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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2020-21)**

SEVENTEENTH LOK SABHA

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

**[Action Taken by the Government on the Observations/Recommendations
of the Committee contained in their Seventh Report (Seventeenth Lok
Sabha) on 'Demands for Grants (2020-21)']**

TWENTIETH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

February, 2021/Magha, 1942 (Saka)

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**Presented to Lok Sabha on 8-2-2021
Laid in Rajya Sabha on 8-2-2021**



**LOK SABHA SECRETARIAT
NEW DELHI**

February, 2021/Magha, 1942 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY

(2020-21)

Dr. Shashi Tharoor - Chairperson

Lok Sabha

2. Smt. Locket Chatterjee
3. Shri Karti P. Chidambaram
4. Shri Sunny Deol
5. Dr. Nishikant Dubey
6. Smt. Raksha Nikhil Khadse
7. Dr. Sukanta Majumdar
8. Shri Dhairyasheel Sambhajirao Mane
9. Ms. Mahua Moitra
10. Shri P. R. Natarajan
11. Shri Santosh Pandey
12. Shri Nisith Pramanik
13. Col. Rajyavardhan Singh Rathore
14. Dr. Gaddam Ranjith Reddy
- *15. Shri Jayadev Galla
16. Shri Sanjay Seth
17. Shri Chandan Singh
18. Shri L.S. Tejasvi Surya
19. Dr. T. Sumathy (A) Thamizhachi Thangapandian
20. Shri Bhanu Pratap Singh Verma
- #21. Smt. Sumalatha Ambareesh

Rajya Sabha

22. Dr. Anil Agrawal
23. Dr. Subhash Chandra
24. Shri Y. S. Chowdary
25. Shri Shaktisinh Gohil
26. Shri Suresh Gopi
27. Shri Md. Nadimul Haque
28. Shri Syed Nasir Hussain
29. Shri Syed Zafar Islam
30. Dr. Narendra Jadhav
31. Shri Nabam Rebia

Secretariat

- | | | |
|--------------------------|---|-----------------------------|
| 1. Shri Y.M. Kandpal | - | Joint Secretary |
| 2. Shri Shangreiso Zimik | - | Deputy Secretary |
| 3. Smt. Rinku Awasthi | - | Assistant Executive Officer |

*Nominated to the Committee w.e.f. 15.10.2020 *vide* Bulletin Part-II dated 15.10.2020

#Nominated to the Committee w.e.f. 28.12.2020 *vide* Bulletin Part-II dated 28.12.2020

INTRODUCTION

I, the Chairperson, Standing Committee on Information Technology (2020-21), having been authorised by the Committee, present this Twentieth Report on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Seventh Report (Seventeenth Lok Sabha) on 'Demands for Grants (2020-21)' of the Ministry of Communications (Department of Posts).

2. The Seventh Report was presented to Lok Sabha and also laid on the Table of Rajya Sabha on 13th March, 2020. The Department of Posts furnished their Action Taken Notes on the Observations/Recommendations contained in the Report on 16th July, 2020.

3. The Report was considered and adopted by the Committee at their sitting held on 25th November, 2020.

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

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

New Delhi;
4 February, 2021
15 Magha, 1942 (Saka)

DR. SHASHI THAROOR,
Chairperson,
Standing Committee on
Information Technology.

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology deals with action taken by Government on the Observations/Recommendations of the Committee contained in their Seventh Report (Sixteenth Lok Sabha) on 'Demands for Grants (2020-21)' relating to the Ministry of Communications (Department of Posts).

2. The Seventh Report was presented to Lok Sabha on the 13 March, 2020 and also laid in Rajya Sabha, the same day. It contained 14 Observations/Recommendations. Replies of the Government in respect of all the Observations/Recommendations have been received from the Department of Posts and are categorized as under:-

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

Para Nos. 1, 2, 4, 5, 6 and 9

Total : 6
Chapter II

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

Para Nos. 8

Total : 1
Chapter III

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

Para No. 7, 13 and 14

Total : 3
Chapter IV

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

Para No. 3, 10, 11 and 12

Total : 4
Chapter V

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

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

Recommendation (Para No.7)

5. The Committee, in their Original Report, had recommended as under-
“The Committee are perturbed to note that the target set for opening 2000 BOs in 2019-20 in Left Wing Extremist Districts as per the mandate given by Cabinet Committee on Security could not be achieved because Ministry of Finance did not accord permission for creation of posts of Branch Post Masters/Assistant Branch Postmasters required for these BOs. The Committee note that the Ministry of Finance have already been requested for sanction of the requisite posts for opening of 2000 Branch Post Offices in LWE districts but the proposal has not been cleared by them. The Department have been able to open only 231 post offices in LWE districts

against a BE target of 2063 and 2 post offices in the North-East against a BE target of 16 which is lamentable. The target set for LWE areas in BE 2020-21 is 2355 and NE areas is 18. The situation pinpoints to a neglect of the LWE areas and the North Eastern States. The Committee are unable to understand why the Ministry of Finance had not accorded permission for creation of posts relating to the project, mandate of which had already been given by the Cabinet Committee on Securities. This has not only led to a delay in implementing the project for expansion of postal services in LWE areas and North East region which are deprived areas, but also completely set aside the decision of the Cabinet Committee on Security. Considering that both LWE and NER suffer from various disabilities, the Committee desire that opening of 2373 Post Offices in these areas should be implemented at the earliest. Accordingly, the concern of the Committee in this regard may be communicated to the Ministry of Finance so that approval for creation of requisite posts shall be given at the earliest. The Committee also desire that all the Post Offices which are located at disadvantageous locations may be relocated at more suitable locations and adequate care should be taken while opening new Post Offices about the locational advantages for one and all.”

6. In their Action Taken Reply, the Department of Posts have stated as under:
“During the current financial year (2020-21) also, a target for the opening of 2000 Branch Post Offices in LWE affected districts has been kept. In this regard, approval of Ministry of Finance (MoF) for the opening of these Branch Post Offices has been sought. The matter is still pending with MoF. The Hon’ble MoC has taken up the matter with the Hon’ble Minister of Finance on 3.6.2020, demi-officially for expediting the approval of the proposal.”

