to meet rising customer expectations and optimal utilization of the network, enhanced productivity, greater accountability and transparency. To achieve these objectives, the Department had proposed an outlay of Rs. 11433.08 crore. However, it was progressively downsized to Rs. 3468.61 crore at BE stage, and to Rs. 2300.00 at RE stage. Out of the same, the Department could utilise Rs. 2075.68 crore i.e. a shortfall of Rs. 225 crore. There were shortfalls in achievement of the projects in respect of the schemes, viz. 'IT Modernization Project', 'Mail Networking Optimization Project', 'Estates Management' and 'Project Arrow'. The Committee are dismayed to observe that there was substantial reduction of outlays for the schemes during first three years of the Plan to more than half of what was allocated at BE, because of late approval of the 12th plan outlay besides delays in finalisation of RFPs in some of the major schemes of the Department and time taking codal formalities in construction activities, etc. The Committee feel that the plan schemes should have

been approved well in advance to enable the Department to proceed with the execution of the schemes with the availability of the allocated outlays. The resultant downsizing of the plan outlays puts the plan priorities of the Department out of gear which leads to non-achievement of the targets and hence utmost care should be taken in this regard.

Reply of the Government

During 2017-18, for IT Modernization Project, the allotted Budget Estimate (B.E) was Rs. 249.60 Crore and the Final Grant (F.G) was Rs. 435.08 Crore. It is pertinent to mention here that the additional amount of Rs.185.48 Crore was allotted only in the month of January 2018. Against the allotted amount of 435.08 Crore, the expenditure for the financial year 2017-18 is Rs. 415.64 Crore, which is the highest so far for this project in any financial year. The percentage of expenditure is 166.52% of the BE allotted. The details of activity wise expenditure and balance are as under:

Sl No	Plan Scheme/ Activities (IT Induction & Modernization)	BE 2017-18	RE 2017-18	FG 2017-18	Expenditure upto March 2018	Balance
	IT Induction & Modernization					
1	Data centre & Disaster recovery system (DCF)	6.00	9.00	7.80	7.5082	0.2918
2	Network Integration (NI)	73.58	122.37	122.37	122.37	0.0
	Network Integration -NE	5.00	11.29	11.29	3.7316	7.5584
3	Supply of Mail Office Hardware & Rural Hardware (MOH & RH)	65.94	107.61	87.46416	87.4642	0.0

	Supply of Mail Office Hardware & Rural Hardware-NE	5.06	9.02	6.406801	6.4068	0.0
4	Development & Deployment of Rural ICT solution (RSI)	21.00	21.00	0.0	0.0	0.0
	Development & Deployment of Rural ICT solution -NE	1.02	1.02	0.0	0.0	0.0
5	Development & Deployment of Banking & PLI solution(FSI)	41.09	73.73	114.73	112.3259	2.4041
	Development & Deployment of Banking & PLI solution-NE	2.00	7.68	11.32	4.6731	6.6469
6	Development & Deployment of Integrated Scalable Software & Change Management Activities (CSI+CM)	19.00	57.15	58.50	58.50	0.0
	Development & Deployment of Integrated Scalable Software & Change Management Activities - NE	1.00	3.00	3.00	3.00	0.0
7	PMU -PPS	5.00	8.30	5.94	5.8508	0.0892
	PMU-OE	2.00	2.00	4.37	3.6288	0.7412

	PMU-FTE	0.01	0.01	0.0	0.0	0.0
	PMU-(D)TE	0.50	0.50	0.50	0.1769	0.3231
	PMU-Tools & Equipments	1.40	1.40	1.40	0.0	1.40
	Total	249.60	435.08	435.08	415.64	19.44

The balance fund of Rs. 19.44 crore, which couldn't be utilized, is due to non utilization in North East (NE) Head as can be seen from above. The allotment in the NE head is 10% of the budget; however, as only 4% of the post offices are in the NE of the country, thus the same couldn't be utilized fully.

In this para, the committee desires that the utmost care should be taken and ensured that the plan scheme should be approved in advance and there is no delay in completion of codal formalities to enable the department to proceed with the execution of the scheme with the availing the allocated outlay. Details of funds allocated and utilized in the 12th Five Year Plan is furnished below:-

Year	Look & Feel (in lakh)			Upkeep(in lakh)		
	Fund allocated	Fund utilized	Percentage	Fund allocated	Fund utilized	Percentage
2012-13	7396.25	6762.00	91.42	Nil	Nil	--
2013-14	742.00	713.75	96.19	1000.00	847.54	84.75
2014-15	3222.55	3648.24	113.20	500.00	469.38	93.87
2015-16	3962.00	4081.86	103.03	207.00	194.76	94.08
2016-17	300.00	289.17	96.39	1200.00	1188.21	99.02

From the above table, it is seen that most of the times, more than 90% of the allocated funds had been utilized. However, some variations are there due to local issues at the Circles.

