GOVERNMENT OF INDIA COMMUNICATIONS AND INFORMATION TECHNOLOGY LOK SABHA

UNSTARRED QUESTION NO:1846 ANSWERED ON:05.12.2012 POSTAL DEFICIT Dhurve Jyoti;Naranbhai Shri Kachhadia

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

- (a) whether the financial position of postal department is deteriorating;
- (b) if so, the details thereof during the last three years and the current year, yearwise;
- (c) whether the Government proposes to increase the tariffs of various postal services in order to reduce the postal deficit;
- (d) if so, the details thereof; and
- (e) the other measures taken by the Government to improve the financial position of the Department?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (Dr. (SMT.) KILLI KRUPARANI)

(a) No, Madam. The financial position of the Department is not deteriorating. It is true that the Department is running in deficit, but the deficit of the Department is showing a declining trend during the last three years. At the same time the revenue of the Department is increasing steadily during the above period.

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(b) (Rs in cr)
Period Revenue (Prog) Expenditure (Prog) Deficit (Prog)

2009-10 6266.70 13346.94 6641.30

2010-11 6962.33 13793.67 6345.62

2011-12 7910.52 14163.70 5794.89
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- (c) Tariff revision is a continuous process being undertaken by the Department from time to time.
- (d) The postal tariff of Foreign Parcels (AIR/SAL) have already been revised with effect from 1st September, 2012 and postage rates of Speed Post have been revised w.e.f 1st October, 2012.
- (e) The Business Development & Marketing Directorate under Department of Posts offers a number of premium services like Speed Post, Express Parcel Post and Logistics Post etc. to generate additional revenue for the Department. Further, the Department of Posts reviews its services and products from time to time in view of the changing market scenario, changing customer needs, industry benchmarks etc. and take steps/action to modify services features accordingly for revenue growth and for providing prompt services.

The Department has set up Mail Processing Centre in Delhi and Kolkata to automate mail processing which will also help in generating more traffic and consequent increase in revenue.

The Department has also entered into an agreement with MoneyGram International Money Transfer Service on 29 September, 2011 to increase revenue from International Inward Money Transfer service.