

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

UNSTARRED QUESTION NO:1203
ANSWERED ON:13.07.2009
DIVERSIFICATION OF POSTAL ACTIVITIES
Panda Shri Baijayant

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

- (a) whether the Government proposes to diversify postal activities in other fields like financing, retail and banking;
- (b) if so, the details thereof;
- (c) whether the Government also proposes to spend Rs. 900 crores to give a new facelift to post-offices especially in rural areas, with a view to offering efficient services through modern technology; and
- (d) if so, the details thereof indicating such post-offices that are proposed to be covered under this project in the country including Orissa?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a)&(b) Department of Post is offering services other than postal services in collaboration with Government and Non- Government agencies with an objective to leverage its network and to utilize its existing infrastructure optimally. The services offered by the Department are broadly as below:

I. Post Office is providing financial inclusion in rural areas under the scheme of Business Correspondent in collaboration with the State Bank of India.

II. The disbursement of micro credit to self help groups is extended in collaboration with National Bank for Agriculture and Rural Development in Tamil Nadu Circle

III Selected post offices are offering Passenger Reservation Service in collaboration with the Ministry of Railways.

IV Post office is providing a platform to facilitate payment of various bills by the customers for telecommunication companies and other utility service providers.

V Post office is distributing financial instruments like Mutual Funds etc. on behalf of financial institutions like Unit Trust of India, State Bank of India, Franklin Templeton, Reliance Mutual Funds etc. Post Office is also distributing the Non-Life Insurance Products of Oriental Insurance Company Ltd.

VI Post office provides the facility of receiving remittances from 205 countries through the International Money Transfer Service.

VII The disbursement of wages to the beneficiaries of the NREG Act 2005, is done through the post offices.

VIII The payment of Old Age Pension under the National Social Assistance Programme is being effected through post offices.

IX Post office also offers various Post Office Savings Bank Schemes viz. Savings Account, Recurring Deposit, Time Deposit, Monthly Income Scheme, Public Provident Fund, Senior Citizens Savings Scheme, Kisan Vikas Patras and National Savings Certificates.

(c)&(d) The induction of modern technology through computerization of Post Offices is an ongoing process subject to feasibility and availability of funds. In addition, Rs. 65 crore has been approved for spending in the current financial year 2009-10 to give a facelift and improve core services in 500 Post Offices under the scheme of Project Arrow. Details of these 500 Project Arrow Post Offices, in both urban and rural areas, is given in the Annexure.