

FOURTH REPORT
STANDING COMMITTEE
ON
COMMUNICATIONS
(1993-94)

(TENTH LOK SABHA)

DEPARTMENT OF POSTS, INDIA
(MINISTRY OF COMMUNICATIONS)
ANNUAL REPORT (1992-93)

Presented to Lok Sabha on 21 December, 1993
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LOK SABHA SECRETARIAT
NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON
COMMUNICATIONS
(1993-94)

Kumari Vimla Verma—*Chairperson*

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35. Shri Virendra Kataria

(iv)

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37. Shrimati Jayanthi Natarajan
38. Shri G. Prathapa Reddy
39. Shrimati Sushma Swaraj
40. Shri Vizol
41. Shri Brahmado Anand Paswan

SECRETARIAT

1. Shri G.L. Batra — *Additional Secretary*
2. Shri R.V. Warjri — *Director*
3. Shri K.K. Dhawan — *Under Secretary*

INTRODUCTION

1. The Chairperson of the Standing Committee on Communications (1993-94) having been authorised by the Committee to submit the Report on their behalf, present this Fourth Report on "Department of Posts, India (Ministry of Communications)—Annual Report (1992-93)".

2. There is a general impression that the quality of service rendered by the Postal system has deteriorated over the years. Often there is delay in the delivery of mails, money orders, etc. The system has also become less reliable and less secure. There is increase in waiting time at the postal counters and a general erosion of confidence of the public in the postal system. Since early sixties the Department also has been facing financial deficits which are mounting over the years and there has been a considerable diversion of the more lucrative postal traffic to the private agencies.

3. Customer satisfaction through quality improvement should be given utmost importance. From the point of view of the consumer, quality of service means many things—security and speed in the transmission and delivery of mails, promptness and courtesy shown by the postal personnel, availability of service at the lowest possible rates and speedy redressal of grievances. Of course, these depend on various factors like the technology used by the Postal Department, the training and skills of the postal personnel and the organisational ethos and work culture, etc.

4. Hence there is an urgent need for restructuring of the organisations, modernisation of operations with technology induction, consolidation of the existing postal networks and expansion of postal network particularly in under developed rural and far flung tribal areas, improvement of quality of postal service with a view to making it reliable and more customer-oriented, ensuring efficient counter service, maintaining the integrity of the speed-post, speedy processing and transportation and dependable time bound delivery, expanding the range of services, use of electronic bar codes so as to streamline customer inquiry procedures, periodic review of the market and commercial/operational strategies for development of postal services and maintaining levels of tariff that would protect the interests of socially deserving classes of users without undermining the objective of financial self-sufficiency.

5. The Committee took oral evidence of the representatives of the Ministry of Communications (Department of Posts, India) at their sittings held on 20th and 29th September, 1993.

6. The Report was considered and adopted by the Committee at their sitting held on December 14, 1993.

NEW DELHI;
December 21, 1993
Agrahayana 30, 1915 (Saka)

KUMARI VIMLA VERMA,
Chairperson,
Standing Committee on Communications.

CHAPTER I

COMPREHENSIVE POSTAL POLICY

1.1 The Department of Posts, like the Department of Telecommunications is one of the oldest departments of the Government of India. Its legislative base dates back to Indian Post Office Act, 1898.

1.2 Since Independence, although a number of five year plans have so far been drawn up, at no stage it has been felt necessary to prepare a comprehensive perspective plan for the Postal Services.

1.3 In the past, the Postal Services have been a powerful vehicle of national unity and cohesion and a direct/indirect promoter of socio-economic and cultural development of all sections of the society. It provides basic infrastructure for the country. It plays a multi-dimensional role in the field of communications and acts as an effective delivery system for certain social services, especially in rural far flung hilly tribal areas. Hence in view of the changing multi-dimensional and infrastructural role played by Postal Service in our national life, the objectives of the department have to be clearly redefined.

1.4 As a result of the growth in population, urbanisation, education, literary and economic development, the postal traffic has been growing in recent years at an annual rate of about 4 to 5%. As the volume of traffic is increasing, the task of the Post is becoming more and more onerous. Competition from telecommunication services due to rapid technological development and private courier services alongwith their aggressive marketing and promotional efforts, is becoming a serious challenge.

1.5 The postal service which earlier able to balance the revenue and expenditure without becoming a burden on the general exchequer, gradually started slipping into the red since 1960-61. Whereas the cost of operation kept on mounting, the rates of various postal articles remained either static or were increased marginally but below their operational cost. The consequential deficits were being covered by its sister telecommunication services. With the bifurcation of P&T Department with effect from 1.1.1985, the scope for cross/subsidization of postal services from telecommunication services within the Department has disappeared. The deficit in the postal services has now become a liability of the general exchequer only.

1.6 Further, increasing labour and transportation costs and severe inflationary pressure are rendering postal services uneconomical, expensive and periodic revision of rates is necessary to cut down mounting losses.

1.7 Postal employees have also developed a sense of alienation, and low morale over the years. The reasons attributed to this state of affairs are the routine nature of work, lack of learning opportunities, low participation and autonomy and poor personnel management, etc. The internal constraints such as bureaucratic and feudal culture etc. due to antiquated and irrational personnel policies and practices and poor working conditions etc. cause frustration, dissatisfaction and growing indiscipline among staff.

1.8 Whereas postal services elsewhere in the world are using advanced technology in the communication field. In India postal services have not made any tangible effort in this direction. The efforts of the postal services up till now for mechanisation have been only marginal. The end objective of all technological improvement in the postal services is three fold: to increase the productivity of its employees hence reducing the operational cost, increase staff satisfaction and ensure better quality services to the consumer. Massive induction of appropriate technology in the postal services is an imperative need of the hour.

1.9 There is also a need to exploit and identify the emerging available opportunities by developing innovative services to meet the increasing expectations and demands of different sections of consumers and thereby capture a larger part, of the total communication market.

1.10 The emerging opportunities that are available to the postal system are:

- a. New services based on modern technology;
- b. Introduction of new agency functions for social welfare;
- c. Introduction of other innovative and attractive services.

1.11 It is high time now for postal service to come out with a perspective plan by evolving suitable objectives for the organisation, a cost effective strategy for realising those objectives.

1.12 The objective may be focussed on maintenance of an efficient, speedy, reliable and economic service, etc. The policy must ensure financial self-sufficiency and also be able to generate enough surplus from premium services it provides with a view to support its own developmental programmes.

1.13 Following strategy may be adopted:

- a. The financial management of the Department and pricing policy of the postal services may be clearly defined.
- b. Efficient and cost effective operation of the Postal network with suitable technological changes, upgradation and introduction of modern technology with a view to achieving greater public satisfaction is to be treated as one of the major objectives of the postal policy.
- c. The Postal organisation including the head-quarters set-up of the

Department may also be restructured in order to ensure more public accountability and bring efficiency to administration. An inter-departmental approach is sought for.

- d. Adequate operational/financial flexibility and independence may be provided to the Postal Department to make it more competitive and accountable for its responsibilities.**
- e. Adequate attention may be provided to extend/upgrade postal services particularly in remote, hilly, tribal and rural areas. The demands from different sectors of society must be properly balanced.**
- f. The personnel policy of the Department including policies for recruitment, training, placement, career progression, etc. may be suitably changed for making the personnel more responsive to the customers.**
- g. The policy must also strengthen and promote efficient international mail service.**

1.14 The Committee note that the Indian Post Office Act, 1898, is only an enabling legislation for the Government to provide a country-wide Postal Service, defining its scope and its liability. The Committee feel that rather than amending the Act, fresh legislation containing all basic features of the postal services however, leaving adequate scope for rule-making powers to the Government for effecting changes in the services without changing the basic features be brought before Parliament.

1.15 The Committee also feel that the provision for censorship and interception of mails may be taken away from the purview of the Indian Post Office Act and if at all it is needed, the Home Ministry which is the appropriate authority on such matters may come forward with a special legislation for the purpose.

CHAPTER II ORGANISATION

2.1 The management of the Department vests in the Postal Services Board which has a Chairman and three Members. The Secretary, Department of Posts is the Chairman of the Board and also the Director-General, Posts. The Members hold the portfolios of Operations, Development and personnel. In addition, there is a Financial Advisor. The Board is assisted by a Secretary Postal Services Board. The Board directs and supervises the management of the Postal Services in the country with the assistance of sixteen Deputy Director-Generals in the Directorate General of Posts.

2.2 The Department's operational responsibilities are borne by the 19 Circles into which the country is divided. A circle comprises of one or more States, Union territories and is headed by a Chief Postmaster-General and is generally divided into regions composed of a group of Postal Divisions. Each Region has a Postmaster-General for providing high level management support to the Chief Postmaster-General in the field. In addition to the Circles there are Regional Mail Planning Units at Bombay, Calcutta, Delhi and Madras under controllers who are of the rank of a Postmaster-General.

2.3 There are also other functional Divisions and units like Mails Division, Stores Depot, Stamp Depots and Mail Motor Service, in a Circle.

2.4 Indian Post Offices are categorised as Head, Sub and Branch Post Offices. Branch Post Offices are mostly Extra Departmental Post Offices located in rural areas. The Sub-Post Offices, mostly are Departmental Post Offices. Head Post-Offices are graded into five categories according to their size, the biggest being the General Post offices of Bombay and Calcutta, followed by the GPOs at Madras, Delhi Ahmedabad, Bangalore, Kanpur, Lucknow and other major cities of the country.

2.5 The Army Postal Service is headed by a Major General. He is designated as Additional Director General, APS and is also described as Chief Postmaster General, APS circles.