7. Noting that the target of opening 2000 Post offices during 2019-20 could not be achieved because the Ministry of Finance had not accorded permission for creation of posts for these BOs and the Department had set the target of opening 2355 post offices during 2020-21 in LWE areas and 18 post offices in North East, the Committee had desired that opening of these post offices in LWE and NE areas should be implemented at the earliest. The Committee had also desired that the concern of the Committee may be communicated to the Ministry of Finance so that approval for creation of requisite posts shall be given at the earliest and post offices located at disadvantageous locations may be relocated at more suitable locations. The Committee are, however, concerned to note that the matter regarding approval for creation of posts is still pending with MoF. The Department have now informed the Committee that the Hon'ble Minister of Communications has taken up the matter with the Hon'ble Minister of Finance on 3.6.2020, demi-officially for expediting the approval of the proposal. The Committee are unable to understand why the MoF have still not accorded their permission for creation of posts for opening of 2000 BOs in LWE areas when it has already been approved by the Cabinet Committee on Security. The Committee deserve a reply from the MoF not only for this inordinate delay but also for not honoring the mandate of the CCS. On the recommendation of the Committee for relocation of post offices located at disadvantageous locations to more suitable locations, no reply has been furnished by the Department. The Committee are of the view that Post offices located at disadvantageous locations should be relocated at more suitable locations especially in rural areas. This will not only benefit the common people but will also lead to greater efficiency and better utilization of the resources of the Department. Considering that no headway has been made on the recommendations of the Committee, the Committee desire that the MoF should be asked to expedite the approval of posts for opening of 2000 BOs in LWE areas and also furnish the reasons for the inordinate delay even though the same had been approved by the CCS. The

Committee are of the view that since LWE areas suffer from various challenges, such delay on the part of MoF cannot be easily accepted and the MoF owe an explanation to the Committee for the delay. Sincere efforts must also be made by the Department to identify post offices located at the disadvantageous locations and relocate them at more suitable locations. The Committee expect that the Department will give sincere attention to the recommendations of the Committee.

Recommendation no. 13

Dormant Accounts in Post office savings bank

8. The Committee, in their Original Report, had recommended as under-

“The Committee note that as on 30.09.2019, there are 1.61 crore dormant/inactive Accounts (including Post Office Savings Certificates) in Post Office Savings Bank with a total deposit of Rs. 12037.21 Crore. Out of these, 1.02 crore are matured unclaimed certificates holding a value of Rs. 5475.93 crore. The Committee have been given to understand that the Ministry of Finance which controls these funds has issued Senior Citizen Welfare Fund Rules to utilize the unclaimed amount lying in Banks & Post offices for the welfare of Senior Citizens. All the accounts falling under the prescribed criteria have also been published on India Post website for information of all concerned. The Standard Operating Procedure (SOP) for settlement of such cases and list of such accounts has also been shared with Circles (Post Office wise) and the Circles have also been instructed to advertise in local newspapers for wide publicity. They have also been asked to notify it on office notice boards in Post Offices and to make door to door campaign through Postman, Gramin Dak Sevaks & Small Savings agents. Regular monitoring is being done and a Google spreadsheet has also been shared with the Circles to furnish weekly reports thereon. However, nothing

seems to be farther from the truth as till now, a measly 201 such accounts have been settled for Rs. 55.99 lakh. The figure is abysmally low.

The Committee find it completely unfair and morally wrong on the part of the Department that such a huge number of dormant accounts are still existing. The effort made by the Department is too little too less as mere 0.001 percent of the total number of dormant accounts has been settled so far. The Committee, therefore, recommend that efforts should be made to contact the living account holders and/or their legal heirs/nominees through advertisements/legal notices in newspapers and other means of communications to restore the funds to the rightful owners. The Committee wonder why such huge number of dormant accounts are existing even now and to ensure that this is not repeated again, pre-emptive action needs to be considered at the time of opening any account or issuing such certificates through stringent KYC norms and designation of nominees on a regular basis. In addition, the Committee expect the Department to make some perceptible headway in the matter and would like to be apprised of the progress made in restoring the unclaimed funds to the rightful owners.”

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

“The Department have taken action promptly as per the scheme notified by the Ministry of Finance under the Senior Citizen Welfare Fund Rules for settlement of unclaimed accounts. The details of the unclaimed accounts have been published in detail on the Department’s website-www.indiapost.gov.in. To process and settle these cases, a detailed SOP has already been formulated and shared with the field formations for compliance accordingly. The Circles have been instructed to advertise the

details of the unclaimed accounts through the local newspapers for wide publicity. These have also been notified on the Post Office notice boards. Door to door campaign is also launched through the beat Postman /Gramin Dak Sewaks so that the customers/legal heirs are made aware of the same, enabling them to prefer their claims. Now in view of the instructions contained in Seventh Report of the Committee, we are further accelerating the exercise for wide publicity of the unclaimed accounts amongst the depositors/claimants. The instructions have been reiterated to the Circles, asking them to pursue it vigorously in the field so that maximum number of claims are processed and settled. The monitoring exercise is also being strengthened. As a result of this exercise 417 depositors have been paid their dues till 31.03.2020.”

10. Noting that as on 30.9.2019, there were 1.61 crore dormant/inactive accounts (including post office Savings Certificates) in post offices savings bank with a total deposit of Rs. 12037.21 crore and out of these, 1.02 crore are matured unclaimed certificates holding a value of Rs. 5475.93 crore. The Committee had recommended that efforts should be made by the Department of Posts to restore the funds to rightful owners. The Committee had also recommended to ensure that this is not repeated again and pre-emptive action needs to be considered through stringent KYC norms and designation of nominees on regular basis. From the Action Taken Note furnished by the Department, the Committee note that the Department have taken some initiatives, such as publicizing the details of unclaimed accounts on the Department’s website, instructing the Circles to advertise the details of the unclaimed accounts through the local newspapers for wide publicity, door to

door campaign by Gramin Dak Sewaks, etc. As a result of this exercise, 417 depositors have been paid their dues till 31.3.2020. The Committee are of the view that the above initiatives are too little too late and have failed to achieve a significant result. If the achievements made till 31.3.2020 are of any indication, it appears that the above initiatives of the Department exist principally on paper rather than on the ground. The Committee feel that the task before the Department is huge but not insurmountable. As a Department enjoying public trust and confidence, it should be the bounden duty of the Department to ensure that the task is taken seriously. Failure to do so on the part of the Department will only erode the credibility and public trust enjoyed by the Department. Considering that a huge number of matured unclaimed certificates are still with the Department, the Committee once again reiterate their earlier recommendation that efforts should be made by the Department to restore the funds to the rightful owners or their legal heirs/nominees by all possible means. To ensure that this is not repeated again, stringent KYC norms and regular designation of nominees on a regular basis should be done. The Committee may be kept apprised of all the progress made in this regard.

Recommendation no. 14

Opening of CSCs in post offices

11. The Committee, in their Original Report, had recommended as under-

“The Committee note that a pilot project for launch of Common Service Centres has been started in 100 post offices which is a major strategic decision to eliminate the digital divide gap that exists between the rural and urban areas. The Committee were informed that Postal services, Logistics, Insurance, PAN, Election Card, Ayushman Bharat, State Government citizen centric services and any other services mutually agreed upon by Department and CSC – SPV under MeitY will be offered through Common Service Centres and designated post offices. All other commercial and utility services presently offered by CSCs, which do not have a conflict of interest with the products and services offered by the DoP will also be provided through the Post Offices. Department will establish technology tie ups for delivery of CSC-SPV services in 6100 large post offices by 2023. The Committee are of the view that opening of CSCs in post offices is a welcome initiative. The Committee, however, desire that apart from providing various services and selling above products, effort must be continuously made by the Department to increase the basket of goods and services provided including items like FASTag, etc. The Committee emphatically feel that this initiative will help Department in their overall growth. The Committee further recommend that focus should also be given for extending this initiative to rural and unreached areas and geographically challenged States/UTs with little or no presence of financial institutions.”

