

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

UNSTARRED QUESTION NO:1503

ANSWERED ON:30.11.2011

REVENUE BY SALE OF POSTAL ARTICLES

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

- (a) the revenue earned by the Department of Posts through postage, speed post and sale of stamps during the last three years, State-wise;
- (b) whether the mail traffic has registered declining trend during the last three years;
- (c) if so, the details thereof and the reasons therefor;
- (d) the steps taken by the Department of Posts to counter the competition provided by the private sector;
- (e) the number of post offices and franchisees currently operational and proposed in the country, State-wise; and
- (f) the methodology by which the Government has proposed to identify the need for the increase in Post Offices?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

(a) The revenue earned by the Department of Posts through postage, speed post and sale of stamps during the last three years, state-wise is given in Annexure I.

(b) Yes Madam. The mail volume with respect to unregistered and registered mail has witnessed a general declining trend during the last three years. On the other hand the traffic of Speed Post has witnessed a consistent increase over the last three years.

(c) The details of unregistered and registered mail traffic for the last three years are given below.

year	Unregistered mail traffic (in Crores)	Registered mail traffic (in crores)	Speed Posts and Express Traffic Parcel Posts	Total
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2007-2008	619.13	19.98	18.37	657.48
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2008-2009	634.27	19.82	21.86	675.95
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2009-2010	614.65	19.58	24.75	658.98
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2010-2011	615.76	17.79	28.10	661.65
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(Provisional)

The total mail traffic during the last three years is not showing any specific trend. The total mail traffic increased by 2.81 % in 2008-09 over 2007-08 and declined by 2.51% in 2009-10 over 2008-09. However, the total mail traffic further increased by 0.41% during 2010-11 over 2009-10. Decrease in the total mail traffic during 2009-10 over 2008-09 is due to increase in mail traffic of registered letters by 0.64%, unregistered letters (including letter cards) by 5.76%, newspapers by 4.52%, express parcel post by 7.20%, insured parcels by 1.04%, value payable parcels by 0.64% and packets by 0.93%. The general decline in mail traffic over the last few years has resulted from the impact of electronic communications on the individual physical mail and increasing competition from the private

courier companies.

(d) International Flat rate Boxes (FRBS) which are ready to dispatch boxes in the volumes of 1 Kg, 2.5 Kg and 5 Kg for sending the international parcels to any part of the world was introduced to customers of India Post. The FRBs provide added security and convenience to the customers.

Department of Posts has introduced new services like e-VPP to generate revenue.

The Department has also taken a number of steps to improve the services in the Post Offices to meet the challenges from private companies. The details are as under:

# A project for Mail Network Optimization has been initiated in March 2010 with the objective to optimize the existing mail network and effectively.

# Monitor the same through Key Performance Indicators. The Project, inter-alia, involves:

# Development and deployment of data-based Key Performance Indicators to measure the service delivery performance of Speed Post and other mail services.

# Suitable upgradation of Speed Net, which is a web-based Track and Trace Software for Speed Post.

# Monitoring and review of quality of Speed Post operations in eighty seven major cities (that handle majority of the total speed post traffic in the country) with the help of the Key Performance Indicators through fortnightly video conferences.

# Technological upgradation of 109 Speed Post Centres during the current plan period for improving the efficiency of the operations.

# Establishment of 39 premium Speed Post delivery centres during the current plan period for improving the quality of delivery.

# Establishment of 25 new Speed Post Centres during the current plan period.

# Introduction of web based Track and Trace system called "SpeedNet" for Speed Post articles

Launch of Project Arrow in the year 2008 to make visible, tangible and noteworthy improvement in Post Offices that matters to the common man. The project focuses on improving the core operations of the post office as well as on upgrading the support infrastructure of 1530 Post Offices spread across the country.

(e) The Circle wise no. of Post Offices and Franchise outlets operational in the country and the no. of Post Offices and Franchise Outlets proposed to open during the current financial year are given in Annexure-II .(f) The Opening of Post Offices is an ongoing activity. The Post offices are opened subject to fulfillment of prescribed norms, availability of plan support and man power.