2.6 The Committee observe the existing postal services Board suffers from following drawbacks:—

- a. The Postal Services Board is not entrusted with sufficient powers in financial, personnel and operational matters, etc. which comes in the way of changes innovations and technological improvements in response to changing demands.
- b. There has been unrealistic mix up of functions at the Board level. The

twin functions such as policy formulation, coordination, monitoring, review etc. and execution of policy are vested on the Board. It has resulted in inept policy formulation, ineffective coordination, absence of worthwhile monitoring and review with a suitable management information system and lack of control over execution of policy at lower level.

- c. The composition of the Board has resulted in an in-bred organisation.
- d. The Chairman of the Board is simultaneously the Secretary to the Government as well as the Director General of Postal Services. All the three functions such as operations, development and personnel management rolled up in one functionary are likely to lead to dysfunctions.

2.7 The Committee are of the opinion that the Postal Services in India should continue to be managed as a Department of the Government. The level of autonomy and flexibility required for the achievement of the basic objectives of the Department can be achieved, by a suitable reorganisation of the headquarters set-up and by delegating sufficient financial and administrative powers to various levels in the Department so as to make it more accountable for its responsibilities and be competitive too.

2.8 The function of policy making should be separated from that of execution of the policy. As the policies of the Department are bound to affect the interests of all sections of people, the Committee feel that the policy making body should be headed by a representative of the people.

2.9 In order to circumvent all the bottlenecks and to make the top managements more functionally efficient, the Committee recommend Postal services Board should be replaced by a high-level Postal Commission represented by Minister of Communications / Minister of State / Deputy Minister of Communications as the Chairman, and the Secretaries of Posts and other related Ministries / Departments of the Government of India which have got direct / indirect bearing on the efficiency of Postal operations as other members.

2.10 However, the execution of Policy in the Department of Posts should remain with the Director General, Postal Services who, as at present would also be the Secretary of the Department of Posts.

CHAPTER III

EXPANSION OF POSTAL NETWORK

3.1 Since Independence there has been a massive expansion of Postal network in the country especially in the rural areas. In 1947, the number of post offices stood at 22,116. By 31.3.92 there were 1,50,346 Post Offices in the country. Of this, 1,34,122 were in rural areas.

3.2 The Committee were informed that during the Eighth Five Year Plan the Department have fixed a target of opening 3000 Extra Departmental Branch Post Offices and 500 Departmental sub-post offices. It was further informed that in the Seventh Five Year Plan, though sanction for opening 7000 POs was made, only 4000 POs could be opened because of the embargo imposed on the creation of new posts, due to financial crunch. During 1991-92, 2068 Extra Departmental Branch Post Offices and 21 Departmental sub-post offices were opened.

3.3 The norms for opening of extra departmental branch post offices in rural and tribal areas are as follows:—

Population:

a. In normal areas:—

3000 population in a group of village (including the PPO villages).

b. In the Hilly, Tribal, Desert and Inaccessible areas:

500 population in an individual village or 1000 population in a group of villages.

Distance:

a. In normal areas:

The minimum distance from the nearest existing post office will be 3 kms.

b. In Hilly Tribal, Desert and Inaccessible areas:

The distance limit will be the same as above except that in hilly areas, the minimum distance limit can be relaxed by the Directorate in cases where such relaxation is warranted by special circumstances which should be clearly explained while submitting a proposal.

Anticipated Income:

a. In normal areas

The minimum anticipated revenue will be 33½% of cost.

b. In Hilly, Tribal, Desert and Inaccessible areas

The minimum anticipated income will be 15% of the cost.

3.4 The powers for opening extra departmental branch post offices have been delegated to the heads of circles with the following conditions:—

- (i) Post Offices to be opened should conform to the norms laid down by the Government.
- (ii) The number of post offices should be confined to the target and plan budget.
- (iii) If the Internal Financial Advisor does not accord concurrence in a particular case, the Chief Postmaster General/Post Master General would not be permitted to overrule IFA. Such cases should be referred to the Secretary, (posts) for decision, to be taken in consultation with Finance Advisor.

3.5 A Post Office cover on an average an area of 21.9 sq. km. and a population of 5827 as per 1991 census. However, the Committee observe that there has been widespread regional imbalances in the expansion of postal networks. The area served by a single post office is as high as 314.66 sq. km. in case of Arunachal Pradesh, 140.68 sq. km. in Jammu and Kashmir, 60.17 sq. km., 59.13 sq. km. and 84.53 sq. km in Mizoram, Meghalaya and Andaman and Nicobar respectively.

3.6 The Committee does not agree with the Department's view that as a large chunk of areas of Arunachal Pradesh, J&K, Mizoram and Meghalaya are hilly and inaccessible and there is therefore neither justification nor demand for large number of post offices in such areas.

3.7 On the otherhand, the Committee strongly feel that as the Postal system is looked upon as an instrument of social and economic development of the people, hilly far flung under developed areas also should received equal opportunity for strengthening postal network. The postal service plays an important role in our national life-as a basic factor in social, educational and cultural development, a direct/indirect promoter of economic development, an essential tool in public administration, national defence and international relations, powerful element of national unity, etc. In view of such a wide infrastructural role, the Committee strongly recommend to ensure the availability of basic postal services in all parts of the country including tribal far flung hilly, remote areas.

3.8 The Secretary, DOP stated that, as far as rural area is concerned there are approximately 2.2 lakh gram panchayats in the country whereas the total number of POs are only 1.3 lakhs. There are 11000 gram panchayats which satisfy the two parameters straightaway that

there is no P.O. within three kms. and the population of that gram panchayat is more than 3000. The only other thing is the income criterion. Since the income criterion is so low, it becomes difficult to sanction more POs.

3.9 The Committee recommend that particularly in far flung hilly, backward, rural/tribal areas, these norms fixed for opening new Post office should be relaxed even when it is not self-supporting, traffic is poor in these areas. The Department should try to open E.D. Post offices at least for two/three hours a day, as the opening of regular Post offices might put excessive financial burden on the Department. Further the Department should ensure that some sort of postal facility is provided to each Gram Panchayat by the turn of this Century.

3.10 With regard to the opening of urban Post offices, the Department has also laid down three criteria. One is that they should be self-supporting; the second that there should be minimum distance of 1 km between two Post offices in cities with a population of 20 lakhs and above and a distance of 1.5 kms in other cities; and the third that there must be work of 5 hrs. or more in the Post office. The Committee are of the opinion that these norms have not always been adhered to by the Department faithfully, as they find a large number of Post offices have been opened which do not fulfill the distance and work load criteria fixed by the Department and some of them are also financially unviable.

3.11 The Department revealed before the Committee that no survey about the requirement of Post offices in urban areas has been made so far. The Secretary was of the view that present plan of 100 POs per year in urban areas would be adequate since they find that though new residential/commercial complexes are coming up, the plan sanctioning authorities hardly ever insist on premises for a Post office or mail storage station for the entire new development. The Committee recommend for a mandatory provision for Postal Mail Centres and premises for Post Offices, etc. in all new urban development. They further suggest that special requirements of Industrial Townships, corporate sections, suburbs, may be examined and status Reports prepared for the purpose.

3.12 In expanding cities, towns and in new colonies in urban areas where financially viable Post offices due to low traffic cannot be justified now, the Committee recommend that the Govt. to examine the feasibility of providing basic facilities like sale of postal stationery, and booking of registered articles etc. by appointing licensed Postal Agency from the existing private shops or establishments in market complexes if necessary by liberalising the policy for sale of stamps and booking of registered articles etc. by outsiders and they hope that such a system in villages bordering urban areas, should also serve the purpose. In

order to attract the Licenced Stamp Vendors, the Committee further suggest that the question of enhancement of existing commission payable to such agents to make the scheme more remunerative may be considered.

3.13 The Committee strongly feel that Department should concentrate more on the consolidation of the existing postal network and the improvement of quality of service by ensuring efficient counter service, speedy processing and transportation and dependable time bound delivery rather than on opening more Post offices.

3.14 The Committee strongly feel that there is an urgent need for a facelift of postal buildings, their furnitures, filling and storage systems and improvement of stationery. The Committee therefore, recommend for cleaning up and proper maintenance of the Post Office buildings, sprucing up their furniture, supply of adequate stationery etc.

3.15 The Committee are also of the opinion that there has been a glaring decline in the quality of stationery and there is an urgent need to examine the quality, size and design of the postal stationery, particularly foreign going ones.

3.16 In view of the fact that most of the Post Offices are in rented buildings, the Committee are of the opinion that specific funds should be earmarked for construction of postal buildings, especially in rural areas.

CHAPTER IV

TECHNOLOGY INDUCTION

4.1 In the age of satellite communication where the telex, fax and the telephone is a frequently used medium for personal as well as business transactions, the Indian Postal Service seems outdated.

4.2 However, after a period of comparative fully in the technology induction in the past years, definite objectives in the field of modernisation were drawn up in the year 1991-92 (Annexure I).

4.3 Mechanisation and modernisation is now one of the thrust areas of the Department of Posts. It may be divided into broad classifications: Computerisation, networking through satellite for introduction of money transfer services, mechanised sorting and stamps, seals, postal machines and equipments.

Post Office Computerisation

4.4 A beginning has been made by supplying multi-purpose counter machines to 22 selected Post offices in the country. About 102 machines were installed in 1991. At present, Registration, Speed Post and Money Order booking are done through this machine. The Department informed that efforts are also on to upgrade the software to accept value payable articles, parcels and miscellaneous receipts like Telephone Revenue collections etc. on the same machine. The Department proposes to install atleast 5000 machines in the Eighth Plan.

4.5 Encouraged by experience of installing 102 multi-purpose counter machines, the Department has decided to install more such machines to increase profit and customer satisfaction. Order for 1000 units have already been placed. Computerisation of administrative offices are being taken up.