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

“CSC Services has been launched in 216 Post Offices as of now. Nearly 100 services including Government to Citizen services such as PAN, Election Card, Ayushman Bharat, Prime Minister Jan Dhan Yojana, Prime Minister Kisan Yojana, etc and also many State Government services will be delivered through the CSC counters of Post offices. In addition to these, Business to

Citizen services such as Utility Bill payments, Insurance Premium collections, IRCTC ticketing, etc will also be delivered from 6100 Post Offices in collaboration with Common Service Centre Special Purpose Vehicle of Ministry of Information & Technology.”

13. The Committee had noted that a pilot project for launch of Common Service Centres has been started in 100 post offices. The Committee had also noted that the Department will establish technology tie ups for delivery of CSC-SPV services in 6100 large post offices by 2023. While welcoming this initiative, the Committee had desired that apart from providing various services, effort must be continuously made by the Department to increase the basket of goods and services including items like FASTag, etc. The Committee had also recommended that focus should also be given for extending this initiative to rural and unreached areas and geographically challenged States/UTs. The Committee, however, note from the Action Taken Note that no substantial headway has been made by the Department in this regard as CSC services have been launched in only 216 Post offices as of now. Going at this rate, the Committee wonder how the Department will be able to achieve delivery of CSC-SPV services in 6100 large post offices by 2023. The Department have also not furnished any reply regarding including an item like FASTag in post offices CSCs. The reply of the Department is also completely silent on the recommendation of the Committee for extending this initiative to rural and unreached areas and geographically challenged States/UTs. The Committee are not satisfied with the reply of the Department and feel that this evasive and delayed reply only strengthens the Committee’s apprehension that no serious efforts have been made by the Department to sincerely implement the above recommendations of the Committee. The Committee would like to know why CSCs services have been launched only in 216 post offices against the target of providing services in 6100 Post Offices by 2023 and the criteria for selection of these post offices. The Committee therefore strongly reiterate their earlier recommendation that items

like FASTag should also be made available through Post Office CSCs and every effort must also be made by the Department to extend this initiative to rural and unreached areas and geographically challenged States/UTs. The Committee urgently await the reply of the Department with regard to the achievement and initiatives taken by the Department on the recommendations of the Committee.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation Sl.No.1

Gross Expenditure

The Department of Posts (DoP) have laid the Demands for Grants (2020-21) in Lok Sabha on 6 February, 2020 for a total amount of Rs. 35187.63 crore consisting of Rs. 34056.42 crore under Revenue and Rs. 1131.21 crore under Capital. An analysis of the budgetary allocation during 2019-20 indicates that under Gross Expenditure, an amount of Rs. 30412 crore had been set at BE which was increased to Rs. 31715.88 crore at RE and the actual upto December 2019 was Rs. 22878.45 crore. Under Capital section during the same period, an amount of Rs. 947.74 crore had been allocated at BE which was decreased to Rs. 742.98 crore and the actual utilization made upto December 2019 was Rs. 532.30 crore only. The Committee note that the gross expenditure of the Department has been gradually increasing over the years. The Gross expenditure during 2016-17 was Rs. 24211.85 crore which increased to Rs. 26018.84 crore in 2017-18 and to Rs. 27994.35 crore during 2018-19. The Committee note that salaries and pensions are the two major components and constitute more than 90 per cent of the gross expenditure. The Department have stated that it is not feasible for them to cut down the operational expenses due to increasing cost on one hand and obligation to provide Universal Postal Services to the citizens at affordable costs throughout the country on the other hand. The Committee have been informed that the Department are able to restrict operational expenditure below 9 percent over several financial years in spite of increase in cost of oil, petrol, diesel, operational expenses of Mail Conveyance, annual maintenance contract on implementation of IT induction etc. and the Department are vigorously using IT enabled services to optimize the operational costs.

The Committee are of the view that the mounting gross expenditure of the Department is a cause for concern as it may not be practical for the Government to continue to bear the growing expenditure of the Department through budgetary support. It is high time that the Department should re-invent themselves by taking into consideration the changes taking place in the country and by studying various international experiences. The Committee desire that the Department while functioning as a Government Department should also try to emerge as an efficient organization by applying some of the best business practices in its functioning. The Committee hope that the Department would look forward to enhance the overall operational efficiency as a service provider and help rationalize gross expenditure.

Reply of the Government

1. Continuous efforts are being made to improve the efficiency of service delivery in post offices especially in Rural areas. 1,29,076 Branch post offices which are located in Rural and remote areas have been provided with Sim based hand held devices under Digital Advancement of Rural Post offices for a New India (DARPAN) project which enable these post offices to carry out online postal and financial activities including Banking and insurance transactions.
2. Parcel Network Optimization Project has been undertaken by Department of Post to become deliverer of benefits of e commerce to common men and bring rural India to e commerce mainstream by providing physical connectivity up to the last mile. Revised processes to optimize work flow & parcel handling capacity have been put in place. Mechanized delivery of parcels has been started through Nodal Delivery Centres.
3. Efforts are being made to increase the Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) premium income achievement by way of (i) revamping of sales and marketing structure, (ii) skill development and training of sales force, (iii)

ensuring timely payment of incentive and (iv) simplification of process and improving after sales services to enhance the operational efficiency.

4. The following action has been taken in mail related activities to enhance the overall operational efficiency as a service provider: -

(a) In order to improve the tracking of unregistered bags, Department has introduced mandatory scanning for unregistered mail bags by putting bar-coded labels on each bag.

(b) Department has introduced electronic clearance of letter boxes through the Nanyatha software during the year 2015. The members of public can also track the status of letter box clearance by logging on to the web tool (<http://apost.in/nanyatha/>). The e-clearance of Letter Boxes has been expanded in all the 23 Circle covering 2,347 cities/towns across the country and covering 27,981 letter boxes.

(c) In order to provide real time up-dation of delivery information of various postal products, like Speed Post, Registered Letters/Parcels, Electronic Money Orders and Cash on Delivery (COD) articles, Department has introduced delivery of accountable postal articles through a mobile based delivery application known as Postman Mobile Application (PMA).