The observation/recommendation of the committee has been noted. However, Department of Posts will make all-out efforts to act according to the recommendation.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 5

Increase in expenditure

The Department of Posts under Demand No. 13 for the year 2018-19 proposed the budgetary allocation of Rs.29272.56 crore, which comprises of expenditure of Rs. 28365.04 crore under revenue section and Rs. 907.52 crore under capital section. The Committee observe that there has been a continuous increase in expenditure by the Department over the years. The Department's expenditure has increased from Rs.18946.97 crore in 2015-16 to Rs.23480.95 crore in 2016-17 and then to Rs. 26529.67 crore at RE, 2017-18.

The Committee appreciate the various measures being taken by the Department to control their growing expenditure. However they caution that there should not be let up in their efforts and it should be in a continuous manner.

Reply of the Government

The gross revenue expenditure of the Department in BE 2018-19 is Rs. 28365.04 crore and in RE 2017-18 was Rs. 26937.42 crore resulting that there is an increase of Rs. 1427.62 crore in the Gross Revenue Expenditure in BE 2018-19 as compared to the RE for the year 2017-18. Department of Posts has primarily two major components of gross expenditure: Salaries and Pensions, which constitute more than 90% of the gross expenditure.

The gross expenditure regarding salaries has increased due to increase in pay and allowances on implementation of 7th pay commission, normal hike in D.A.,

encashment of leave during LTC, etc. Similarly Pensionary charges have also increased on implementation of various orders on 6th/7th pay commission. Increase in cost of materials, hike in cost of carriage of Mails through Railways/Air /Road, Broad-band connectivity, IT induction, AMC, fuel cost, increase in rentals etc. have resulted in increase of expenditure. Therefore, it may kindly be appreciated that it is not feasible to cut down the operational expenses of the department due to the increasing costs on one hand and obligation to provide Postal products and Services to the citizens at affordable costs throughout the country on the other hand.

A number of measures have been taken to control the growing expenditure of the department. The expenditure is constantly monitored and reviewed at various levels including the apex level. Regular Video Conferences are held by the Secretary (Posts) with all the Heads of Circles, and other budget holders so as to ensure that the expenditure is kept within the budgetary ceiling and it is emphasized that budget allocation is commensurate with the revenue. Timely and strict instructions to all the circles/units have been issued to keep their expenditure within the Budget allotments under each head of account. Each Postal Circle also has a designated Internal Financial Advisor to ensure control over expenditure and budgetary management.

However, all out best efforts would be continued to control the growing expenditure.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 16

Utilisation of vacant plots

The Committee are constrained to note that on the one hand the Department of Posts have 1750 vacant plots whereas, on the other hand they, have paid Rs. 137.94 crore on rental buildings for running post offices. Considering that a huge amount of the Department's revenue is wiped out on rents, it is high time the Department should

come out with concrete plans to utilize vacant plots available with them. The Committee are of the opinion, the Department may approach local MPs/MLAs and the Government, with concrete plans and strategy in this regard and ask for funds to materialize the projects.

Reply of the Government

Instructions have been issued to all HOCs to approach local MPS/MLAs and the Government with concrete plans and strategy if any, materialize the projects. However, MPLAD funds cannot be used for construction of govt. buildings.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 17

Utilisation of funds on human resource management

The Committee are apprehensive of the achievement in respect of the financial target fixed for the scheme during 2017-18. As against RE of Rs. 33.94 crore, the Department has been able to utilise funds to the tune of Rs. 6.19 crore till December, 2017. During 2018-19, BE of Rs. 60 crore has been fixed. The projections are made to nurture human capital in the form of highly trained man power skilled in technology systems and oriented towards the customer. A total of 46000 officials are to be trained in 2018-19, besides setting up of 1 Postal Training Centre (PTC), 2 other Building projects, 3 Regional Training Centres (RTCs), and upgradation of 55 existing Work Place Training Centres (WTCs).