4.6 In 7 Head Post Offices in Delhi, the Savings Bank has been computerised. Besides, proposals are underway to computerise the work during the current year at Bombay GPO and Dadar H.O. in Maharashtra Circle and Chandigarh GPO in Punjab Circle. Necessary hardware and software have since been procured. The progress in computerisation is likely to lead to optimum efficiency in the Post offices and would lead to increase customer satisfaction.

4.7 As regards the Postal Life Insurance, work in six Circles i.e. Karnataka, Tamil Nadu, Maharashtra, Gujarat, Delhi and West Bengal

and the Army Postal Service have already been computerised. The work will be computerised with the help of NIC during the current year in the following Circles:-

(i)	Andhra Pradesh	Hyderabad
(ii)	Orissa	Bhubaneswar
(iii)	Rajasthan	Jaipur
(iv)	Uttar Pradesh	Lucknow
(v)	Assam	Guwahati

4.8 Action on procurement of necessary hardware and development of software is already completed. To upgrade the computer work at Bangalore an agreement has been concluded with NELCO at an estimated cost of Rs. 15.95 lakhs.

Mechanised Sorting

4.9 With a view to handling the ever increasing volume of mails coupled with problems of conveyance and delivery, mechanisation of mail sorting, adopting the state of art technology available in developed countries was taken up as one of the most important R&D projects. After the feasibility study carried out in 1986 at Bombay, it was decided to go in for a modular and flexible configuration of manual Bar Coding desks to suit the requirements of Indian Mail. This project was included in the 7th Plan with an outlay of Rs. 23.75 crores. In the first phase the equipment was installed at Bombay Airport Sorting Office in May, 1993.

4.10 In the Second phase and during the current year, it is proposed to install sorting machines at Madras for which Expenditure Finance Committee (EFC) Memos has been approved. During the Eighth Five Year Plan (1992-1997) one more Automatic Letter sorting Centre for Delhi will be procured and installed.

4.11 The Secretary, DOP informed that the automatic sorting machine can sort out 30,000 articles per hour. Unless there is huge concentration of mails, it cannot be done. In this machine, the sorter instead of doing manual sorting, as the letter passes before him, he types out the pin code on that. That can be done only at the rate of 2500 articles per hour. Once it is done, then the machine sorts the articles at the rate of 30,000 per hour in 200 selections. It is approximately three times more efficient than manual handling. The Secretary, DOP however, stated that they were going little slow in their technology induction programmes, as there had been a lot of resistance from their own staff.

4.12 The Committee recommend introduction of sorting machines in all metropolis, big cities and all the State Capitals.

4.13 The Committee however, feel that since the entire sorting cannot be mechanised in this country for years considering the problem of unemployment and huge staff retrenchment, it has to be done manually for years together at the stations where the number of articles to be dealt with is not very high. At the same time the Department has the social obligation to ensure that there is no retrenchment of staff due to mechanisation and the surplus staff is redeployed somewhere else. Therefore, the Committee recommend to carry out a perspective planning as how to redeploy the surplus staff caused due to mechanisation/modernisation programmes.

4.14 There is another problem of mechanisation exist in this country. Unless the letter carries Pin Code it cannot pass through this sorting machine. Even though Pin Code, was introduced in 1972 and All India Pin Code Directory had been released of late, a campaign to popularise Pin Code had been launched by means of boardings displayed at prominent places in different cities and distribution of pamphlets made to public etc. only about 50% of our mails carry Pin Code. Therefore, the Committee recommend that proper publicity to be given to popularise the pin code among the public in various media particularly in Doordarshan. AIR and newspapers both national and regional dailies.

Satellite Money Order Service

4.15 In order to send money orders much faster and to help customers particularly those living in rural, remote, hilly and tribal areas to receive money in time the Deptt. prepared a project of Money Order transmission through establishment of micro-earth stations at selected locations linking them with Satellite.

4.16 In the existing manual system Department is incurring loss of Rs. 1.86 on each money order. It is calculated that the proposed system of transmission *via* satellite would result in a profit of 51 paise per money order. The actual savings/profit per money order will be known after the project becomes operational. At present transmission of a money order takes on an average 5-7 days to reach the farthest remote area.

4.17 The Satellite money Order service, is expected to significantly reduce the transit time of money orders. It will particularly help those members of the society who are sending money orders to their families from cities to remote or hilly areas.

4.18 The first phase of the project for installation of micro-earth stations (VSATs) at 75 locations has been cleared by the Government and a Memorandum of Understanding (MOU) between Department of Posts and Department of Electronics is being finalised.

4.19 The estimated cost of Phase-I of the Project is Rs. 12 crores approximately. The installation of VSATs (Micro Earth Station) details

specification of which has been given in Annexure-III is expected to be completed within 12 months of signing of Memo. of Understanding with Department of Electronics. The Department informed that the 75 locations for installing micro-earth stations has been made in such a way that no village is beyond a radius of 150 kms. from the receiving centre and are based on the money order traffic pattern remoteness of the area and transmission bottleneck. The list of location is given in Annexure IV. During the 2nd phase there is a proposal to cover 125 more stations. With the installation of VSATs, benefit of early delivery is expected to reach every nook and corner of the country even to the remotest hilly desert areas.

4.20 The Committee feel that Satellite Money Order Service will improve efficiency and the cost will also be met within the existing tariff. However, they note that before launching the project in full swing the Department has decided to install micro-earth stations at 4 places viz. Delhi, Lucknow, Patna and Madras, instead of installing in rural areas where money order transactions are more. They feel that in most of the time the urban people are always getting better services than the rural areas. Therefore, the Committee are of the view that if there is any technology which can be made use of in the rural areas, the Department should not hesitate to use it in rural areas.

4.21 Further, the Committee note that there is no proposal to cover all the district Headquarters in the country at present by Satellite Money Order Service. Therefore, the Committee recommend that due attention may be given to the under developed areas in particular.

4.22 Despite all high claims made by the Department of Posts to modernise the Postal operations, there has been hardly any upgradation in technology used at any level to make any dent in the real sense.

4.23 Even stamp franking machines, which are simple and could bring definite relief in terms of reduction in work load at Post offices and are easier in handling for bulk users, are hardly availed. The Department has been giving 3% rebate on postage to users of franking Machines. The Committee feel that more and more businessmen, institutions and private companies should be encouraged to make use of Franking Machines. The Department should examine the potential of future growth of its use and fix the target for each Postal circle. The Circle officers/staff should be entrusted with responsibility to take appropriate measures to popularise the system and achieve the targets. The Department should also take adequate steps to publicise the same in the newspapers and other medias. The Committee note that the use of stamp cancelling machines, personal computers for managing savings accounts, money orders and registered mail. etc. have also been scarce. Whatever has been planned so far in technology induction has been isolated, sporadic and limited to certain special services at Central Post Offices of some State Capitals.

4.24 Further, there has been underspending of funds earmarked for modernisation programmes. (Annexure-I & II). However, the Committee were informed that main reason for underspending of funds during the Annual Plan 1991-92 was due to the fact that though the Department entered into agreement with Alcatel Bell Manufacturing co. for supply of Letter Sorting Machine in January, 1992, the machine was installed and commissioned in April, 1993 and payment made in 1993 only.

4.25 The Committee find that the postal system in view of the world wide Communication Revolution in many advanced countries is going through a phase of rapid technological innovations and induction. With the aid of computers and Telematics, it is endeavouring to absorb new methods of collection, transmission and delivery of information, messages, goods, funds, etc. whereas the productivity/service in India is far below the international standards. Hence, they feel that substantial investment is required for bringing about technological improvements. A purposeful technological policy is the imperative need of the hour. A mission approach is required.

4.26 The Committee recommend that concerted efforts be made to expedite the introduction of new services in Indian Postal system such as

a. GIRO— which is a computerised cashless money transfer service, that enables an account holder to make regular payment of recurring dues like water and electricity bills, insurance premium, etc.

b. Electronic Mail— with the help of computers and Earth stations linked to satellite a network is being set up to cover the entire country. This network can be utilised for quickmail, speed post and telegraph service by the Department of Posts.

c. Electronic Fund Transfer— It is ideally suited for processing Money orders, especially to/from remote locations.

d. Data Bank— Post offices can be converted into multi-purpose information centres for administrative economic or other dates by using display units.

e. Teleprinting— This is designed for users preparing a large number of material (statements of accounts, bills, etc.) by computers and who want to deliver these by post through printers near the place of delivery.

f. Business Facsimile— It can be utilised by small businessmen and other consumers wishing to send quality telecopies of documents with reliability and speed.

CHAPTER V

COLLECTION, SORTING, TRANSMISSION AND DELIVERY OF MAILS

5.1 Mail Collection, Sorting Transmission and delivery are the major operations of the Post Offices. Mail collection by the Postal Department is being done primarily on foot or on bicycle in most of areas all over the country. However, in metropolitan cities particularly in Delhi, despatch riders on three wheelers make the collection in certain selected areas and take the mails directly to the sorting offices.

5.2 In the past, the growth of railways had enabled the sorting offices to be linked by relatively reliable transport connections. Further, the practice of sorting mail on trains had also enabled faster service over longer distances.

5.3 For a last few years there has been an increasing use of air transport usually without surcharge for letter mail and increased use of road transport over shorter distances. Over the years the increased mail quantities and greater speed of trains have made it increasingly difficult to complete sorting in transit. The high labour cost of Travelling Post Offices and the alternative possibilities of sorting at stationary offices with, or without mechanical aids have also contributed to the decline of Travelling Post Offices.

5.4 However, the Committee feel that a review of the existing sorting offices be undertaken with a view to examining their role and utility in expediting the processing and transmission of mail.