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl.No.2

Revenue Receipts

The Committee note that the revenue receipts of the Department for the past years is encouraging and shows that the Department have been able to sustain growth in revenue receipts every year. The corresponding revenue receipts have increased from Rs. 11511 crore in 2016-17 to Rs. 12832.06 crore in 2017-18 and Rs. 13195.68 crore in 2018-19. The figure for the year 2019-20 as on

December, 2019 stands at Rs. 9003.82 crore which, the Committee hope would reach a respectable high at the end of the financial year. The Committee appreciate the efforts of the Department to increase revenue by taking various measures like increasing the number of transactions and revenue of POPSKs, Passenger Reservation System, opening of more Saving bank accounts, premium services like Speed Post, Business Parcel, Logistics Post, providing Digital Life Certificate, etc. The Committee are however concerned to note that the increase in revenue has not been able to contain the burgeoning deficit. During 2017-18, the revenue deficit of the Department was Rs. 12416.53 crore which was increased to Rs. 13977.38 crore during 2018-19. The revenue deficit upto December, 2019 for the year 2019-20 stands at Rs. 13326.09 crore. During 2020-21, Revenue Deficit at BE is Rs. 14394.17 crore. From the above, it is clear that the increasing revenue receipts of the Department have not been able to offset the increasing Gross Expenditure resulting in mounting revenue deficit over the years.

While the Committee do recognize the constraints faced by the Department in curtailing the operational expenditure of such a vast postal network, they are of the considered view that the Department should look for opportunities for growing business and increasing efficiency so as to realize increased revenue and bridge the revenue deficit. The Committee note that Post Offices are being developed as One Stop Shop to provide a range of utility services to the customers providing convenience and affordability at their door steps. India Post are leveraging the vast network of Post Offices across the country by providing services under Retail Post which include collection of electricity bills, telephone bills, taxes and fees, railway reservation tickets. The Committee are of the view that the above initiatives are steps in the right direction. The Committee desire that the Department should give emphasis to delivery of prompt and efficient Citizen-centric services so as to attract more customers. Considering the grotesque revenue deficit of the Department, the Committee are of the view that out of the

box solution must be explored by the Department to achieve increase in revenue receipts in the coming years.

Reply of the Government

Department of Post has taken various measures to increase the revenue receipts of the Department. Drives were launched to open a maximum number of new accounts in the Post Office Savings Bank Schemes so as to garner more and more revenue to the Department and we succeeded in adding 3.88 cr. new accounts during the financial year 2019-20. For SukanayaSamridhi Accounts, dedicated campaigns namely "Balika Shakti Campaign " and "MahilaDiwas Campaign " were relaunched and pursued vigorously to add maximum number of new Sukanya Samridhi Accounts. As a result of this exercise, we were able to add 28.58 lakh new Sukanya Samriddhi Accounts during the Financial Year 2019-20, thereby raising the total cumulative number of such accounts to 1.71 crore as on 31.03.2020.

Further, we have resorted to Core Banking Solution in Post Office Savings Bank and also introduced intra-operable Internet Banking and Mobile Banking, thereby enabling 'anytime anywhere' banking, so as to considerably reduce the cost and increase the revenue.

2. 5th Anniversary of 'Digital India' was celebrated by opening of India Post Payments Bank Accounts promoting Digital & Cashless Economy and also Digital Literacy. Camps were organized for IPPB and Aadhaar Enabled Payment System (AEPS) facility in remote areas to promote Digital Banking at last miles.

3. Department of Posts has leveraged its vast network of Post Offices to promote Citizen Centric Services such as Aadhaar Facility in the Post Offices, Post Office Passport Seva Kendras (POPSKs), India Post Passenger reservation system (IP-PRS) which has not only enhanced the social relevance of the Department but also led to increase in revenue.

4. Efforts are being made to augment revenue through efforts such as the tie-up with Common Service Centre-Special Purpose Vehicle (CSC-SPV) for delivery of

Citizen Centric Services through Post Offices. Jeevan Pramaan Centres are functioning in 811 Head Post Offices across the country. Guidelines have also been issued for facilitating Senior Citizens and divyangjans in Post Offices through dedicated counters for service delivery.

5. To increase the market share of Parcels, Parcels Processing infrastructure has been strengthened through Parcel Network Optimization Project by setting up of Standard Parcel Hubs, Nodal Delivery Centres, and introduction of Road Transport Network etc.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. no. 4

Capital Section

The Committee note that during 2019-20, an amount of Rs. 947.74 crore had been allocated at BE which was reduced to Rs. 742.98 crore at RE and actual utilization made till December, 2019 was Rs. 532.30 crore. The under utilization of funds has been largely attributed to non receipt of bills for IT infrastructure and services from the service vendors concerned. The Department have stated that the IT capital outlay will be completely paid and capital expenditure incurred by end of March 2020. For the year 2020-21, the Committee observe difference between the amount proposed and the amount allocated at BE. It is noted that for the year 2020-21, against an amount of Rs 1450.54 crore sought by the Department, they have been allocated Rs 1131.21 crore at BE. The Department have informed that the amount is likely to be completely utilized by end of March, 2021 by payment of bills received for IT infrastructure services, upgradation of Parcel and Mail Offices, maintenance and upgradation of Postal Buildings, etc. during the current financial year and by capital infusion in India Post Payments Bank for its growth and operations.

The Committee recommend that the Department may take up the matter to increase its capital outlay by representing at the highest levels in Ministry of Finance and Department of Expenditure. The Department must also firm up their planning process for optimal utilization of allocated funds and inform the Committee about the progress made in this regard.

Reply of the Government

1. It is to state that Capital funds amounting to Rs. 1592.33 Crore have already been allocated by Ministry of Finance for the FY 2020-21. Further it is to mention that regular Review Meetings and VC's with Circles are being conducted to ensure optimal utilization of allocated funds.

In the FY 2019-20 funds to the tune of Rs. 835.29 Crore was utilized against the reduced RE of Rs. 883.07 Crore.

2. Department of expenditure, Ministry of finance has issued Cash management guidelines vide O.M. No. 12(13)-B(W&M)/2020 dated 8 April 2020 restricting the Expenditure to 20% of BE 2020-21. During the period from April to June 2020 Department has been able to utilize an amount of Rs. 304.55 Crore which is around the 20% Ceiling of the total BE.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. no. 5

Overall status of implementation of Schemes

The Committee note that the Department of Posts are presently implementing four Central Schemes viz. Postal Operations, Human Resource Management,

Estate Management and India Post Payments Bank. During 2019-20, an amount of Rs. 1205.63 Crore had been allocated at BE which was reduced to Rs. 883.07 Crore and actual utilization till December, 2019 was Rs. 648.99 crore only. The Committee note that there have been massive reduction of funds from BE to RE in all schemes during 2019-20 except in India Post Payment Bank. The Committee hope that the Department will at least be able to completely utilize the funds allocated at RE for implementation of various Schemes by the end of the current financial year. For the year 2020-21, the Committee note that against the proposed amount of Rs. 2211.51 crore, an amount of Rs. 1592.23 crore only has been allocated at BE. The Committee have been informed that advance planning and activity approvals have been designed to efficiently utilise the funds in time.

