Introduction and Design of the Study
CHAPTER – I
INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

An efficient and reliable Communication network is the lifeline of the nation which plays a crucial role in the socio-economic development and the integration of the country. For nearly a century and a half, the postal system has been the main component of the communication infrastructure for the country.

The Indian economy has moved on to a high economic growth trajectory involving an average annual growth rate of about 6% over the last 16 years with further acceleration in recent years. India post requires a new policy framework because of the emergence of several significant trends such as liberalization and Globalization, demographic shift towards urbanization leading to increasing internal and external migration requiring to be serviced. Given the need for a strong communication and financial infrastructure, India post will meet both challenges and avail of the opportunities presented by current market conditions¹.

India post is the bridge across physical distance and is committed to deploy efficient means to reduce the time between sending a message and receiving it. India post is forward-looking and modern. It embraces change and incorporates services to fulfill the requirements of its customers. India post makes social, commercial and industrial life possible in modern India².

India post brings to the mind a universe of intricate network of post offices throughout the length and breadth of the country. This network forms the largest postal system in the world with an array of about 1,55,015 post offices; It dwarfs all other postal systems in sheer numbers. There are 5,468 Panchayat Sanchar Sewa Kendras to provide basic postal services in the rural areas, in addition to 1,55,015 post offices³.

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¹ www.indiapost.gov.in, P.1
² Annual report 2008 – 2009, P.1
³ Annual report 2009 – 2010, P.5
The post office has been in the service of the nation for over 150 years now, positioned as the nerve centre of communication in community life. Today, the post office faces tough competition from newer modes of technology, which have redefined ‘connectivity’. Even in the face of tough competition, the focus towards fulfilling our social commitment continues unabated.

In these 154 years, the post office has been more than a ‘means of communication’ – it has helped in nation building, connecting the diverse regions and populace of the country. India post touches the lives of Indians in more ways than one. It has indeed come a long way from merely transmitting messages, to provide a wide range of services for the social-economic betterment of the people.

A long history and an extensive postal network have given India Post the enviable position of being closer to the citizens of the country, than any other public body. This has meant more responsibilities, which the department has taken promptly. The objective has been to provide a post office and, thereby, postal services, within easy reach, as far as possible, to all citizens in the country. As post offices are opened on the basis of specific norms, the department has to do a fine balancing act between demand for new post offices and providing financial justification. Not-with-standing this, the present position still is a barometer of easy accessibility of post offices by the public: On an average, a post office covers an area of 21.21sq.km and serves 7,175 people. This compares favorably with USA, where a post office covers an area of 259.25sq.km and serves 8,029 people and china where a post office covers an area of 145.59sq.km and serves 19,962 people. To further augment the network, plans are on the anvil for opening 3000 more Branch post offices in the rural areas, in the current five year plan. Further more, a survey is also underway to assess the requirement of post offices in both rural and urban areas.

Globalization and the deepening of market mechanism in India have brought to the fore the mantra of self sufficiency. Usually, a corollary of this is to see self – sufficiency as mutually exclusive from social service. The department of posts has demonstrated through action that this dichotomization is outdated; infact, self-sufficiency and social service can go hand in hand. As such, India post is committed to fulfill the Universal Service Obligation for providing basic postal service throughout the country, irrespective of terrain, at an affordable price.

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4 Annual report 2008-2009 P.1
The postal department, at the present juncture, faces the twin challenges posed by the private courier industry and continuing advances in communication technology, especially mobile telephony and the World Wide Web (www). Being aware that an organization can exist in isolation at its own peril, the department has devised a sound strategy to meet these challenges. It is quite often, in organizational transformation, a mismatch occurs between objectives and outcomes. Accordingly, the postal department has planned a comprehensive model of transformation. This modeling is predicted upon the fact that transformation is a multidimensional process and, hence, any attempt at changing the postal department must be at multiple levels. A multi-pronged strategy has been devised to augur transformation and further improve upon postal services.

The postal department cherishes its own staff as the most significant resource. Hence, any step towards repositioning the postal department has to be first and foremost at the level of human resource. As such, an outlay of Rs.1249.2million has been earmarked in the 11th five year plan for providing quality training to all categories of staff5.

India Post is expected to ensure provision of quality and basic postal services on regular basis to all the users at all points in the country at affordable prices as part of its Universal Service Obligation. The cost of providing these services has to be assessed systematically and fully funded. The source of funding needs to be determined and set in ways that ensure the financial self-sufficiency of India Post and allow it to make decisions relating to growth and development. A sustainable tariff policy for providing the basic postal services also has to be determined. In view of the increasing participation in mail services by private players there is a need to address the issue in a holistic manner.