5.5 The mail transportation within a District and a particular State is done primarily by trains or road transport. Inter-State movement of mail is mainly carried out by air, wherever carriage by air has delivery advantage. Carriage of mail by department postal vans is confined to only a few major towns. Most of the vans of the Department are located in the four major metropolitan cities of Bombay, Calcutta, Delhi and Madras for movement within these towns. Thus the Department is completely dependent on the Railways and the State Transport Undertakings, the Indian Airlines for transportation of mails.

5.6 There has been deterioration in Postal delivery over the years. Even the Secretary DOP acknowledged before the Committee that he has been getting complaints to the effect that even the letter posted in a metropolis

is not delivered in that metropolis itself on the next day, but it is delivered after two days and within the districts a letter is not reaching within two days.

5.7 However, for all these, the Department mainly blames lack of sufficient cooperation from public transports and in some cases where the road transport does not ply for two or three days, the department has no alternative means of sending mails because of which the mails get delayed. Therefore, if there is any delay anywhere it is reflected on Postal performance. The Secretary, DOP stated that as per Motor Vehicle Act and the State Road Transport Corporation Act even though it is obligatory for State Road Transports and Private Operators to carry mail at the rates fixed by the Central Government, they are not doing it in many places. It is one of the conditions for licensing and there is a responsibility on their part to carry mails. The contract is that the bus conductors and the drivers are supposed to deliver mails but often they are not willing to carry out this responsibility since it contains many valuables.

5.8 As to the question of whether Department of Posts would like to introduce its own transport system to overcome this problem, the department informed that there was no such plan right now. The Secretary informed at present, the Department uses a large number of private vehicles for the transportation of mail over shorter distance. It also runs a small Mail Motor Service in important cities and towns for intra city transportation of mail. But they do not have their own mail vans for inter-city transport services. They mainly bank upon public transport. They hand over the mail to the conductor of the bus and it has to be collected by postal department man at the other end.

5.9 The Committee recommend to provide some sort of captive transports from the nearest rail station to the rural sector for carrying mails.

5.10 The Committee also recommend for a more active regular Inter-Ministerial interaction between the Railways, Indian Airlines and the State Road Transport Corporations. The Heads of Postal Circles Railway Authorities and Indian Airlines must undertake regular meetings. Use of State Transport buses should be made for conveyance of mails extensively.

5.11 On important routes, the Committee recommend that the private transporters should be engaged for conveyance of mails to ensure earlier delivery.

5.12 The Committee recommend that the conveyance of mail by air and surface transport should be accorded the highest priority and suitable legislation should be enacted for this purpose, as Postal Service is an essential public service and affects the entire population.

5.13 For speed Post, the Department have fixed norms. They have also publicised those norms. If anything goes wrong in case of speed post, they can claim refund. But in ordinary mails, the Secretary informed that they

have only laid down certain internal norms, which are not publicised. For example, a letter posted in Madras should be delivered in Delhi on D+2 viz. Date of Posting plus two days. These norms should be monitored at least every week and necessary corrective measures may be undertaken wherever the targets are not adhered to.

5.14 Further, wherever postmen are to travel in suburban areas on long beats, they apart from distributing mail should also collect mail from the letter boxes en-route. They may be provided with two-wheeler vehicles like mopeds, motorcycles etc, and for this purpose bank loans should be arranged. For the delivery of bulk mail required for commercial houses, educational institutions, etc., motorised facility may be arranged on a regular basis.

5.15 Necessary action may be taken to procure adequate number of letter boxes to meet with the requirements of members of public.

5.16 Action may also be initiated to improve local delivery in metropolitan and major cities. Installation of more Green Letter Boxes for local mail should be considered since the Metro Cities also deserve better intercity service.

5.17 Need for having separate post boxes meant for State HQs or local mail within the city may be examined.

5.18 The Committee further strongly feel that there is a need to promote Post Box and Mail Bag concept in all Metro and State Capitals. Heads of Circles and Regional PMSG should take steps to popularise Post Box and Mail Bag concepts aggressively.

5.19 Bulk users like trade, industry and institutions should be allowed and encouraged to handle some of the functions of post offices like sorting of their mail delivery office-wise which will avoid delays and also pilferage in transit to a large extent caused due to handling of articles at intermediate offices.

5.20 The Committee learn that private services are prepared to give even five percent rebate on placing bulk letters, but DOP, being a Government Department in view of the rules/procedures and government regulations are not in a position to allow such a rebate and therefore it is difficult for DOP to compete with private speed post services.

5.21 In other countries bulk mailers are given concession in rates if they give pre-sorted mail. The Committee therefore recommend that the Governemnt may consider similar concession to the bulk mailers in India.

5.22 The Committee note that anomalies, inconsistencies existing in cumbersome procedures cause a lot of problems to users and they feel that these should be simplified.

5.23 Further, money order delivery, particularly in rural areas, should be monitored periodically to ensure that there is no unavoidable delay in

delivery. Special tracking of money orders on certain routes where the delay is frequent may be made.

5.24 With regard to the problems faced at times by the Post Masters due to inadequate police protection given to branch Post Offices who receive a lot of money order amount. ED employees, who carry such valuables, the Committee recommend that timely police protection may be extended for the safe delivery of money orders. Further, the Department should examine the feasibility of covering risk factors involved in delivery of postal valuables and also safety of concerned postal employees through various Insurance Companies such as GIC, LIC, etc.

CHAPTER VI

SPEED POST

6.1 It has been mentioned in the Annual Report that in the year 1992-93, Speed Post seeks to achieve (a) the establishment of computerised as well as manual track and trace system for providing immediate information/confirmation of delivery of articles, prompt disposal and redressal of complaints/refund claims and better customer relations (b) grant of full refund of Speed Post fee in the event of delayed delivery (c) delivery of Speed Post-articles on Postal Holidays (not National Holidays) (d) development of strategy for expansion of Speed Post network, and (e) use of standardised Speed Post forms by all the Speed Post Centres.

6.2 However, the Committee were informed that at present computerised Track and Trace System has not been provided to any of Speed Post Centres. Only, a bar code system for Track and Trace for International articles has been introduced in Speed Post Centres at Delhi and Bombay. A more comprehensive computerised track and trace system has been worked out by N.I.C. and C.M.C. A committee has been set up to examine and evaluate the effectiveness of these systems and propose to the Department the system which should finally be adopted. The report of that Committee was awaited.

6.3 In case of delayed delivery of Speed Post Articles, the Department has granted provisions for full refunds of Speed Post charges to the sender. Such full refund of speed post charges is also made even when the article is delayed due to late/non-arrival of transport or any other reasons beyond the control of the Department. The Department must ensure speedy refund of Speed Post charges where delay in delivery takes place. The Committee feel that the Department should take appropriate steps to give adequate publicity to all these measures undertaken by this Department to popularise the Speed Post.

6.4 With regard to expansion of Speed Post network, the Department has chalked out the following plan/targets for extension of Speed Post Service:

1. Revenue Generation:

The objective of the expansion strategy of Speed Post is to generate a revenue of Rs. 100 crores within two to three years so that it can provide the minimum Infrastructure required to make it viable as a Corporation. In 1987, the revenue from it was Rs. 3 crores. In 1992-93 it went up to Rs. 32 crores and during the current year it is

expected to reach Rs. 40 crores. The Speed Post on an average is charging half the cost of what private couriers are charging. The Committee feel that the best activity which can lend itself to commercial exploitation is the Speed Post Service.

2. 50% Growth per Annum:

A tentative target of 50% growth of traffic per annum was fixed for the current year 1993-94. As such the Committee were told that no national Speed post centre is opened at any station straightaway. If market survey carried out by the local Chief Postmaster General/Postmaster General reveals that introduction of Speed Post Service is viable, point to point Speed Post is introduced between station with maximum traffic.

6.5 Keeping in view the traffic/revenue generation in the past and future potential of such growth, such point to point centres are upgraded to National Speed Post Centres.

6.6 Upgradation of point to point centre to a national level is normally done when it is observed that the station books substantial number of articles daily for each and majority of centres. Otherwise, they are continued as point to point centres.

6.7 As regards strategy for expansion network, the thrust of the Department should be first to consolidate and improve quality of service in the available network before the same is expanded further. There are about 61 Speed Post centres in India.

6.8 The system of same day delivery of Speed Post articles has been introduced in Bombay City with effect from 14.11.1991. Under the system, the articles booked at Speed Post Counters upto 1200 hours are sent for delivery in the City on the same day. At Bombay GPO and Dadar HQ, the cut off time is 1300 hours.

6.9 The service is reported to have been introduced on local initiative on a limited scale in some other cities. These and the year(s) of introduction are indicated below:

1. Delhi	—	1991
2. Madras	—	1993
3. Ahmedabad	—	1990
4. Bangalore	—	1993
5. Hyderabad	—	1988
6. Shimla	—	1993
7. Bhubaneshwar	—	1993
8. Cuttuck	—	1993
9. Trivandrum	—	1991

10. Jaipur	—	1993
11. Pune	—	1992
12. Goa	—	1992
13. Calicut	—	1991
14. Ernakulam	—	1992
15. Cochin	—	1992
16. Lucknow	—	1993
17. Kanpur	—	1993
18. Allahabad	—	1993
19. Varanasi	—	1993

6.10 The Committee strongly feel that this system of same day delivery of Speed Post articles may be extended to other major cities particularly to all the state capitals.

6.11 Personalised Speed Post Contractual Service had been extended to meet the demands of corporate customers with a vast network throughout India. The Chief Postmasters General have been authorised to enter into such contractual service with the customers who have a regular traffic either daily or with fixed periodicity for any station.