The Committee are of the view that the status of modernization in the Department of Posts is still very low and this is affecting their overall performance. There is an urgent need for the Department to implement the plan Schemes proactively so as to meet the rising consumer expectations, achieve greater productivity, greater accountability and transparency. To achieve these goals, the Committee feel that the progress of implementation of various Schemes of the Department of Posts be expedited and therefore reduction of funds from BE to RE is truly undesirable and unwarranted. It is the utmost desire of the Committee that such reduction of funds from BE to RE should not be allowed to be repeated during 2020-21 and funds allocated at BE during 2020-21 is fully utilized.

Reply of the Government

Steps are being taken by Department of Post to expedite the expenditure so that there is no reduction of funds from BE to RE stage this year. The expenditure is being done in accordance with the expenditure ceiling for 1st Quarter and 2nd Quarter imposed by Ministry of Finance. An amount of Rs. 304.55 Crore has been utilized in the first quarter as per the cash management guidelines of Ministry of Finance.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. No. 6

Postal Operations

The Committee note that Postal Operations is an umbrella Central Scheme of the Department of Posts and has 8 sub schemes, such as Rural Business and Access to Postal Network, Mail Operations, Postal Life Insurance Operations and Promotion, IT Induction and Modernisation, Business Promotion, Marketing Research and Product Development, Philately Operations and Quality of Services. During 2019-20, an amount of Rs. 773.47 crore had been allocated at BE which was reduced to Rs. 497.61 crore at RE. Actual utilization till December, 2019 has been Rs. 290.86 crore only. The Department have stated that the reduction of funds has been partly due to general cut in Scheme funds of the Department and partly due to slow utilization of fund in the initial 4 months of the financial year due to Vote on Account issues. For the year 2020-21, against the proposed amount of Rs. 1994.08 crore, an amount of Rs. 1204.53 crore has been allocated at BE mainly for IT projects and applications, upgradation of capacities and infrastructure for handling of domestic and international Parcels, e-Commerce etc.

The Committee note that Postal Operations is the biggest Scheme being implemented by the Department. Out of an amount of Rs. 1592.23 crore allocated for implementing various Schemes during 2020-21, an amount of Rs. 1204.53 crore, i.e. 75.65 percent of the allocation is for Postal Operations. Since most of the important Schemes of the Department such as IT Induction and Modernisation, Post Office Saving Bank Operations, Postal Life Insurance Operations and Promotion etc, are a part of Postal Operations, the Committee desire that the Department should give proper attention and implement the

scheme seriously. The Committee, therefore, recommend the Department to ensure that poor utilization of funds during the initial four months which leads to reduction at RE allocation should not be repeated during 2020-21.

Reply of the Government

Steps are being taken by Department of Post to expedite the expenditure in postal operations, so that there is no reduction of funds from BE to RE stage this year. The expenditure is being done in accordance with the expenditure ceiling for 1st Quarter & 2nd Quarter imposed by Ministry of Finance. Regular Monitoring is being done to ensure that complete 20% funds are utilized in the first quarter.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. No. 9

IT Induction and Modernisation

The Department have informed the Committee that the IT Modernisation project is being undertaken with a total outlay of Rs. 4909 crore. The Project, inter alia, involves computerization, modernization and networking of approximately 1,55,000 Post offices in the country, Central server based integrated, modular and scalable solution for all the operations of the Department, including Mails, Human Resource, Banking, Insurance and Finance and accounts, etc. An analysis of utilization of funds indicates that during 2019-20, an amount of Rs 507.9 crore had been allocated at BE, but this was reduced to Rs. 426.81 crore at RE and actual utilization made till January 2020 was only Rs. 278.02 crore. The Committee have been informed that no additional funds have been received at RE for Network Integrator project, financial Services Integrator project and Digital Advancement

for Rural Post office for a new India. For the year 2020-21, against the proposed amount of Rs. 1312.14 crore, an amount of Rs. 784.43 crore has been allocated at BE. The Committee note that for support of IT projects, the matter has been escalated to the Department of Expenditure and meetings have been held with them by the Department of Posts.

The Committee are of the view that IT modernization has become a vital and integral part of every business plan of any Department or organization. Department of Posts with its vast network and multifarious services, the importance of IT Induction and Modernisation can hardly be overemphasized. In order to provide the best customer services and improve operational efficiencies, the Committee desire that the Department must ensure proper utilization under this Scheme and complete all IT Induction and Modernisation projects at the earliest. The Committee would like the Department to ensure that reduction at RE should best be avoided by speeding up the project implementation from the beginning.

Reply of the Government

For providing best customer services and improve operational efficiencies, we will ensure proper utilization under this Scheme. This is to add that all the silos of the IT Modernisation project have either been completed like Change Management, Mail Operations Hardware or implementation have been completed and is under Operations and Maintenance phase. Necessary action is being taken to utilize maximum funds under the head so as to avoid reduction at RE.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

CHAPTER III

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

Recommendation Sl. no. 8

Universal Service Levy for providing Postal services

The Committee note that various Universal Service Obligation Fund (USOF) Schemes are being implemented by the Department of Telecommunications for expansion of telecom services in rural areas. Funds for implementation of these Schemes are made available from the collections of Universal Service Levy for all the Telecom Service Providers. The Committee note that the Department of Posts have a Universal Service Obligation (USO) to provide mail services at the doorsteps of the citizens irrespective of geography, income level or any other consideration. Couriers and private postal service providers are free to choose their target demography and geographies making it easier to make profit. The Department have informed the Committee that the idea of levying Universal Access Levy has merit for ensuring equitable development of postal sector across the country.

However, this needs to be examined at greater depth to understand the implications of such a levy.

Considering the importance of taking different services to the doorsteps of the people living in rural and geographically isolated areas and prohibitive costs, the Committee impress upon the Department to explore the idea of UAL to ensure adequate funds for providing postal services to rural and uncovered villages.

Reply of the Government

Department of Post has examined the matter. The Indian Post Office Act does not regulate private courier Industry in India. There is no provision for levying Universal Access Levy for Universal Service Obligation in IPO Act,1898 and hence there is no legal basis at present for levying UAL. Private players of the courier industry do not require any licence from any authority as they only require a registration from Ministry of Corporate Affairs. It is therefore stated that Universal Access Levy and consequent USOF are not possible in the context of Department of Posts as they exist in Department of Telecommunications.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

CHAPTER IV

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

Recommendation Sl. No. 7

Opening of BOs in high priority areas including LWE districts

The Committee are perturbed to note that the target set for opening 2000 BOs in 2019-20 in Left Wing Extremist Districts as per the mandate given by Cabinet Committee on Security could not be achieved because Ministry of Finance did not accord permission for creation of posts of Branch Post Masters/Assistant Branch Postmasters required for these BOs. The Committee note that the Ministry of Finance have already been requested for sanction of the requisite posts for opening of 2000 Branch Post Offices in LWE districts but the proposal has not been cleared by them. The Department have been able to open only 231 post offices in LWE districts against a BE target of 2063 and 2 post offices in the North-East against a BE target of 16 which is lamentable. The target set for LWE areas in BE 2020-21 is 2355 and NE areas is 18. The situation pinpoints to a neglect of the LWE areas and the North Eastern States.