To effectively face the challenges of competition, India Post also needs to be able to respond to market forces quickly and efficiently – both in pricing and product decisions. In order to do so, India Post requires a certain degree of financial autonomy and commercial flexibility while remaining accountable to its customers and to the parliament.

5 Annual report 2008-2009 P.5
The Department of Posts is a part of the Ministry of Communications and Information Technology, Government of India. The Secretary, Department of posts, as the Chief Executive of the Department, is also the Chairperson of the postal services board and Director General, India post. There is a need to revisit India Post's governance structure to provide an effective line of command so that India post is able to meet the challenges of current market conditions vis-à-vis other players in the postal sector. India post recognizes the presence of private competitors in the market, but there is also a need for regulating the sector to ensure disciplined functioning and growth.

India post expects in the near term to achieve self-sufficiency, given realistic prices for its core functions and other services. However, for the purpose of operational efficiency and expansion of its activities, funding of its capital requirement may require external resources. It also expects to receive revenues from its financial services and other fee based services. It has to examine closely and rationalize its product mix with emphasis on e-commerce, logistics and parcel services etc., bearing in mind the need to maintain highest level of performance in letter mail services, financial services and governance functions.

India post welcomes the opportunity to work with the private sector in providing value added services and extending its product range beyond the current core functions. Private sector's participation in providing support services is expected to enable India post to serve its customers better.

India post not only needs to invest in physical structures and remedial maintenance, but also in good housekeeping, computerization, transport facilities etc. This will result in increased efficiency, lower costs, customer satisfaction and enhanced service delivery.

India post is an essential part of the governance of the country. It has performed sovereign function since its inception and is instrumental in unifying the country and ensuring connectivity between far-flung regions and between dispersed citizens, both within and outside the country.
Its presence and operations have ensured that as a Government organization it enjoys high credibility and trust, and citizens have no hesitation in approaching its personnel or visiting its offices. This degree of confidence is precious and it can be leveraged to bring more accuracy, efficiency and credibility to other governance functions that depend crucially on identification of individual citizens\(^6\).

India post with more than 0.15 million post offices, majority of which are in rural areas provides a useful distribution channel for non-postal services. Although the advent of courier services has reduced the business of postal services in urban areas, it continues to be patronized by rural population for saving deposits, postal insurance, village telephone etc. in addition to the regular postal services. Sensing an opportunity to increase the revenue and compensate for the reduction in person-to-person mailing, India post has decided to increase the number of life insurance schemes in rural areas along with the introduction of new schemes. The Indian postal network, the largest in the world, plans to tap rural families with its array of products. India post is leveraging the personal contact and first-hand understanding of the local people by the postal staff to market the new service products in the rural areas. India post is targeting about 50% of the revenue being generated from non postal services. For the effective implementation of the marketing efforts, India post has decentralized the marketing and sales function to the divisional level\(^7\).

**1.2 POLICY OF INDIA POST**

The policy of India post as two-pronged approach:-

1. Develop services that assist, facilitate, enhance and quicken the process of development aimed at inclusive growth.
2. Reposition of India post to become a self - sufficient, credible, efficient, quick and cost-effective provider of these services\(^8\).


\(^8\) www.indiapost.gov.in.p.1
1.3 POSTAL NETWORK

The postal network consists of four categories of post offices viz., Head post offices, sub-post offices, Extra – departmental sub-post offices and Extra – departmental branch post offices. All categories of post offices offer similar postal services, delivery function being restricted to only earmarked offices in terms of management control. Accounts are consolidated progressively from branch post office to sub post office and finally at head post office.

The following table 1.1 clearly exhibits the number of post offices functioning in Rural and Urban areas from 2003-2004 to 2008-2009.

<table>
<thead>
<tr>
<th>S.No</th>
<th>YEAR</th>
<th>NO. OF POST OFFICES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Rural</td>
<td>Urban</td>
</tr>
<tr>
<td>1</td>
<td>2003 - 2004</td>
<td>1,39,149</td>
<td>16,520</td>
</tr>
<tr>
<td>2</td>
<td>2004 - 2005</td>
<td>1,39,120</td>
<td>16,396</td>
</tr>
<tr>
<td>3</td>
<td>2005 - 2006</td>
<td>1,39,074</td>
<td>16,259</td>
</tr>
<tr>
<td>4</td>
<td>2006 - 2007</td>
<td>1,39,048</td>
<td>16,158</td>
</tr>
<tr>
<td>5</td>
<td>2007 – 2008</td>
<td>1,39,173</td>
<td>15,862</td>
</tr>
<tr>
<td>6</td>
<td>2008 – 2009</td>
<td>1,39,144</td>
<td>15,871</td>
</tr>
</tbody>
</table>

