

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:4048
ANSWERED ON:17.05.2006
REDUCING SUBSIDIES TO POSTAL SERVICES
Rao Shri Kavuru Samba Siva

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the number of post offices operating in rural and urban areas, State-wise;
- (b) the target set and actual achievements of rural post offices in the business of rural life insurance and postal saving banking during each of the last three years, State- wise;
- (c) whether the Government proposes to review policy relating to reducing subsidies to postal services so that it could generate its own resources to survive and strengthen its services of Postal Saving Bank and Postal Life Insurance in rural areas; and
- (d) If so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

- (a) There were 1,55,516 post offices operating in rural and urban areas as on 31.3.2005. Out of these, there were 1,39,120 post offices operating in rural areas and 16,396 post offices in urban areas. State/Circle-wise details are given in Annexure-I.
- (b) Data relating to Rural Postal Life Insurance (RPLI) is in Annexure-II. Available data relating to Post Office Savings Bank (POSB) is given in Annexure-III. It is pertinent to mention here that both these data are given Circle-wise as collected, and not disaggregated (in the case of POSB) for urban and rural areas.
- (c) & (d) The subsidy largely arises out of the fact that the Department has a social obligation in extending its services, at subsidized cost to it, across the country to urban, rural, tribal, remote hilly, desert and other areas. The services and products for the common man are priced so as to be affordable. Details of revenue, expenditure and deficit in the period 2001-02 to 2003-04 are as below:

Item (Rs.in 2001-02 2002-03 2003-04
crores)

Revenue	3697.11	4009.65	4256.93
Expenditure	5108.62	5374.05	5632.15
Deficit	1411.51	1364.40	1375.22

It will be seen that the deficit has been more or less constant, despite the fact that salaries went up with increase in Dearness Allowance from 38% to 61% in this period. The Department also absorbs pension payments to its past employees, which amounted to Rs. 1107 crores in 2003-04, unlike most other Ministries/Departments of the Central Government. The Department of Posts has a policy to focus on increasing revenue by strengthening all its services including POSB and Postal Life Insurance, and, as a result, its revenue has increased from Rs. 3697.11 crores in 2001-02 to Rs. 4256.93 crores in 2003-04.

ANNEXURE – I

CIRCLE/STATE WISE NUMBER OF RURAL AND URBAN POST OFFICES AS ON 31-3-2005.

S. Circles RURAL URBAN
No.

1	Andhra Pradesh	14843	1348
2	Assam	3708	298
3	Bihar	8622	432
4	Chhattisgarh		2916 209
5	Delhi	81	496
6	Gujarat	8189	739

Daman, D.N. Haveli	52	5		
7 Haryana		2329	320	
8 Himachal Pradesh		2658	122	
9 Jammu & Kashmir		1480	210	
10 Jharkhand		2777	272	
11 Karnataka		8586	1291	
12 Kerala		4197	871	
Lakshdweep	10	0		
Mahe (Pondicherry)	0	4		
13 Madhya Pradesh		7473	872	
14 Maharashtra		11294	1409	
Goa	204	54		
15 N.E.				
Arunachal Pradesh	284	19		
Manipur	686	12		
Meghalaya	460	33		
Mizoram	338	67		
Nagaland	299	29		
Tripura	648	69		
16 Orissa		7572	589	
17 Punjab		3426	534	
18 Rajasthan		9659	783	
19 Tamil Nadu		10153	1948	
Pondicherry	58	37		
20 Uttranchal		2496	225	
21 Uttar Pradesh		15697	1961	
22 West Bengal		7639	1113	
A.N. Islands	89	12		
Sikkim	197	13		
Total	139120	16396		

ANNEXURE-II

TARGETS AND ACTUAL ACHIEVEMENTS OF RURAL POST OFFICES IN THE BUSINESS OF RPLI IN THE LAST THREE YEARS

S Name of 2003-2004 2004-2005 2005-2006

l Circle

No Target and Target and Target and
Achievements Achievements Achievements
Rs. in crores Rs. in crores Rs. in crores
Target Achievement Target Achievement Target Achievement