6.12 The product has been designed for the Speed Post customers to provide the following:—

- (i) Greater Service choice, i.e. facilities to avail services like Insurance, VP, Business Reply Service, etc.
- (ii) Greater network coverage, i.e. selection of stations as per the customer requirement.
- (iii) Service within the transit planned in consultation with the customers.

6.13 The service is particularly popular and extensively used by organisations like UPSC, State Public Service Commission, Staff Selection Boards. Average revenue from UPSC alone was to the tune of Rs. 31,05,966/- during 1992-93.

CHAPTER VII

PUBLIC GRIEVANCE REDRESSAL MECHANISMS

7.1 In the Annual Report, 1992-93, it has been mentioned that during the year 1992-93, 669950 public complaints were received and enquired into as against 682599 the previous year. The percentage of complaints to the total traffic handled is 0.00484% as against 0.00461% in the previous year.

7.2 Yearwise details of percentage of complaints relating to missing, registered post and money orders are furnished in the Annexure V.

7.3 The Committee were informed instances of missing registered post and money order, coming to notice are inquired into. Squads at Circle Headquarters have also been constituted for inquiry into complaints of recurring nature pertaining to a particular area or office.

7.4 The public grievance against registered post are of three categories: (a) non-receipt of registered mail, (b) failure to get acknowledgement slip, and (c) the postman not taking the signature of the addressee. The postal authorities say that in order to doubly ensure delivery a separate record of every registered mail is maintained. From the time, the mail begins its journey from the Post Office, the sorting office to the delivery Post Office, at every stage, the receipt and despatch of this mail is noted down. In fact, because of the additional work involved, the department actually runs this service at a loss while the revenue from registered mail was Rs. 6 in the year 1991-92 the actual cost of running the service was Rs. 8.76. They do admit, however, that this is no excuse for inefficient service.

7.5 The Department apprised the Committee that every Postal Superintendent during visit to Post Offices both way from and at the Headquarters, meets the members of public and takes note of the problems faced by them regarding mail and delivery. Public Relations Inspectors (Postal) frequently meet the Members of public and ascertain their views regarding quality of service particularly the delivery of mails and makes suggestions for improvement. Sub-Divisional Inspectors of Post Offices during the course of their visits in connection with their routine work or enquiries also meet the residents and take note of their suggestions. Dak Adalats have been constituted at Circle level and Divisional level which are also held at Regional levels so that aggrieved users can meet the senior officers of the Department to settle their problems on an appointed date on the spot. These Adalats are being held for the last 2½ years once in three months. The date and venue are informed in advance of the Dak Adalats in which aggrieved users can present their problems and seek redressal on the spot. The Dak Adalat

covers all types of problems relating to postal services such as mails, Speed Post, Parcels, counter services, Savings Bank, Money Orders and also the Pension cases of postal employees. Despite all these measures the Department admitted that non-delivery of registered mail at times goes unnoticed due to supervisory lapses/negligence in the procedure prescribed for recording of registered mail, adoption of irregular procedures by operative staff, etc.

7.6 The Committee note that what is needed is the close monitoring of the facility and observe that there is inadequate supervision of local postal operations. The Committee feel that the Post Master Generals should carry out regular and unscheduled inspections of Post Offices under their domain. In order to minimise the complaints, these are to be periodically analysed to spot the areas and causes for taking corrective remedies. Such as simplification of forms used by the public e.g. introduction of a new simpler money order form, application form for purchase of cash certificates, adoption of better quality of Acknowledgement Due Cards of a distinct colour; special arrangements for timely disposal of festival mails during Rakhi, Diwali, Christmas etc., test checking the work of delivery personnel, better financing of post offices for payment of money orders, monitoring of transmission and transit norms of mails, etc.

7.7 Under Section 49 of Indian Post Office Act the following offences among others committed by persons employed to carry or deliver mail bags or postal articles are punishable with fine:

1. endangering safety of mail bag/postal articles by carelessness/other misconduct;
2. delaying conveyance/delivery of mail bag/postal article;
3. not using due care/diligence of safety convey/deliver mail bag/postal article.

7.8 Further, under the Post Office Act, one is entitled to *ex-gratia* compensation for wrong delivery, non-delivery, obstruction of contents, besides damages or substitutions of content of registered articles. The amount of compensation in respect of money orders and registered articles is determined as under:

- a. Non-delivery of money orders in time;

The money order commission is refunded to the remitter in the event of service failure. In respect of telegraphic money orders, telegraphic charges in addition to money order commission are also refunded to the remitter;

- b. Non-delivery/abstraction of/damage to/ substitution of contents sent by registered post. Compensation upto Rs. 100/- as an act of grace.

and not in consequence of any legal liability, is payable to the sender or the addressee of a registered article.

7.9 The sender can register a complaint for compensation within three months of the date of posting of the article in case of its loss and within one month of the date of delivery in the case of loss of contents or damage. The complaint can be handed over to the post office of posting or the Postal Divisional Supdt. of the area. The complainant should mention the postal receipt, number, date and office of posting, name and address of addressee and the nature of contents and their value. The compensation is also payable to the addressee, if so desired by the sender in writing.

7.10 The department of Posts has recently brought out a customer complaint guide (your grievance is our concern) to get redressal of grievances against postal services.

7.11 The redressal system at the field level is entrusted with following tasks:

- A. Conveniences of registering/handling over a complaint at any post office for onward transmission without charges for its disposal to the officers concerned for acknowledging and initiating enquiries.
- B. Complaints appearing in print media are also taken up for enquiry;
- C. The Complaint Redressal Officer can be contacted by the complainant without appointment once a week designated as meeting-less day;
- D. Disposal of complaints at field level is monitored through periodical inspections;
- E. Scaparate staff is provided at field level to deal with complaints;
- F. The officer concerned is also competent to sanction claims wherever such a need arises such as issue of duplicate money orders etc.

7.12 Local Advisory Committees are already functioning in 60 selected post offices with the name 'Post Forum' which is a representative body of users of post office which consists of seven members.

7.13 The objective of Post Forum is to foster better relations with the clients and to create responses to public needs. The Forum meets once every three months in which senior officers may also participate when opportunity is available. Forum has been given right to hold discussions on wide ranging matters concerning the post office and make suitable suggestions in improving any services rendered.

7.14 The Committee feel that the redressal system at the local level is not commensurate with the nature and extent of complaints. There is need to involve local citizens with public credibility in such redressal mechanism, like retired service personnel. The Committee suggest watchdog panels for

specific tasks like missing money orders and various other financial services, and it may be extended to registered post also. Local post office officials should meet the residents regularly on certain days and discuss the problems faced by them as regards mail delivery. Proper care should be taken to avoid delays in refund or giving compensation.

7.15 The DOP has got State level advisory Committees which include elected representatives to monitor various irregularities. The Committee recommend introduction of some sort of monitoring system at district level, panchayat levels etc.

7.16 As far as ex-gratia compensation of Rs. 100/- for loss of registered article is concerned, the Committee feel that the amount should be revised.

7.17 Further, the loss or delay in delivery of insured articles, money orders and registered articles, etc. may be allowed to be brought under the purview of Consumers Protection Act. However, in respect of unregistered articles, this liability can not be imposed.

7.18 One of the main functions in rural areas is opening and maintaining savings accounts. There have been a number of instances where there have been breach of trust and misappropriation of funds relating to the accounts of the poor people. For no fault of theirs, they have to suffer the losses. The Committee are of the opinion that in regard to the cases of frauds and losses, the credit should be restored to the depositors as early as possible.

7.19 The Committee observe that the *modus operandi* of such criminal activity is normally done through fictitious accounts with the connivance of the post master. Hence proper investigation should be regularly made to find out the veracity of the claim.

7.20 The rules should be further tightened so that there is no inordinate delay.

7.21 In the rural areas, in most of the states the work relating to payment of old age pension, security deposits etc., where the State Governments had been handling through their own Revenue Departments that work has now been transferred to the Postal Department with the result that there is an increased work load. In this connection, some collusions also get established at some places among the village officials, postal officials and the other people. They at times harass people and ask for extra money for giving these services. Ultimately public cooperation is needed if we want to curb these undesirable practices. The Committee recommend that the DOP should publicise through newspapers and other media and request the people to give details, if they have any complaints against postal staff regarding delivery of old age pension, payments of money orders etc.

CHAPTER VIII

AGENCY SERVICES

8.1 Post Office are utilised by other Government Departments by entrusting to the Post Office certain agency functions viz. Telegraphs, Saving Bank, Postal Life Insurance, etc.

8.2 Post Office savings Bank runs the following schemes on behalf of the Ministry of Finance:

Savings Accounts, Recurring Deposit Accounts, Time Deposit Accounts, National Savings Accounts Scheme, Monthly Income Account Scheme, Public Provident Fund, Indira Vikas Patras, Kisan Vikas Patras, National Savings Certificates — 8th Issue.

8.3 Further Postal Life Insurance Offers the following four types of policies:

- Whole Life Assurance
- Convertible Whole Life Assurance.
- Endowment Assurance.
- Anticipated Endowment Assurance 15 years and 20 years.

8.4 There is a need for a review of the agency services of the Department for providing better services.

8.5 Postal Savings, play pivotal role in the national resource mobilisation effort. It had got 9.43 crore accounts and the single largest contributor to national savings accounting for 43.7% of gross domestic savings (1989-90).

8.6 The Secretary, DOP informed that the number of Post Office savings account was approximately 11 crores during the current year which keep more than Rs. 56,000 crore.

8.7 It is also the most important means of mobilising household savings especially in the rural areas as it accounts for about 53%, of household savings. During the Seventh Plan, Postal Savings increased by 96%, from Rs. 21,430 crore in 1985-86 to Rs. 41,900 crore in 1989-90. These post office savings banks can be comparable with any other commercial banks, as in the rural and semiurban areas, Post Office Savings Bank is the only bank available and their credibility too is quite high.