India Post being a service oriented Department, the Committee desire that training modules should be devised in such a way to focussing on reducing the number of complaints. Besides, the Committee are of the opinion the major portion of Rs. 60 crore allocated for the scheme during 2018-19 should be on training programmes and trainers engaged for them rather than investing on the building projects for conducting training programmes, as arrangements for trainings can be done by hiring space on rent. Therefore, the Committee desire the Ministry to give a sincere thought in this direction and revised the targets accordingly.

Reply of the Government

So far as the Human Resource Management (HRM) Scheme is concerned, a Third Party evaluation was carried out as per directions of the NITI Aayog by Indian Institute of Public Administration (IIPA), New Delhi following which, the SFC Memo was got approved and funds were allocated to Training Institutions and Circles in September 2017. All efforts were made to utilize the funds allotted during 2017-18, and various activities under HRM Scheme were reviewed and FG projections revised to Rs. 19.44 crore for the year. This revision was made taking into account the fact that most of the proposed building projects, for which funds had been asked for at BE stage, could not be utilized due to paucity of time. Rs. 14.76 crore have been booked up to 15th March, 2018 against Rs. 19.44 crore allotment at FG stage. Final booking figures are yet to be received.

As desired by the Committee, various activities under HRM during the year 2018-19 are being reviewed to ensure that training modules are devised in such a way that they focus on reducing the number of complaints by improving the skills and knowledge of the employees of the Department. A review of the building projects is also being undertaken by the Department to ensure that a major portion of the funds allocated for HRM are spent on training programmes and trainers engaged for them rather than on building projects, as advised by the Committee.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 19

India Post Payments Bank

The Committee are satisfied to note that as against the target fixed for IPPB during 2017-18, two pilot branches of IPPB at Raipur and Ranchi have been opened on 30.01.2017 with additional six access points and the remaining 650 branches will be launched by April 2018. The preparatory works for roll out of 650 branches including the civil, electrical, branding and furniture are in final stages. The Committee trust that Rs. 300 crore allocated during 2018-19 will be fully utilised to roll out all the 648 IPPB branches along with their linkage to all 1.55 lakh post offices which will operate as access points.

Reply of the Government

- 1) Proper monitoring mechanism is in place to ensure progress of physical readiness of IPPB branches and its access points along with robust technology platform, adequate & trained human resource at branches and access points, operational procedure and regulatory compliances.
- 2) 648 branches and 3250 access points are ready for rollout the linkage of remaining (approximately 1.5 lakh) access points shall be done in a phased Manner stating from June 2018.
- 3) On boarding of all selected IPPB employees and their training is about to complete.
- 4) Necessary training is also being imparted to all operative staff of Post offices including postmen & GDS for offering IPPB banking services at door step through smart phone along with post office counters.

- 5) Cabinet Note for on Revised Cost Estimate (RCE) proposal for Setting up of IPPB is under submission once approval is obtained funds allotted will be fully utilized.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation no. 20

Utilisation of funds in NER

The Committee are unhappy to note the under-utilisation of funds in respect of the postal activities in NER during the last three years. During 2014-15, 2015-16 and 2016-17, against the RE allocations of Rs. 23.46 crore, Rs.52.00 crore and 47 crore, respectively, the utilization remained at the level of Rs. 17.75 crore, Rs.34.72 crore and 34.51 crore, respectively.

As stated, the Departmental network in the North Eastern Region is four percent of the total network of the Department in the country, which has been set up as per the norms. Therefore, the capacity to absorb funds in the North Eastern Region is not to the extent of the mandatory allocation of 10% of the total Plan funds, which leads to underutilization of mandatory 10 % allocation for NE Region. The Committee feel that the Department should explore various other possibilities for optimum utilization of funds in the NE Region viz expansion of postal networks in the region, increasing of e-commerce activities in the region and various other schemes/activities/incentives

which may be introduced specially for the region and if found appropriate, a committee may be constituted for the purpose.

Reply of the Government

The recommendations of the Committee has been taken into consideration and the same would be kept in mind while formulation of further plans.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Recommendation Sl. no. 21

My Stamp-

The Committee are unhappy to note that the Department has earned a meager amount of Rs. 2.67 crore only this year on account of Customized Stamp which has defeated the very purpose of this scheme. They feel that the Department has seriously failed in making this scheme popular amongst masses as there appears to be some serious lacuna with the planning, promotion and publicity of this new venture of the Department which could have become one of the key revenue drivers for the Department. The Committee , strongly recommend that the Department should not only take all possible steps to popularize this scheme but also make it cost affective for the people so that more and more people resort to this scheme and the Department's

volume of business increases. The Committee would like to be apprised of initiatives taken by the Department in this regard.