The Committee are unable to understand why the Ministry of Finance had not accorded permission for creation of posts relating to the project, mandate of which had already been given by the Cabinet Committee on Securities. This has not only led to a delay in implementing the project for expansion of postal services in LWE areas and North East region which are deprived areas, but also completely set aside the decision of the Cabinet Committee on Security. Considering that both LWE and NER suffer from various disabilities, the Committee desire that opening of 2373 Post Offices in these areas should be implemented at the earliest. Accordingly, the concern of the Committee in this regard may be communicated to

the Ministry of Finance so that approval for creation of requisite posts shall be given at the earliest.

The Committee also desire that all the Post Offices which are located at disadvantageous locations may be relocated at more suitable locations and adequate care should be taken while opening new Post Offices about the locational advantages for one and all.

Reply of the Government

During the current financial year (2020-21) also, a target for the opening of 2000 Branch Post Offices in LWE affected districts has been kept. In this regard, approval of Ministry of Finance (MoF) for the opening of these Branch Post Offices has been sought. The matter is still pending with MoF. The Hon'ble MOC has taken up the matter with the Hon'ble Minister of Finance on 3.6.2020, demi-officially for expediting the approval of the proposal.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Comments of the Committee (Please see Para no. 7 of Chapter I)

Recommendation Sl. No. 13

Dormant Accounts in Post office savings bank

The Committee note that as on 30.09.2019, there are 1.61 crore dormant/inactive Accounts (including Post Office Savings Certificates) in Post Office Savings Bank with a total deposit of Rs. 12037.21 Crore. Out of these, 1.02 crore are matured unclaimed certificates holding a value of Rs. 5475.93 crore. The Committee have been given to understand that the Ministry of Finance which control these funds have issued Senior Citizen Welfare Fund Rules to utilize the unclaimed amount

lying in Banks & Post offices for the welfare of Senior Citizens. All the accounts falling under the prescribed criteria have also been published on India Post website for information of all concerned. The Standard Operating Procedure (SOP) for settlement of such cases and list of such accounts has also been shared with Circles (Post Office wise) and the Circles have also been instructed to advertise in local newspapers for wide publicity. They have also been asked to notify it on office notice boards in Post Offices and to make door to door campaign through Postman, Gramin Dak Sevaks & Small Savings agents. Regular monitoring is being done and a Google spreadsheet has also been shared with the Circles to furnish weekly reports thereon. However, nothing seems to be farther from the truth as till now, a measly 201 such accounts have been settled for Rs 55.99 lakh. The figure is abysmally low.

The Committee find it completely unfair and morally wrong on the part of the Department that such a huge number of dormant accounts are still existing. The effort made by the Department is too little too less as mere 0.001 percent of the total number of dormant accounts has been settled so far. The Committee, therefore, recommend that efforts should be made to contact the living account holders and/or their legal heirs/nominees through advertisements/legal notices in newspapers and other means of communications to restore the funds to the rightful owners. The Committee wonder why such huge number of dormant accounts are existing even now and to ensure that this is not repeated again, pre-emptive action needs to be considered at the time of opening any account or issuing such certificates through stringent KYC norms and designation of nominees on a regular basis. In addition, the Committee expect the Department to make some perceptible headway in the matter and would like to be apprised of the progress made in restoring the unclaimed funds to the rightful owners.

Reply of the Government

The Department has taken action promptly as per the scheme notified by the Ministry of Finance under the Senior Citizen Welfare Fund Rules for settlement of unclaimed accounts. The details of the unclaimed accounts have been published in detail on the Department's website-www.indiapost.gov.in. To process and settle these cases, a detailed SOP has already been formulated and shared with the field formations for compliance accordingly. The Circles have been instructed to advertise the details of the unclaimed accounts through the local newspapers for wide publicity. These have also been notified on the Post Office notice boards. Door to door campaign is also launched through the beat Postman /GraminDakSewaks so that the customers/legal heirs are made aware of the same, enabling them to prefer their claims.

Now in view of the instructions contained in Seventh Report of the Committee, we are further accelerating the exercise for wide publicity of the unclaimed accounts amongst the depositors/claimants. The instructions have been reiterated to the Circles, asking them to pursue it vigorously in the field so that maximum number of claims are processed and settled. The monitoring exercise is also being strengthened. As a result of this exercise 417 depositors have been paid their dues till 31.03.2020.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

**Comments of the Committee
(Please see Para no. 10 of Chapter I)**

Recommendation Sl. No. 14

Opening of CSCs in post offices

The Committee note that a pilot project for launch of Common Service Centres has been started in 100 post offices which is a major strategic decision to eliminate the digital divide gap that exists between the rural and urban areas. The Committee were informed that Postal services, Logistics, Insurance, PAN, Election Card,

Ayushman Bharat, State Government citizen centric services and any other services mutually agreed upon by Department and CSC – SPV under MeitY will be offered through Common Service Centres and designated post offices. All other commercial and utility services presently offered by CSCs, which do not have a conflict of interest with the products and services offered by the DoP will also be provided through the Post Offices. Department will establish technology tie ups for delivery of CSC-SPV services in 6100 large post offices by 2023. The Committee are of the view that opening of CSCs in post offices is a welcome initiative. The Committee, however, desire that apart from providing various services and selling above products, effort must be continuously made by the Department to increase the basket of goods and services provided including items like FASTag, etc. The Committee emphatically feel that this initiative will help Department in their overall growth. The Committee further recommend that focus should also be given for extending this initiative to rural and unreached areas and geographically challenged States/UTs with little or no presence of financial institutions.