8.8 The Post Office savings account is controlled by the Ministry of Finance. The Department of Posts acts only as agent.

8.9 The urban cooperative banks and others are being given autonomy. The Ministry of Finance determines the rates and makes close

assessment of saving bank operations. It affects the mobilising capability of the post office savings bank Schemes.

8.10 The Department informed that Post Office Savings schemes like NSC were really unique. They offer a lot of tax benefits. Even the savings bank accounts also extend tax benefit on the interest accrued. Because of this facility even the rich people have accounts in post office savings banks. The maximum amount that can be saved in a savings bank account is Rs. 50,000. One can save even beyond Rs. 50,000 but he will not get interest in the amount exceeding Rs. 50,000. A family of six can save up to Rs. three lakhs in saving banks by having six accounts and thereby enjoy the tax benefits.

8.11 Adequate publicity may be made to the fact that the interest on Post Office Savings Bank account is exempt from Income Tax. The Committee further feel that the Government should examine the commercial sensibility of paying interest on the amount exceeding Rs. 50,000/- deposited in a Post Office Savings Bank account with or without tax benefits. There is also a need to publicise that the postal cheque is being accepted by the Scheduled Banks.

8.12 The Ministry of Finance is the policy makers. If there are some grievances, the Department of Posts does not have the power to relax any rules and for the same, they have to approach the Ministry of Finance. Hence, a little more operational flexibility may be given to the DOP, in such a way that it could be made more accountable and customer-oriented.

8.13 Reasonable and adequate level of compensation for various agency functions may be given to the DOP which are often thrust upon by various Departments. They should reasonably share the revenue generated with postal department by the Departmental agencies. A Committee may be formed to go into the whole issue of compensation. Further payment of commission to Postal agents should also be increased.

8.14 In view of the recent socio-economic changes the Committee recommend following new functions could also be entrusted to the Post Office:

1. Implementation of literacy campaign;
2. Collection of electricity, telephone and water bills, House Tax etc.;
3. Distribution of loans;
4. Extension of family planning programmes;
5. Sale of Railways and Airlines tickets;

- 6. Payment of pensions by different Government Departments and Undertakings;**
- 7. Modal Centres for other governmental programmes/policies implementation.**

8.15 Further, particularly in rural/farflung hilly areas, the Committee suggest to further strengthen the existing post offices, by incorporating in it other means of communications such as telegraph and telephone services, so as to provide all these services in a cost effective manner.

CHAPTER IX

POSTAL FINANCE

9.1 With regard to financial management, pricing policy etc. the Committee note that till early sixties, the postal system was being run on a no profit, no loss basis. However, the annual deficits started mounting thereafter.

9.2 The main reasons for this mounting deficits are the increasing cost of operations of postal services and an unrealistic pricing policy which means that the fixation of postal rate is not co-related with the cost of operations. The net result was the recurring losses to the Department and a continued subsidy from Exchequer.

9.3 In the year 1991-92, the net working expenditure of the Department was Rs. 1162.15 crores against a revenue of Rs. 947.87 crores. The gap thus being Rs. 214.28 crores. In the year 1992-93 actual deficit was Rs. 92 crores.

9.4 The Committee were informed that the implementation of the successive Pay Commission recommendations also had increased the burden on the Department.

9.5 Personnel is the largest resource of the postal service in India today. Not only is the Department of posts a labour-intensive organisation, the staff costs of about six lakh departmental and extradepartmental employees account for over 80 per cent of the total working expenses. The entire revenue receipts of the Department are absorbed by the staff costs alone, forcing the Government to subsidize, and enable the Department to meet the rest of its expenditure out of general revenue.

9.6 There is a social pressure to keep the tariff low for certain postal services. While the cost of operation was increasing, the rates of registration and parcel services were raised only marginally as a matter of policy.

9.7 The Committee noted that the postal service being in the nature of a social service, the Government does not always fix tariff strictly with the cost in view.

9.8 The postal services throughout the world are being run as public utility service and were heavily subsidized. Of late, there is a trend of thought in most of the countries that the post office should be run as an efficient commercially oriented organisation. It can legitimately earn enough to cover its expenditure and the postal tariff structure should be so designed as to build adequate revenue to achieve this objective. This has already been achieved in the USA, Australia, New Zealand, U.K. and

Canada where the post office was previously running at a loss with increasing inefficiency, is now running on profit and contributing to efficiency of the service.

9.9 The tariff concessions on one hand and financial self-sufficiency on the other have proved a difficult exercise for the system. At the moment the DOP is not functioning on commercial basis. Most of the Postal items are below the cost of operation (See Annexure-VI). The post card costs 15 paise while its operational cost is Rs. 1.25 approximately. These rates were revised last time in 1991. Recently the Telecom tariff has gone up but the Postal rates have not been increased. The largest chunk of the Departments's revenue was catch up by the simple post card and registered posts, etc.

9.10 The Committee feel that the identification of post card with the poor section of the society and other items with the more affluent sections, is not correct. Actually, the post card is being also highly used for commercial correspondence. The subsidy meant for poorer sections of the population is misused.

9.11 Further, registered mail is used mainly for business and legal documents by the more affluent sections of the consumers, there can hardly be any justifications for subsidising it either from revenues of other postal services or by a charge on the tax-payers.

9.12 At present a registered letter requires a minimum of two entries and a maximum of 5 entries in the registered list at intermediate stages of handling besides issue of receipt at the booking stage and entry in the delivery slip at the delivery stage. The Committee feel that unless the existing procedures are simplified, the results would continue to be reflected in higher cost, larger deficits and delay in delivery due to the inability of the existing offices to cope up with increasing traffic.

9.13 The Committee feel that introduction of 'Bulk entry system' for handling registered mail with a view to speeding up delivery and reducing costs needs to be considered. It would require merging of the "registered mail service" with "recorded delivery service" where in on payment of a lower fee for receipt is available on booking.

9.14 As far as money orders are concerned the revenue cost was Rs. 8.99 in 1991-92 whereas the operational cost was Rs. 13.16. The Committee feel that inspite of such a huge subsidy the commission charged on money orders, is too high as it is mostly used by the poorer sections of the population. Further subsidy on the money order commission may be given. However, introduction of satellite money transfer service is the only answer in the long run. Therefore, the Committee recommend that there should be some marginal adjustments on costing of different postal articles so that both the ends could be met. Some principles should be laid down taking into account the needs of the common man and also the commercial sectors.

9.15 Further, the Department of Posts do not enjoy absolute monopoly and some courier services also carry mails.

9.16 One cannot deny that with the new focus of the Government to reduce deficit and increase competition vis-a-vis private intra and inter-city couriers, the Indian Postal Service has to gear up to become a lean, hi-tech efficient organisation which delivers high value to the customers.

9.17 The rates of registration and parcel services are, therefore, to be fixed, keeping in view the prevailing environment in the field. The tariff revision could be one of the measures to contain subsidy.

9.18 As late as July, 1968, the Mahavir Tyagi P&T Tariffs Enquiry Committee expressed the view that "although the P&T Department is to be run on commercial basis the postal branch should not be treated as a profit earning concern, as it is primarily and essentially a public utility service." They had also recommended that "for the purpose of fixation of tariffs efforts should be made to attain as far as possible, financial self-sufficiency within the postal branch." Despite these clear cut recommendations the postal services have been running on large deficits.

9.19 In view of all these the Committee recommend for a more rational pricing policy. The Department should 'rationalise' the postal tariff system to attain financial self-sufficiency within a determined time and to the extent possible generate surplus from premium service with a view to supporting improvement of the network and services. A rational tariff approach must form part of the new postal policy.

9.20 However, this would mean raising the current prices of several items of postal service. Otherwise, it may not be possible to generate surpluses in the long run.

9.21 The Gurcharan Committee has recommended setting up of an independent Postal Rates Commission, as in various foreign countries, notably the US and Australia, to ensure equity and fairness in fixing the rates. The Social Audit Panel has recommended for constitution of Standing Tariff Committee to examine and rationalise the cost increase. The Committee on Postal Excellence recommended for an eclectic approach to pricing to achieve the short-run and also long run objective. Under this, rates of postal products and services may be fixed without the element of subsidisation. However, keeping in view the equity and welfare consideration, the Government is free to give subsidy on certain postal items and enable the postal department to manage the resources efficiently.

9.22 Considerable attention may be given for evolving a sound financial management system alongwith rational pricing policy. The Committee note that in 1965, the Department had appointed a Tariff Enquiry Committee under the Chairmanship of Mahavir Tyagi. The Committee had gone through the entire tariff fixation. They had suggested the principles and other things. The Committee do agree with the views of the Department of

Posts that it is not necessary to have a permanent Rates Commission. Instead of having a permanent Rates Commission, another Tariff Enquiry Committee which would be an outside body like the Mahavir Tyagi Committee could be constituted. On the basis of their recommendations about rate fixation, the Department will take decisions and go before the Parliament. This independent body would suggest principles for rate fixation, issue of subsidy or increase of cost, and whether there is any need for increasing the rates in some areas or not, etc.

9.23 Efforts should be continuously made to control the expenditure. Simplifying procedure and inducting new technology. Further, attempts are also to be made to keep the non-statutory and non-obligatory expenditure at the minimum level to ensure control of expenditure.

9.24 Other solutions lie in structural improvements and modernisation which the committee strongly feel alone could bring down the deficit by improving efficiency and reducing costs.

9.25 Further the Committee feel that the Department should be allowed and encouraged to augment its revenue by taking advantage of its various unique strengths.

