

Postal Services

9.47 India possesses the largest postal network in the world with 155,000 post offices spread all over the country as on March 31, 2001, of which 89 per cent are in the rural sector. On an average, a post office serves an area of 21.21 Sq.kms. and a population of 5,449. During 2000-01, 52 sub post offices and 363 Branch Post Offices were opened. During 2001-01, a target of opening of 500 branch post offices and 50 sub post offices has been fixed. It is also proposed to open 2,000 Panchayat Sanchar Sewa Kendras (PSSKs) in the current year.

9.48 The Very Small Aperture Terminal (VSAT) centers set up by the Department of Posts have improved the speed and volume of money order transmission. They handle more than one million money orders a month. During the year, 88 new VSAT systems were added, to link an additional 550 post offices bringing the total number of VSATs to 139 and 1550 post offices being networked. Technology upgradation continues, in the one thousand more computers installed in 100 post offices. Thus there are about 7350 computers in more than 1660 post offices handling about 10 million transactions per month.

9.49 In order to expedite the transmission of closed mailbags and to improve the tracking and tracing system, transit mail offices in the country are being computerized. So far, registration and sorting work has been computerized in 80 offices, and 28 transit mail offices have been computerized. With a view to speeding up the sorting of registered articles, registration sorting work in the country is being computerized. In order to ensure the efficient functioning of the head record offices, the department has decided to computerize the working of the head record offices. So far 15 head record offices have been computerized. The department is modernizing the mail offices in the country with better operational equipment. So far 177 mail offices have been modernized. The field formations are also restructuring the delivery arrangements in post offices keeping in view the requirements of customers in new colonies in urban areas.

9.50 The Business Development Directorate and business development groups in field units

are marketing products/services such as speed post, business post, express parcel post, media post, greeting post, data post and speed post passport services. The revenue generated by the Business Development Group during 2000-01 was Rs.281 crore. E-Post, which combines e-mail and traditional post to connect the rural interiors to the whole world over the Internet, was introduced on August 2, 2001 in the five states of Andhra Pradesh, Maharashtra, Gujarat, Kerala and Goa. This is shortly being extended to other states in India.

9.51 The Post Office Savings Bank, which is the largest bank in India in terms of network, accounts and annual deposits, has introduced a number of new financial services in collaboration with the private sector. Enhancement of revenues, faster economic development and an increase in the penetration of sophisticated IT enabled financial services are the prime drivers for these new initiatives. Public access to the capital market is facilitated by a tie up with asset management companies such as IDBI Principal, Prudential ICICI and SBI Mutual Funds for the distribution of mutual funds and securities. A partnership with Western Union Financial Services Ltd. has enabled the Post Office to provide instantaneous international funds transfer from 185 countries. Cashless movement of funds is promoted through an electronic money transfer mechanism, which helps lower costs for the economy as a whole. The main point of concern is the skill development of the huge manpower spread across the country. A special partnership has therefore been launched with Invest India, to train and educate both the employees of the Post Office as well as its customers on various issues relating to the financial markets.

9.52 Postal Life Insurance (PLI) which was introduced as a welfare measure in 1984, has continued to expand and by March 31, 2001, it had procured 2.51 million PLI policies with an aggregate sum assured of Rs.10,405 crore. The Rural Postal Life Insurance (RPLI) has also gathered momentum. Approximately 820,000 RPLI policies were secured with an aggregate sum assured of Rs.2,898 crore by March 2001.