Reply of the Government

CSC Services has been launched in 216 Post Offices as of now. Nearly 100 services including Government to Citizen services such as PAN, Election Card, Ayushman Bharat, Prime Minister Jan Dhan Yojana, Prime Minister Kisan Yojana, etc and also many State Government services will be delivered through the CSC counters of Post offices. In addition to these, Business to Citizen services such as Utility Bill payments, Insurance Premium collections, IRCTC ticketing, etc will also be delivered from 6100 Post Offices in collaboration with Common Service Centre Special Purpose Vehicle of Ministry of Information & Technology.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Comments of the Committee (Please see Para no. 13 of Chapter I)

CHAPTER V

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

Recommendation Sl. No. 3

Recoveries

The Committee note that the Department are earning revenues in the form of Recoveries. Recoveries is the revenue earned by the Department from rendering various services like collection of Custom Duty, Commission on payment of pension to Railway, Commission on disbursement of pension of DOT/ BSNL/ MTNL, share of spread margin received from Western Union Money Transfer, remuneration to the Dept. of Posts for Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) etc. The Committee note that the Department had earned an amount of Rs. 770.25 crore in 2017-18, Rs. 821.29 crore in 2018-19 and Rs. 548.54 crore upto December, 2019 in 2019-20. The recoveries during the fiscal year 2020-21 are estimated at Rs. 953.00 Crore which would be an increase of 11.16% over the BE 2019-20. The Committee have also been informed that an amount of Rs. 377.04 crores are pending as dues with different Central Govt Departments/Organisations out of which 310 crores (approx.) is owed by BSNL and MTNL as rent. This is despite meetings at senior level. The remaining outstanding dues are towards dispensary charges / telegram handling charges /commission on disbursement of Pension through Post Offices from DOT/BSNL/ EPFO/CMPF/Railways pending in the various circles for different periods.

The Committee are concerned to note that such a huge amount is still due from BSNL and MTNL. The Committee would like to know the reasons for this. It certainly reflects on the mismanagement of funds on the part of BSNL and MTNL that they have owed the unpaid dues to such a huge amount. The Committee desire that all the pending dues must be cleared without any further delay. The

concern of the Committee in this regard may be communicated to the Department of Telecommunications and all efforts may be made to recover the amount from them. The Committee further recommend that the Department should also make further efforts to include more Government Departments/ Organisations so that revenue earning through Recovery will increase.

Reply of the Government

The concern of the Committee with regard to non-payment of outstanding dues on account of rent from BSNL and MTNL has been communicated to the Department of Telecommunications, with the request to pay the pending dues without further delay, *vide* Department of Posts' DO No. BU-19/1/2020-Building dated 05.06.2020 (Annexure-I).(Department of Posts O.M. No BU-19/1/2020-Building dated 09/06/20)
(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. No. 10

Issues of internet connectivity in IT Induction and Modernisation

The Committee note that the nagging problem of internet connectivity has hit post office operations adversely. The Department has stated that there are three types of network connectivity mainly used by post offices viz. MPLS/ Wireless, VPN Broadband and Dongle. Each location has two service providers i.e. Primary NSP and Secondary NSP. The locations shift to Secondary Network connectivity as and when Primary Network Connectivity is down/not working. The Department of Posts has a full-fledged Network Monitoring System (NMS) and Service Desk to address problems of connectivity. The Committee note that the Department monitor performance of the links through Service Level Agreement (SLA) and penalty is charged wherever there is a failure to achieve the required SLA and the

Network Integrator is fully responsible for providing links according to the agreed bandwidth. Alternatives in certain locations wherein network is technically not feasible include NOFN (Bharat Net), V-SAT and FTTH Solutions. The Committee recognize that the various services of the Department including financial services will be seriously affected in the absence of a dependable supply of internet connectivity. The Committee recommend that instead of fire-fighting by taking penal action against the Service Provider(s), the Department should move to pre-emptive action and migrate to reliable service providers for uninterrupted supply. The Committee would like to be informed about the criteria for granting the tenders to the primary and secondary NSPs along with the bandwidth supplied and details of the penalties levied on the existing providers. To overcome the nagging problem of internet connectivity, the Committee desire that provisioning of internet connectivity should not be limited to two service providers only. The Committee also recommend that effort should also be made by the Department to increasingly utilize the network created under BharatNet.

Reply of the Government

Under the Network Integration (NI) silo of the IT Project, all the Offices were covered under single Wide Area Network (WAN). Accordingly, the contract was signed between Department of Post and Sify Technologies Limited as Network Integrator (NI). NI conducted the feasibility study for the type of connectivity by the primary & secondary bandwidth service providers in each location.

There was no separate criteria for granting the tenders to the primary and secondary NSPs. Bids were invited for the NI project as a whole.

The bandwidth provided in different circles was 256 kbps and above. It is pertinent to mention that with TRAI Guidelines that minimum bandwidth should be of 512 kbps, hence the 256 kbps locations have been upgraded likewise.

According to the Service Level Agreement finalized by DoP and NI, the department applies following penalties on NSPs for default in stated uptime commitment:

Uptime	Penalty in % of monthly NSP payment
C (Committed) or Higher uptime	0
C minus up to 1%	5
C (minus) 1% to 2%	10
C (minus) 2% to 5%	20
C (minus) 5% to 10%	50
C (minus) More than 10%	100

And the committed uptime is class wise for both the existing NSPs are as under:

Class of Offices	Committed uptime for NSP1 (%)	Committed uptime for NSP2 (%)
A+	93.5	99.5
A	92	99
B	91	98
C	90	97
D	89	96
E	88	95

There are some Technically Not Feasible (TNF) locations across the Country. Department has made an effort to make the site feasible not only with Bharat Net but also with different alternative options available to make the site feasible.

Postal circles have submitted the proposals to connect the TNF by using different alternatives like NOFN/FTTH/OFC etc. After the approval of Project Steering Committee and due procedure, funds have been allotted to the different Circles.

To overcome the nagging problem of internet connectivity, the Department is working on the option of multiple service providers.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. No. 11

Estates Management

The Committee note that the objective of the Estates Management Scheme is to fulfill Universal Service Obligation for providing suitable infrastructure for easy access to postal services. The Scheme also includes construction of toilets, installation of Roof Top Solar Power Packs and Rain Water Harvesting structures and providing ramps and rails under the Sugamya Bharat Abhiyan. The BE for the year 2019-20 was Rs. 62.7 crore which was further reduced to Rs. 40 crore in RE 2019-20 and the actual utilization was Rs. 17.63 crore till December, 2019. Some of the reasons cited by the Department for poor utilization are inadequacy of staff, administrative delays, cancellation of tenders, non-settlement of litigation process/court cases pertaining to the land owned by the Department, etc. The Committee have noted poor performance under activities like construction and renovation of postal buildings, construction of ramps for disabled, construction of ladies toilets, etc. Another issue which has come to the notice of the Committee is the issue relating to cadre control and existence of huge vacancies. The Committee have been informed that civil and electrical wing come under Department of Telecommunications. For the year 2020-21, against the proposed amount of Rs. 150 crore, an amount of Rs. 120.50 crore has been allocated at BE. To speed up, the Circles have been instructed to have the administrative approvals of the

projects before the start of the financial year 2020-21 so that once the fund is allocated at the beginning of the financial year, preliminary estimate can be prepared, expenditure sanctions can be issued and tender can be floated timely, resulting in availability of sufficient time for construction/maintenance activities. The Circles have been advised to personally monitor the court cases and resolve the pending issues as early as possible.