9.26 More functional autonomy and financial independence may be given to the Postal Department.

9.27 There has been untapped funds in the Postal Savings Accounts. The Committee strongly feel that these funds could be used to operate a Postal Bank with its own charter-like any other financial institution or a scheduled bank. The money generated could support updating of the mail operations. The Committee feel that the Government should give an early thought to this proposal.

9.28 It was revealed to the Committee that there is usually a time gap of about two to three days between receipt of money orders and their actual payments by the Postal Department. Every Post office receive and makes payments of money order everyday. At the end of the day, the balance amount is credited to the Government account. Since, there is a time lag between receipt and payment of money orders by the Posts, these huge amount should be availed by the Postal Department and credited separately to generate bank rate interest. This earning can be used to meet the developments of the Postal Services.

9.29 Further, profit centres may be identified for the Postal management specially with regard to speed post, GIRO, Electronic/Satellite Mail, etc. The Committee suggest a market oriented approach for managing the whole business of the Department.

CHAPTER X

HUMAN RESOURCES DEVELOPMENT

10.1 The personnel of the Department continue to be the principal resource for the Indian Postal System. The total staff strength as on 31.3.92 was 5.96 lakhs, including 3.05 lakhs Extra Departmental Employees who largely man the services in rural areas.

10.2 There is shortage of staff because the Department could not create all the additional justified posts due to imposition of ban by the Government effective from January 1984 on creation of posts. It has led to a heavy strain on employees in certain fast growing areas. The Committee strongly feel that as long as there is a ban on justified posts, it becomes counter productive. However, some of the additional justified posts were sanctioned after obtaining relaxation of ban orders from the Ministry of Finance/Government. Moreover, to meet with the shortage, the department has been delegated with the powers to redeploy surplus staff from one office to another on matching savings and justified on workload basis. Powers of re-deployment of personnel in group 'C' & 'D' cadres have been delegated to the heads of Circles. In respect of group 'A' and 'B' cadres, the powers are vested in the Postal Services Board. Orders to this effect have been issued on 2.9.93. The number of posts re-deployed so far from 'surplus' offices to 'deficit' offices is as follows:

1. Group 'C' Posts	761
2. Group 'D' Posts	115
3. ED Posts	249

10.3 Besides, the Postal traffic has gone beyond manual operations and requires computerisation. While a computer for example can sort out 30,000 letters in an hour, manually only 1,000 can be sorted out during that time. Therefore, the Committee recommend Extra Departmental staff should be encouraged to take on newly developing areas.

10.4 For filling up the short fall in vacancies for SC/STs candidates, Special Drives are conducted. During the last Spl. Recruitment Drive 570 Gr. D and 220 Gr. D and 333 Gr. D and 163 Gr. D vacancies were filled up. The Committee were informed that the short fall in Gr. C and Gr. D vacancies in SC/ST was due to non-availability of eligible candidates, from the Staff Selection Commission/Employment Exchange. As regards Ex-servicemen 239 Gr. C and 100 Gr. D posts as on 31.12.92 are also vacant due to non-availability of eligible candidates. However, the Committee are of the opinion that sustained efforts may be made by the Circles to fill up the vacancies.

10.5 The Committee fail to understand as to how can the Department justifies its statement that eligible SCs/STs and Ex-servicemen, candidates are not available to the Department, whereas the fact remains that, the country has been now facing with such an acute problems like unemployment and over population.

10.6 In so far as Departmental Staff is concerned, as per the extnsnt rules/instructions, 90% total temporary posts in any cadre can be made permanent. These guidelines are as far as possible, strictly adhered to and temporary posts which continue for more than 3 years and functionally justified are made permanent upto the extent of 90%. Recently, the Govt. of India have issued instructions that while processing proposals for the retention of temporary posts a 10% cut should be imposed on total sanctioned strength of each cadre and all temporary posts may not be retained till target of 10% total cut is achieved. However, the Commktee strongly feel that the Department should take the issue with the Committee of Secretaries for seeking exemption from 10% cut in Staff Strength because such a step will further decrease the availability of the staff and thereby affecting work adversely.

10.7 Extra-departmental system is a method by which the Department appoints local people having other professions in the village, other vocation, other means of income, on a part time basis who work between two to four hours and maximum for five hours. This extra departmental system is something unique which has helped this country in extension of postal services.

The social component of the Postal Service is constituted of the sacrifice of a large number of Extra-Departmental employees who are working at a low cost in this sector.

10.8 The Secretary, DOP acknowledged, the fact that because of the prevailing economic situation, many of extra-departmental employees are left with this job as their only means of living, which was not sufficient. The department has been taking steps to improve their service conditions, particularly for last seven to eight years. From 1.1.86, they are getting dearness allowance on part with the Central Government employees. They have also introduced gratuity scheme, etc. for them.

10.9 The Committee feel that unless there is improvement in service conditions of Extra-Departmental Employees, efficiency in the postal service cannot be improved. The Committee recommend the problems of ED employees may be dealt with more sympathetically at the earliest.

10.10 Wearing of uniforms by Postmen add to the efficiency as well as credibility of the Department. With regard to supply of uniforms, to all the postal employees, the Secretary stated that by and large it is given to all the employees except in certain rural areas.

10.11 The Committee recommend that standing instructions may be given to postmen to wear uniforms and they may also be provided with adequate uniforms periodically.

10.12 The training infrastructure of the Department consists of (A) Postal staff college of India, Ghaziabad and (B) Postal Training centres at Saharanpur, Mysore, Vadodara, Darbhanga and Madurai. There is a proposal to set up two more Training Centres at Jaipur and Calcutta.

10.13 An assessment of the training needs of postal staff working in N.E. and Assam Circles was made some time back and it was found that a total number of 1625 officials were imparted training during the last 5 years. This means only 27 officials were imparted training per month. Considering the training needs and the comparatively limited staff strength of Assam and N.E. Circles, the DOP is of the view that there is no justification for opening of a Postal Training Centre in the N.E. Region. The training needs of both these circles are met by PTC Darbhanga, which has adequately equipped capacity.

10.14 However, the Committee are of opinion that atleast one training centre should be set up in the North-Eastern as well as Central Region so as to maintain a regional balance. Further, the training centres should be provided with adequate regular professional staff, otherwise they cannot be expected to perform their desired functions.

10.15 The Committee suggest that the training should be performance based, on the job skills in order to improve the attitude of the personnel as well as augment their skills. The Department must pay greater attention to personnel management including development of human resources, morale and motivation of officers and staff.

10.16 As far as the Postmen are concerned they are given only a rudimentary training for about a week or so. They are not given any institutional training, as is being done for the clerks of the post office, who are being given three months training.

10.17 The Committee strongly feel that the training of Postmen should improve because they are the cutting edge. They make a mark of the Postal Department. They should be given adequate training so as to make them much more courteous and service oriented.

NEW DELHI;

KUMARI VIMLA VERMA,

December 21, 1993

Chairperson,

Standing Committee on Communications.

Agrahayana 30, 1915 (Saka)

ANNEXURE I

**DETAILS OF THE OBJECTIVES/PLANS FOR MODERNISATION
DRAWN UP DURING THE YEAR 1991-92**

Scheme	Activity	Physical		Financial outlays		
		Target	Actuals	BE	RE	Actual
				(Rs. in crores)		
				(1991-92)	(1991-92)	(1991-92)
Mechanisation & Modernisation	I. PC-based Multipurpose counter machines	4000	102	2.00	—	—
	II. Money transfer via Satellite	Nil	Nil	—	—	—
	III. PLI	Tamilnadu, Delhi, Maharashtra, Gujarat		.86	—	—
	IV. Mechanised sorting equipment	One Letter Sorting Machine, Bombay		20.00	—	—
	V. Other equipment stamps & seals at (Regional Workshops)	1000	Nil	.67	—	—
	VI. R&D salary & wages			.05	—	—
				23.58	14.09	1.85

ANNEXURE II

**SCHEME-WISE PHYSICAL TARGETS/ACTUALS AND FINANCIAL
OUTLAYS IN MECHANISATION AND MODERNISATION
PROGRAMMES
ANNUAL PLAN, 1992-93**

Scheme	Activity	Physical		Financial outlays		
		Target	Actuals	BE	RE	Actual
				(Rs. in crores)		
				(1991-92) (1991-92) (1991-92)		
Mechanisation & Modernisation	I. PC-based Multipurpose counter machines	1000	Nil	7.00	—	—
	II. Money transfer via Satellite	Formulation of scheme		12.00	—	—
	III. PLI	Assam, Andhra Pradesh, Rajasthan, Orissa, U.P.		.30	—	—
	IV. Mechanised sorting equipment	One Letter Sorting Machine, Bombay	One	13.83	—	—
	V. Other equipment stamps, seals etc.	1000	100	1.00	—	—
	VI. R&D salary & wages			.15	—	—
				34.28	23.26	15.19
					(Provisional)	

SPECIFICATIONS—MICRO-EARTH STATIONS

1. Dimensions	—	14.9 cms (high) 54.8 cms (deep)
2. Frequency	—	47—63 Hz
3. Power consumption	—	250—300 watts
4. Channel width	—	5 MHz
5. Transmission speed	—	1200 Bits per second
6. Receiving speed	—	19200 Bits per second

ANNEXURE IV**LIST OF PROPOSED LOCATIONS FOR MICRO EARTH STATIONS
(VSATs)**

Sl. No.	Name of the Circle
1.	Assam
2.	Andhra Pradesh
3.	Bihar
4.	Delhi
5.	Gujarat
6.	Himachal Pradesh
7.	Haryana
8.	Jammu & Kashmir
9.	Karnataka
10.	Kerala
11.	Madhya Pradesh
12.	Maharashtra
13.	North East
14.	Orissa
15.	Punjab

1. Guwahati 2. Silcher 3. Tezpur
4. Dibrugarh 5. North Lakhimpur

1. Hyderabad 2. Vijayawada
2. Visakhapatanam 4. Tirupati
5. Kurnool.

1. Patna 2. Ranchi 3. Gaya
4. Purnia 5. Darbhanga
6. Madhepura 7. Muzaffarpur

1. New Delhi G.P.O.

1. Rajkot 2. Baroda
3. Ahmedabad

1. Simla 2. Mandi

1. Ambala 2. Rohtak

1. Jammu 2. Srinagar

1. Bangalore 2. Mysore
3. Dharwad
4. Mangalore 5. Raichur

1. Trivandrum 2. Calicut
3. Cochin

1. Raipur 2. Jabalpur 3. Indore
4. Ratlam 5. Bhopal 6. Gwalior

1. Nagpur 2. Bombay 3. Pune
4. Panaji 5. Aurangabad

1. Shillong 2. Aizwal
3. Agartala 4. Kohima

1. Bhubaneswar 2. Sambalpur

1. Ludhiana 2. Jalandhar

Sl. Name of the Circle
No.