Reply of the Government

(a) 'My Stamp' is the brand name for personalized sheets of Postage Stamps of India Post. The personalization is achieved by printing a thumb nail photograph of the images and logos of institutions, or images of artwork, heritage buildings, famous tourist places, historical cities, wildlife, other animals and birds etc., alongside the selected My Stamp theme stamp. There are two types of My Stamps (i.e.) Personalized My Stamp and Customized My Stamp.

b) Personalized My Stamp is a personalized sheet of Postage Stamps wherein the department decides the theme of my stamp sheet and alongside these personalized theme stamps, the customers may opt for printing of their own, parents, family, friends etc pictures to be printed. Customized My Stamp is a personalized sheet of Postage Stamps wherein the corporate, organizations and institutions can get their customized sheets printed from India Post. Alongside these customized themed stamps, the organization may opt for printing of their logo, images of their organization / institute printed.

c) Difference between Personalized My Stamp & Customized My Stamp is as follows:

Description	Personalized	Customized
Proposed by	Department of Posts.	Company, Organization, Schools etc.
Designed by	Department	Proponent with the approval of Department.
Sheetlet size of My Stamp Sheet	25.8x19.5 cm	25.8x19.5 cm
Minimum Quantity	One sheet.	5000 sheets
Discount Offered	Different Slabs of 10% and 20%	20% on minimum quantity of 5000 sheets

d) During the last financial year (2017-18), Department earned revenue of Rs. 3.055 crore from Customized My Stamp and issued 24 different Customized My

Stamp themes. Since the inception of Customized My Stamp, 14 Organizations, 21 Public Sector Enterprises, 4 Religious and 8 Educational Institutions/other Institutions have availed the facility. It is submitted that My Stamp was introduced during the World Philately Exhibition in 2011. The purpose of My Stamp was to bring the idea of postage stamps to the people as a special souvenir or gift and it aims at enhancing the collectible value. While My Stamp was in response to the popular global trend in order to enhance the awareness about philately, it is also meant to be preserved as a memento. The details of My Stamp revenue earned during the last four years are given below:

Revenue earned on My Stamp during last 4 years:

Year	Personalized My Stamp Revenue (Rs in crore)	Customized My Stamp		Total Revenue achievement (Rs. in crore)
		Quantity Printed (Nos)	Revenue generated (Rs in crore)	
2014-15	1.58	0	0	1.58
2015-16	1.87	40,000	0.96	2.83
2016-17	2.93	1,00,000	2.4	5.33
2017-18	3.145	1,20,000	3.055	6.21
TOTAL	9.525	2,60,000	6.415	15.95

e) In order to publicize My Stamp scheme (Personalized and Customized) amongst masses, sufficient funds have been allotted to all the Circles with the instructions to carry out Promotional Campaign through advertisement/publicity. During the current year (2018-19), it has been proposed to carry out many philatelic activities like holding of State/District level Philatelic Exhibitions, Philatelic Quiz/Seminar, Upgradation of Philately Bureaus, including setting up of 173 new My Stamp Counters.

f) In addition, Circles have been directed to open My Stamp counters at prominent Tourist Locations under the Plan Scheme of “Philately Operations”.

g) As regards, observation of the Standing Committee regarding cost effectiveness, it is submitted that the ordinary postage stamp is priced primarily to facilitate postage pre- payment. However, My Stamp aims at enhancing the collectible value, hence even though 12 stamps are contained within a single sheet of denomination Rs 5/- each, there is a lot of value addition. My Sheets are made of the same security paper which is used in making other commemorative stamps. Thus the value of Rs. 60 is not the correct representation of all the cost that is involved in the making of a sheet of My Stamp. The details of the cost structure are listed below:-

Cost Structure of My Stamps:

- I Each My Stamp Sheet consists of 12 Personalized Postage Stamps of Face Value Rs 5/- each. Therefore the total face value of all the stamps on one My Stamp Sheet is $\text{Rs } 5 \times 12 = \text{Rs } 60/-$
- II Each My Stamp Sheet consists of 12 extra perforated portions exclusively for personalization as per customer’s request.
- III In addition, each My Stamp Sheet is similar to the one used in case of printing of Commemorative Postage Stamp (CPS). In case of printing of CPS, 45 stamps are printed on each sheetlet. Considering normal denomination of Rs 5/- for each stamp, every My Stamp can incorporate $45 \times \text{Rs } 5/- = \text{Rs } 225/-$ worth of CPS.
- IV In addition Discount is given at present in order to incentivize My Stamp sale. Percentage Discount offered is 20% in the highest slab. Therefore Discount on each My Stamp Sheet is Rs 60/-.
- V As per rates quoted by the Security Printing Press, Hyderabad & Indian Security Press Nashik, the Printing Cost of Rate quoted for printing one My Stamp Sheet is Rs 40/-.
- VI Total Cost including Postage Value, Discount Structure and Printing Cost: $\text{Rs } 60 + \text{Rs } 60 + \text{Rs } 40 = \text{Rs } 160 /-$.

VII Capital Cost in setting up a My Stamp Counter is about Rs 1.5 lakhs out of which following devices are to be installed:

- Precision Color Printer which costs about Rs 40,000/-
- Digital Camera = Rs 30,000/-
- Laptop/Desktop = Rs 40,000/-

VIII Operational Costs of setting up a My Stamp Counter:

- Manpower Cost of one Postal Assistant= Average monthly salary is Rs 40,000/-.
- Printer Cartridge Cost = Rs 25,000/- annually.
- Other Fixed Costs including Electricity, Spatial arrangement for counter operations etc.

h) In view of above the price offered to the customers on account of My Stamp is reasonable.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

CHAPTER IV

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

Recommendation Sl. no. 7

Promotion and Publicity of DoP's Market Offerings

The Committee are constrained to note that the Department of Posts is facing the problem of low level of awareness, promotion & publicity to increase its customer base and Department is lagging behind the market offerings/strategies in this front. The Committee are of the considered opinion that this is one of the important factor in raising the revenue of the Department and therefore require focused and urgent attention. The Committee would like to be informed of the allocation vis-à-vis utilization for this activity of the Department during the last three years and reasons for the shortfalls, if any and steps taken in this regard. They further recommend that an Inter-Departmental Committee be formed to look into this matter and suggest ways and means to increase level of awareness , promotion and publicity needs to increase the customer base.

Reply of the Government

The Department has taken various measures from time to time to promote and popularize savings schemes in rural areas by holding seminars, melas, meetings etc. and distributing pamphlets. Rural population especially workers registered under Mahatma Gandhi National Rural Guarantee Scheme and families of Below Poverty

Line are also encouraged to promote savings by Gramin Dak Sewaks/Postmen through personal contact.

In order to increase awareness about PLI/RPLI products, publicity through all available channels of publicity i.e. print media, Television, Radio, Outdoor media etc is carried out on regular intervals within the available outlays/funds at Directorate & Circle level. Specific awareness creation print advertisements are issued on special occasions. Allotment of funds for Advertisement & Publicity (Plan) and utilization thereof for the last 3 years is as under:-

(In Rs. crore)

Year	BE	RE	FG	Utilization	% utilization
2015-16	7.10	7.10	7.10	7.1343	100.40
2016-17	8.40	8.40	8.40	8.36	99.52
2017-18	8.50	11.00	11.00	10.74	97.63

The allocation and utilization of the Department under the activity 'Marketing Function of the Department' which relates to the promotion and publicity of the Department's offerings are as follows:

Year	Allotment in Crore Rs	Expenditure in Crore Rs
2014-15	6.33	6.13
2015-16	5.50	5.57
2016-17	11.60	11.39
2017-18	17.30	17.26

In last few years allocation has shown an increasing trend. With the optimum utilization of the allotted funds Department has been able to formulate effective strategies for promotion and publicity of its products and services and create awareness among the public and staff. Department is utilizing the fund in various promotion campaigns in print media, Radio, TV, Digital Cinema, LCD/ LED screens at Railway Stations, Bus stations and outdoor media viz. Metro Wrap, train Wrap, Airport Taxi wraps, Display boards/ Hoardings at Airports/ Railway Stations/ Metro Stations, Bus Queue Shelters. Additionally Department is also participating in various events like India International Trade Fair, Vibrant Gujarat, Global Exhibition on

Services etc where Department does not only place a stall but also takes speaker opportunity in the knowledge session to create awareness about the offerings of the Department. The allocation of the Department in this segment has increased to Rs. 50 Cores at BE stage for 2018-19.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Comments of the Committee

(Please see Para no. 12 of Chapter I)

Recommendation Sl. no. 9

Association with the local MPs/MLAs

In this regard, the Committee would like to emphasise that whenever the Department of Posts launch any of the Government welfare schemes or inaugurate Aadhaar Enrolment and Updation Centres and Post Office Passport Seva Kendra, they should invariably invite/associate the local MPs/MLAs who by virtue of being local representatives and enjoying public support and trust make public aware of the benefits of the schemes/enhancement of the various facilities available for them. Further, local units of Doordarshan, AIR and other media units of Ministry of I & B may be approached to get the postal schemes publicized.

