

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

UNSTARRED QUESTION NO:2434

ANSWERED ON:15.12.2004

IMPROVED FUND MOBILISATION BY POST OFFICES

Narbula Shri Dawa;Prasad Shri Hari Kewal;Rao Shri Sambasiva Rayapati

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

- (a) whether the post offices in India have improved their fund mobilization which was increased from Rs. 27,292 crore in 1992-93 to Rs. 1,45,550 crore by the end of 2003-04;
- (b) whether according to a study, 1.4 lakhs post offices across the country have grown over 23% during the said period;
- (c) whether the Government has decided to spend large amount on the provision for providing computers to the post offices in the country;
- (d) if so, the total amount spent so far for providing computers to all post offices in the country;
- (e) the extent to which computerization in all the post offices have improved their functions;
- (f) whether the Government is considering to open more post offices in the remote villages in the country; and
- (g) if so, by when it is likely to be done?

**Answer**

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

- (a) Yes, Sir. The post offices in India have increased their fund mobilization under Small Savings Schemes substantially from Rs. 17,952.89 crores in 1992-93 to Rs. 1,35,965.90 crores by the end of 2003-04.
- (b) Growth of the net work of post offices across the country has been to the extent of approximately 2.4% during the period from 1992-93 to 2003-04.
- (c) In the 10th Plan, Rs. 836.27 crores is proposed to be spent on computerization and networking of 7706 large post offices and 267 major Administrative and Accounts Offices.
- (d) Till date an expenditure of Rs. 111.42 crores have been approved for computerization of 2287 post offices in 10th Plan.
- (e) Computerization of post offices will improve productivity of staff, provide better service to customers, reduce cost of operations and help to introduce various e-enabled services.
- (f) & (g): Post offices will be provided subject to compliance with distance, population and income norms prescribed for this purpose is given in the Annexure. Therefore, no time frame can be fixed in this regard.

**ANNEXURE**

NORMS FOR OPENING POST OFFICES

1. Norms for opening Extra Departmental Branch Post Offices:

1.1 Population:

- (a) In Normal Areas:  
3000 population in a group of villages (including the PPO village).

(b) In Hilly, Tribal, Desert and Inaccessible Areas:  
500 population in an individual village or 1000 population in a group of villages.

#### 1.2 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.

#### 1.3 Anticipated income:

(a) In Normal Areas:

The minimum anticipated revenue will be 331/3% of the cost.

(b) In Hilly, Tribal, Desert and Inaccessible Areas:

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

It is further to be ensured that as a result of opening of new post office, the loss in respect of parent post office does not increase beyond the permissible limit nor is its income reduced below the minimum prescribed.

#### 2. Criteria for upgrading/opening Departmental Sub Post Offices:

(a) In Rural Areas:

The Minimum work load of the Extra Departmental Branch Post Office, proposed to be upgraded, should be five hours per day. The permissible limit of annual loss is Rs. 2400/- in Normal Rural areas and Rs. 4800/- in Tribal and Hilly areas.

It is further to be ensured that as a result of the opening of a new post office, the loss in respect of the parent post office does not increase beyond the permissible limit nor is its income reduced below the minimum prescribed.

(b) In Urban Areas:

In Urban areas, the post office should initially be self-supporting, and, at the time of the first annual review, it should show a 5% profit to be eligible for further retention.

The minimum distance between two post offices should be 1.5 Kms. in cities with a population of 20 lakhs and above, and 2 Kms, in other Urban Areas. No two delivery offices, however, should be closer than 5 Kms. from each other.

Heads of Circles have powers to relax the distance condition in 10% of the cases.

A Delivery Post Office in Urban Area should have a minimum of 7 Postmen`s beats.

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###### 1.2 Distance:

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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.

###### 1.3 Anticipated Income:

###### (a) In Normal Areas:

The minimum anticipated revenue will be 33 1/3% of the cost.

###### (b) In Hilly, Tribal, Desert and Inaccessible Areas:

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

It is further to be ensured that as a result of the opening of a new post office, the loss in

respect of the parent post office does not increase beyond the permissible limit nor is its income reduced below the minimum prescribed.