The Committee are of the view that many of the Post Office buildings are in dilapidated condition and call for urgent renovation and construction of new buildings. Also, to increase the look and image of Post Offices, renovation of the Post Offices needs to be carried out at the earliest. Considering that numerous difficulties are being faced by the Department due to posting of inadequate officers/staff relating to civil and electrical wing which has hampered progress of project implementation, the Committee further desire that the Department should take up the matter with Department of Telecommunications for posting of adequate officers/staff and the officers/staff should be brought under the administrative control of Department of Posts.

Reply of the Government

Under the Estates Management Scheme, during the financial year 2019-20, the following 8 new Post Offices buildings have been constructed:

S. No.	Name of Post Office constructed	Postal Circle
1	Post Office at Machilipatnam	Andhra Pradesh
2	Post Office at Subramanyapura	Karnataka
3	Post Office at Vengara	Kerala
4	Post Office at Alirajpur	Madhya Pradesh
5	Post Office at Sanganur	Tamil Nadu
6	Post Office at Mandaveli PO	

7	Post Office at Karanda, Ghazipur	Uttar Pradesh
8	Post Office at Aliganj Extension, Lucknow	

Besides this, renovation work of 49 Postal Buildings and preservation work of 11 Heritage Buildings have been completed. 41 Rooftop Solar Power Packs, 35 Rain Water Harvesting Structures, 31 Ramps/Rails have been constructed.

For the financial year 2020-21, there is a target of construction of 09 new Post Offices and 50 new small Post Offices and renovation of 20 old post office buildings, for which sufficient funds have been allotted to the respective postal circles.

Regarding inadequate number of officers/staff in Postal Civil Wing, the recommendation of the Committee has been communicated to Department of Telecommunication with the request to post, adequate officers/staff in Department of Posts, and they would work under the administrative control of the Department of Posts itself, *vide* Department of Posts DO No. BU-19/1/2020-Building dated 05.06.2020 (Annexure-II). (Department of Posts O.M. No BU-19/1/2020-Building dated 09/06/20)
(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

Recommendation Sl. No. 12

India Post Payments Bank (IPPB)

The Committee note that there are 18000+ Post offices including many Village Level Branch Post offices which are not rolled out with IPPB services due to no Network Connectivity and have been identified as Technically Not Feasible (TNF). IPPB is using the backbone Network Infrastructure of Department of Posts for providing banking services. In TNF locations, service providers have expressed inability to provide network connectivity due to non-viability of infrastructure. Many of these TNF locations are in the North East, geographically remote islands such as Lakshadweep Islands and Andaman & Nicobar Islands or in mountainous

terrain such as Jammu & Kashmir and Ladakh. The share of TNF locations is a sizeable 11.5 percent of the 1,56,600 post offices in the country.

It is unfortunate to note that more than 18000 + post offices mainly located in NER, geographically remote islands such as Lakshadweep Islands and Andaman & Nicobar Islands or in mountainous terrain such as Jammu & Kashmir and Ladakh are still classified as Technically Not Feasible. It clearly reflects the digital divide and existing imbalances in the country. The Committee are also of the view that due to remoteness of these areas, there will be near absence of any financial institutions in these areas. The Committee desire the Department to walk an extra mile to ensure that the much needed financial inclusion endeavour of the Department is also made available to them. In this regard, the Committee recommend that the Department should work in tandem with the Department of Telecommunications for providing connectivity in these areas. The Committee are of the view that the goal of Digital India will remain incomplete as long as different services of the Government are not brought at their doorsteps. Any locations which are not feasible for providing connectivity may be connected on alternate media like satellites and other means of communication. The Committee would like to be apprised of the progress made in this regard.

Reply of the Government

About 18000 post offices are currently not technically feasible. Appropriate actions have been initiated at Department level to enable the remaining post offices in a time bound manner. Various options are being explored to bring these Post offices on CBS Network. Once these Post Offices are connected to the CBS Network of Department of Posts, process would be initiated to enable them as IPPB access points.

(Department of Posts's O.M. No.28-5/2019/BGT(PA)/Pt. dated 16-7-20)

New Delhi;
4 February, 2021
15 Magha, 1942 (Saka)

DR. SHASHI THAROOR,
Chairperson,
Standing Committee on
Information Technology.

**MINUTES OF THE SEVENTH SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2020-21) HELD ON 25TH NOVEMBER 2020**

The Committee sat on Wednesday, the 25th November, 2020 from 1600 hours to 1812 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Dr. Shashi Tharoor – Chairperson

MEMBERS

Lok Sabha

2. Shri Karti P. Chidambaram
3. Dr. Nishikant Dubey
4. Ms. Mahua Moitra
5. Col. Rajyavardhan Singh Rathore
6. Shri Jayadev Galla
7. Shri Sanjay Seth
8. Shri Bhanu Pratap Singh Verma

Rajya Sabha

9. Dr. Anil Agrawal
10. Shri Md. Nadimul Haque
11. Shri Syed Nasir Hussain

SECRETARIAT

- | | | | |
|----|-----------------------|---|---------------------|
| 1. | Dr. Sagarika Dash | - | Additional Director |
| 2. | Smt. Geeta Parmar | - | Additional Director |
| 3. | Shri Shangreiso Zimik | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt four Draft Action Taken Reports on Demands for Grants (2020-21)).....xxxxx.....xxxxx.....

3. The Committee took up the following draft Reports for consideration:

- (i)xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....;
- (ii)xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....;
- (iii) ...xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx; and
- (iv) Draft Action Taken Report on Demands for Grants (2020-21) of Ministry of Communications (Department of Posts)

4. After due deliberations, the Committee adopted the Reports at (i) and (ii) with slight modifications and Reports at (iii) and (iv) without any modifications. The Committee, then, authorized the Chairperson to finalize the Draft Reports and present the same to the House during the next session of Parliament.

5.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

6.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

7.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

8.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

(....xxxxx.....xxxxx.....)

9.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

10.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

11.xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....xxxxx.....

Verbatim proceedings of the sitting have been kept on record.

The Committee, then, adjourned.

....xxxx.....Matters not related to Report.

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/
RECOMMENDATIONS CONTAINED IN THEIR SEVENTH REPORT**

(SEVENTEENTH LOK SABHA)

[Vide Paragraph No. 5 of Introduction]

(i) Observations/Recommendations which have been accepted by the Government Rec. Sl. Nos.:- 1, 2, 4, 5, 6 and 9	Total Percentage	6 42.86
(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government Rec. Sl. No.:- 8	Total Percentage	1 7.14
(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Rec. Sl. Nos.:- 7, 13 and 14	Total Percentage	3 21.43
(iv) Observations/Recommendations in respect of which the replies of the Government are of interim in nature Rec. Sl. Nos.:- 3, 10, 11 and 12	Total Percentage	4 28.57