

Postal Services

9.33 There has been a phenomenal expansion in the postal network since independence. India possesses the largest postal network in the world with 1,50,000 post offices spread all over the country as on March 31, 2000. About 90 per cent of these post offices are in the rural sector. On an average, a post office serves an area of 21.26 Sq.kms. and a population of 5,462. During 1999-2000, 49 Sub Post Offices and 386 Branch Post Office were opened. During 2000-2001, a target of opening of 500 Branch Post Offices and 50 sub-Post Offices has been fixed. It is also proposed to open 2000 Panchayat Sanchar Sewa Kendras (PSSKs) in the current year. The Department also has 139 VSATs centres, which in turn are connected, to 884 Extended Satellite Money Order Stations. Approximately, 12.5 million money orders are being transmitted annually on this network.

9.34 Postal Life Insurance (PLI) was introduced as a welfare measure in 1984. It now covers employees of Central and State Government, Central and State public sector undertakings, Universities, Government aided institutions, Nationalized Banks. The Postal Life Insurance has continued to expand and by March 31, 2000, it had procured 2.5 million PLI policies with an aggregate assured sum of Rs. 9,232 crore. The Rural Postal Life Insurance (RPLI) has also gathered momentum. Approximately, 6,66,000 RPLI policies were secured with an aggregate assured sum of Rs. 2,251 crore by March, 2000.

9.35 The Department of Posts has given a new thrust to its program of modernisation and computerisation to improve customer satisfaction. During 1999-2000, the Department installed 1,250 multi-purpose counter machines and modernised 139 post offices. Today, there are 6,257 computer based machines installed in 1,560 post offices aimed at providing efficient services through a single window

9.36 As a part of mechanisation and modernisation of Mail Processing, 56

Registration Sorting Centers, 20 Transit Mail offices have been computerised upto March 31, 2000. During 1999-2000, 6 Head Record Offices were computerised and during 2000-2001 another 7 are being computerised. To improve the ergonomics and ambience of mail offices, 142 mail offices have been modernised upto March 31, 2000.

9.37 The emphasis on social objectives has outweighed other considerations and user charges are low. Therefore, notwithstanding the revision of tariff, the postal services continue to run into a deficit. In 1999-2000, the postal deficit was Rs. 1,596 crore.

9.38 The Business Development Group in the Department provides premium services like Speed Post, Express Post, Business Post, Greeting Card etc to the customers with a focus on business approach and customer orientation. During the last financial year 1999-2000, the revenue from the Business Development Group increased from Rs. 142 crore to Rs. 222 crore, registering a growth of 57 per cent over 1998-1999. During the last six months ending September, 2000, the sales from Business Development Group improved by 39 per cent.

9.39 The Post Office Savings Bank (POSB) has a network of more than 1,54,000 branches, 115 million account holders and deposits in excess of Rs. 1,82,000 crore. It is the largest retail bank of the country. During the year 1999-2000, the POSB mobilised Rs. 65,286 crore under different schemes thereby registering an increase of 20 per cent over the previous year. This increase was achieved despite a 1 per cent lowering of the rate of interest payable on most of the schemes of the POSB January 1, 1999. It is significant to note that during the period of 1990-91 to 1999-2000, the schemes of the POSB have registered an average annual rate of growth of 15.5 per cent. A further reduction of 1 per cent in the rate of interest payable on the different schemes operated by the POSB has been effected since January 15, 2000.