- | | |
|--------------------------------|--|
| 16. Rajasthan | 1. Jaipur 2. Jodhpur
3. Udaipur 4. Ajmer 5. Kota |
| 17. Tamil Nadu | 1. Madras 2. Coimbatore
3. Madurai
4. Trichi 5. Thanjavur |
| 18. Uttar Pradesh | 1. Lucknow 2. Kanpur
3. Varanasi
4. Agra 5. Allahabad
6. Saharanpur
7. Barcilly 8. Rudraprayag |
| 19. West Bengal
(Satellite) | 1. Calcutta 2. Siliguri 3. Port
Blair |
-

ANNEXURE V**PERCENTAGE OF COMPLAINTS REGARDING MISSING REGISTERED POST AND MONEY ORDERS**

Year	Total Number of Complaints received	Total Number of Complaints received about missing of articles	Percentage
REGISTERED ARTICLES			
1988-89	314294	4959	1.5%
1989-90	339907	4695	1.4%
1990-91	326469	4587	1.4%
1991-92	337984	4958	1.4%
1992-93	360776	5848	1.6%
MONEY ORDERS			
1988-89	258600	5064	1.9%
1989-90	256528	5294	2.06%
1990-91	226791	5993	2.6%
1991-92	226917	5873	2.6%
1992-93	232422	6013	2.6%

ANNEXURE VI

COST OF SERVICE

The cost & revenue of main services for the year 1991-92 alongwith the position for the previous year are shown against each service below:

(Figures in Rupees)

Service	1990-91		1991-92	
	Cost	Revenue	Cost	Revenue
Postcard	1.17	0.15	1.25	0.15
Printed card	1.09	0.60	1.20	0.60
Letter card	1.28	0.75	1.41	0.75
Letter	1.29	1.81	1.43	1.81
Parcel	14.61	14.31	18.51	14.31
Money order	11.51	8.99	13.16	8.99
Registered	8.20	6.00	8.76	6.00
Insured Book post	10.77	18.12	12.66	18.12
Book Pattern and Sample Packet	1.58	2.42	1.78	2.42
Printed Books	1.96	2.26	2.25	2.26
Others	2.15	2.11	2.47	2.11

**MINUTES OF THE SEVENTEENTH SITTING OF THE COMMITTEE
ON COMMUNICATIONS (1993-94)**

The Committee met on Monday, the 20th September, 1993 from 1500 hrs. to 1730 hrs. in Committee Room No. C, Parliament House Annex, New Delhi.

PRESENT

Km. Vimla Verma — Chairperson

MEMBERS

Lok Sabha

2. Shri Shravan Kumar Patel
3. Shri Lacta Umbrey
4. Shri Kodikkunil Suresh
5. Shri Somjibhai Damor
6. Shri Mohan Lal Jhikram
7. Shri Rupchand Pal
8. Shri Satyagopal Misra
9. Shri G.M.C. Balayogi
10. Shri Sanat Kumar Mandal
11. Shri Sultan Salahuddin Owaisi

Rajya Sabha

12. Shri M. A. Baby
13. Shrimati Kailashpati
14. Shri Mohammed Afzal *alias* Meem Afzal
15. Shrimati Sushma Swaraj
16. Shri Brahmdeo Anand Paswan

SECRETARIAT

Shri K.M. Mittal — Deputy Secretary

2. The Chairperson welcomed the representatives of Ministry of Communications (Department of Posts). Thereafter the Committee sought clarifications on the Annual Report 1992-93 of the Department of Posts.

3. A verbatim record of the evidence was kept.

The Committee then adjourned to meet on 29th Sept., 1993 at 1500 hrs. to take further evidence with the representatives of Department of Posts.

MINUTES OF THE EIGHTEENTH SITTING OF THE COMMITTEE
ON COMMUNICATIONS (1993-94)

The Committee met on Wednesday, the 29th September, 1993 from 1500 hrs. to 1800 hrs. in Committee Room 'C', Parliament House Annex, New Delhi.

PRESENT

Kumari Vimla Verma — *Chairperson*

MEMBERS

Lok Sabha

2. Shri R. Jeevarathinam
3. Shri Shravan Kumar Patel
4. Shri Lacta Umbrey
5. Shri N. Dennis
6. Shri Jagmeet Singh Brar
7. Shri Pawan Kumar Bansal
8. Shri B. Devarajan
9. Shri Era Anbarasu
10. Shri Somjibhai Damor
11. Shri Mohan Lal Jhikram
12. Shri Lalit Oraon
13. Shri Lal Krishna Advani
14. Shri Shivsharan Verma
15. Shri Rupchand Pal
16. Shri Satyagopal Misra
17. Shri A. Asokaraj
18. Shri G.M.C. Balayogi
19. Shri Sanat Kumar Mandal

Rajya Sabha

20. Shri Prakash Yashwant Ambedkar
21. Shri M.A. Baby
22. Shrimati Kailashpati

23. Shri Virendra Kataria
24. Shri Mohammed Afzal *alias* Meem Afzal
25. Shri G. Prathapa Reddy
26. Shrimati Sushma Swaraj
27. Shri Brahmado Anand Paswan

SECRETARIAT

Shri K.M. Mittal — *Deputy Secretary*

The Committee further sought clarifications from the representatives of the Department of Posts on Annual Report, 1992-93. The representatives of the Department explained the position in response to the queries made by Hon'ble Members.

A verbatim record of the evidence was kept.

The Committee then adjourned to meet again on 30th September, 1993 at 1100 hrs. to take the evidence of the representatives of Ministry of Information and Broadcasting on All India Radio.

**MINUTES OF THE TWENTY SECOND SITTING OF THE
COMMITTEE ON COMMUNICATIONS (1993-94)**

The Committee met on Tuesday, the 14th December, 1993 from 1500 hrs. to 1700 hrs. in Committee Room No. 50, Parliament House, New Delhi.

PRESENT

Kumari Vimla Verma — Chairperson

MEMBERS

Lok Sabha

2. Shri R. Jeevarathinam
3. Shri Lacta Umbrey
4. Shri N. Dennis
5. Shri Kodikkunil Suresh
6. Shri Era Anbarasu
7. Shri Somjibhai Damor
8. Shri Lalit Oraon
9. Shri Ram Pujan Patel
10. Shri Rupchand Pal
11. Shri Raj Kishore Mahto
12. Shri Sanat Kumar Mandal
13. Shri Chandrajcet Yadav

Rajya Sabha

14. Shrimati Kailashpati
15. Shri Virendra Kataria
16. Shri Brahmdeo Anand Paswan

SECRETARIAT

Shri R.V. Warjri — Director

Shri K.K. Dhawan — Under Secretary

The Committee took up for consideration, the draft report on "Department of Posts, India (Ministry of Communications)—Annual Report, 1992-93" and adopted the same with some additions/modifications as indicated at the Appendix.

2. Thereafter, the Committee authorised the Chairperson to finalise and present/lay the report in both the Houses of Parliament.

The Committee then adjourned.

APPENDIX

Page No.	Para No./Line	Additions/Modifications
15	3.9	<i>Add at the end—</i> "Further, the Department should ensure that some sort of Postal facility is provided to each Gram Panchayat by the turn of this Century."
24	4.23 Line 7	<i>Insert the following after "Franking Machines."</i> "The Department should examine the Potential of future growth of its use and fix the target for each postal circle. The circle officers/staff should be entrusted with responsibility to take appropriate measures to popularise the system and achieve the targets."
	Line 9	<i>For "So is also" read—</i> "The Committee note that"
25	Line 1	<i>After "registered mail"—</i> <i>insert "etc. have also been scarce".</i>
31	5.21 Lines 4-6	<i>Omit the words.</i> "if they give pre-sorted mail delivery office-wise in separate bundles."
32	5.24	<i>Add at the end—</i> "Further the Department should examine the feasibility of covering risk factors involved in delivery of postal valuables and also safety of concerned postal employees through various Insurance Companies such as GIC, LIC, etc."
48	8.11 Line 3	<i>Insert the following after "Income Tax."—</i> "The Committee further feel that Government should examine the commercial sensibility of paying interest on the amount exceeding Rs.50,000/- deposited in a post office Savings Bank account, with or without tax benefits."
56	9.27 Line 2	<i>For "Savings Accounts, that"</i> <i>Read Savings Account. The Committee strongly feel that these funds."</i>

<i>Page No.</i>	<i>Para No./Line</i>	<i>Additions/Modifications</i>
	Line 5	<i>Add at the end — The Committee feel that the Government should give an early thought to this proposal.</i>
61	10.9 Line 5	<i>Add at the end — "at the earliest."</i>