Reply of the Government

Member of Parliament/ Member of the Legislative Assembly and other dignitaries are invariably invited for the inauguration of Post Office Passport Sewa Kendra and Aadhar Enrolment Centres. Further these launch functions and new facilities are given adequate popularity in the vicinity so as to create awareness and publicise these new facilities to ensure the benefits reaches to greater masses. Minister of State for Communications (Independent Charge) has addressed all the Members of Parliament with booklet on Aadhar services through Post Office with a request to publicise these facilities in their constituencies so that public is benefitted in large and in turn Department can earn additional revenue by providing these services. As of now more than 12000 Aadhar enrolments cum updation centres are functioning in various parts of the country.

Signature of Joint Secretary

(Ministry of Communications/Department of Posts No. F.28-1/2018/BGT (PA) 48th Report dated 12-06-2018)

Comments of the Committee

(Please see Para no. 15 of Chapter I)

CHAPTER V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM IN NATURE

-NIL-

New Delhi;

03 August, 2018

Shravana, 1940(Saka)

ANURAG SINGH THAKUR,

Chairperson,

Standing Committee on

Information Technology.

**STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2017-18)**

MINUTES OF THE TWENTIETH SITTING OF THE COMMITTEE

The Committee sat on Friday, 3 August, 2018 from 1600 hours to 1620 hours in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Anurag Singh Thakur– Chairperson

MEMBERS

Lok Sabha

2. Shri Lal Krishna Advani
3. Shri Prasun Banerjee
4. Dr. Sunil Baliram Gaikwad
5. Dr. Anupam Hazra
6. Dr. J. Jayawardhan
7. Shri P. Karunakaran
8. Shri Virender Kashyap
9. Dr. Bharatiben D. Shyal

Rajya Sabha

10. Shri K.G. Kenye
11. Smt. Kahkashan Perween
12. Dr. K.V.P. Ramachandra Rao
13. Dr. Vinay P. Sahasrabuddhe

Secretariat

- | | |
|----------------------|-----------------------|
| 1. Shri R.C. Tiwari | - Joint Secretary |
| 2. Shri Y.M. Kandpal | - Director |
| 3. Dr. Sagarika Dash | - Additional Director |

4. Smt. Geeta Parmar - Deputy Secretary
5. Shri Shangreiso Zimik - Under Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt two Draft Reports on 'Action Taken by the Government on the Observations/Recommendations of the Committee contained in theirxxxxx....and forty-eighth Reports on Demands for Grants (2018-19)' relating to thexxxxx....and Ministry of Communications (Department of Posts), respectively and one original Report onxxxxx.....

3. The Committee, then, took up for consideration the following draft Reports and adopted the same without any modification.

- (i)xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....;
- (ii)xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx....; and
- (iii) Fifty-second Report on 'Action Taken by the Government on the Observations/Recommendations of the Committee contained in the 48th Report on Demands for Grants (2018-19) for the Ministry of Communications (Department of Posts).

4. The Committee, then, authorized the Chairperson to finalize the draft Report atxxxxx..... and present all the Reports in both the Houses of Parliament.

The Committee, then, adjourned.

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

[Vide Paragraph No. 5 of Introduction]

(i)	Observations/Recommendations which have been accepted by the Government Rec. Sl. Nos.:- 2, 3, 4, 6, 8, 10, 11, 12, 13, 14, 15, 18 and 22	Total	13
		Percentage	59.09
(ii)	Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government Rec. Sl. No.: 1, 5, 16 ,17, 19, 20 and 21	Total	7
		Percentage	31.81
(iii)	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Rec. Sl. Nos.:- 7 and 9	Total	Total - 02
		Percentage	9.09
(iv)	Observations/Recommendations in respect of which the replies of the Government are of interim in nature Rec. Sl. Nos.:- Nil	Total	Nil
		Percentage	0.00