1 Andhra Pradesh	830	744	2000	796	2000	1442	
2 Assam	60	33	100	49	100	30	
3 Bihar	500	601	1000	604	1000	514	
4 Chhattisgarh	300	159	320	82	150	38	
5 Gujarat	300	204	500	252	500	250	
6 Haryana	250	163	300	95	250	146	
7 Himachal Pradesh	50	45	100	92	100	74	
8 Jammu & Kashmir	100	59	100	84	100	42	
9 Jharkhand	20	30	100	41	100	124	
10 Karnataka	275	183	500	161	500	424	
11 Kerala	280	299	580	337	550	209	
12 Maharashtra	1000	1126	2000	1601	2000	2013	
13 Madhya Pradesh	460	343	650	211	800	246	
14 North-East	30	15	50	12	50	8	
15 Orissa	130	126	300	219	250	262	
16 Punjab	475	151	300	58	200	110	
17 Rajasthan	200	193	400	186	350	326	
18 Tamil Nadu	1000	528	2000	956	2000	1574	
19 Uttar Pradesh	500	518	1050	716	1050	1195	
20 Uttaranchal	200	156	350	180	350	203	
21 West Bengal	200	273	600	476	600	578	
Total	7160	59490	1330	7208	13000	9809	

Annexure-III

STATEMENT OF TOTAL AMOUNT MOBILIZED IN SMALL SAVINGS BY UNION GOVERNMENT YEAR WISE & STATE WISE DURING THE LAST THREE YEARS

(Rs. in Crores)

S. No	Name of the State/Union Territory	2002-2003	2003-2004	2004-2005
1	Andhra Pradesh	5895.91	7488.1	9678.4
2	Bihar	4490.09	5146.34	5264.32
3	Jharkhand	2118.01	2498.2	2668.57
4	Base	528.14	1057.7	665.22
5	Delhi	5704.57	7211.2	10092.82
6	Jammu & Kashmir	969.92	1280.77	1316.58
7	Karnataka	4611.59	5960.56	8358.13
8	Madhya Pradesh	3585.55	4361.34	5421.02
9	Chhattisgarh	1171.52	1417.14	1733.46
10	Orissa	1883.77	2432.29	2703.75
11	Rajasthan	6559.7	7491.23	9472.88
12	Uttar Pradesh	12382.17	15054.07	15393.68
13	Uttaranchal	1355.99	1855.46	2009.63
14	Haryana	3384.49	4369.41	4866.8
15	Tamil Nadu	5873.1	7806.06	11206.71
16	Pondicherry	147.848	254.44	269.34
17	Maharashtra	13960.33	17696.45	24361.39
18	Goa	392.24	78.82	718.01
19	Gujarat	10547.89	13886.37	16297.68
20	Daman	7.056	10.46	17.51
21	Diu	7.53	9.3	16.18
22	Kerala	2891.06	4346.39	5981.89
23	Lakshdweep	0.93	1.04	1.39
24	Punjab	5877.86	7790.01	8683.99
25	Chandigarh	207.61	283.11	436.77
26	Himachal Pradesh	1237.57	1704.23	1957.73
27	West Bengal	14871.94	18060.73	18775.94
28	Sikkim	32.244	69.905	52.563
29	Andaman & Nicobar Island	16.94	27.81	26.76
30	Assam	1882.37	2334.49	2507.75
31	Manipur	72.165	66.85	79.03
32	Meghalaya	107.5365	141.09	144.25
33	Tripura	311.1125	391.03	384.7
34	Mizoram	48.602	70.906	85.18
35	Nagaland	27.294	39.86	37.17
36	Arunachal Pradesh	42.368	55.253	77.44
	Total	113205	142748.4	171754.6