Source: Annual report 2009 - 2010 P.4

It is evident from the above table that, the total number of post offices have been reduced from 1,55,669 (2003 – 2004) to 1,55,015 (2008-2009), the reduction being marginal. However, the number of rural post offices remains more or less constant, thereby signifying the rural based services of the India post. The number of post offices can also be explained with the help following figure 1.1.
Expansion of the postal network in the country, especially in rural area has taken place mainly through opening of Extra Departmental post offices and on a smaller scale by opening departmental post offices. The extra departmental post office functions on a part time basis for a minimum of three hours and a maximum of 5 hours. They are manned by part-time locally recruited employees, who are paid allowances for the services they render. The departmental post offices function for a period of 8 hours and are manned by full – fledged departmental employees.

Post offices are opened subject to distance, population and income norms fixed for the purpose. In order to fulfill Universal Service Obligation, subsidy is provided to all post offices in rural areas, which ranges from 66.67% in normal rural areas to 85% in hilly, tribal, desert and remote areas. However, no subsidy is offered to post offices in urban areas, as they are expected to be financially self-sufficient and earn 5% more than their cost after first year.
Target for opening of post offices was allotted since the inception of the scheme for expansion of the postal Network under Annual plans. Plan support was also available earlier for recurring and non-recurring costs of new post office during the plan period in which they were opened. The strategy for expansion of the network has undergone some modifications in recent years with increasing focus on reducing the deficit of the department. The manpower requirements for opening of new post offices were met only through redeployment of existing resources during the 10th plan. For the 11th plan a proposal for sanctioning of 3000 GDS (Gramin Dak Sevak) Posts is under the consideration of the Ministry of Finance.

With the objective for providing basic postal facilities to rural sector of the country, which is still without post office, efforts are also being made to identify means of providing postal services through more cost effective measures. With this end in view and with a view to providing better access to postal counter services in areas where a post office cannot be opened as per departmental norms, a scheme known as Franchisee outlets has been introduced.

Mobile PCO facility called Gramin Sanchar Sevak Scheme (GSS Scheme) is being operated through Gramin Dak Sevak (GDS) in rural and semi rural areas except in Delhi, Punjab, Haryana and Andaman & Nicobar Islands.

The GDS carries a mobile/Portable instrument with display facility for usage by the customer within a radius of 5 km from the nearest WLL tower during his regular visits to the beat9.

For facilitating transaction of business with public in rural areas, basic infrastructural equipments to branch post offices (BO) and Extra Departmental Sub Post Offices (EDSO) are given. During 2009 – 2010, 4880 BOs and EDSOs have been supplied with furniture besides supply of fans/heaters to 11,777 BOs/EDSOs.

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9 Annual report 2009 – 2010 p.5
1.4 POSTAL OPERATIONS

Postal operations at the post office counter encompass the entire gamut of basic postal services which, inter alia, include:

i) Sale of stamps and stationery  
ii) Booking of registered articles  
iii) Booking of insured articles  
iv) Booking of value payable articles  
v) Remittance of money through Money Orders and Postal Orders.  
vi) Booking of parcels  
vii) Savings bank operation

Traditionally, these services have been provided at manually operated counters. Considering the vital need for providing the benefit of technology to the customers, the counter operations are now being progressively computerized to provide a greater range of services to the customer from a single window leading to prompt and error free services.

Rapid introduction of information technology has not only changed the way of post offices doing business the world over, but also the business that post offices do. In this era of fast developing information and communication technology, large scale induction and assimilation of modern means of communication has become vital for sustenance and growth of India post.

1.5 PROJECT ARROW

Project Arrow was conceived in April 2008. The Project envisages up gradation of post offices in Urban and Rural areas both in terms of upgrading and enhancing the quality of service in ‘core areas’ and improving the ‘Look and feel’ of identified post offices. The project arrow aims at creating a conducive and friendly work environment both for the staff and the customers visiting the post offices, providing all IT enabled services through secure connectivity, improving the service quality levels in the core business areas e.g. mail delivery, Remittances both electronic and manual and postal savings schemes. To test the concept, a pilot programme consisting of 50 post offices in 10 postal circles was launched in April, 2008.\(^\text{10}\)

\(^{10}\) Ibid P.13
1.5.1 Marketing Mix for Postal Services

Before making any critical analysis of the marketing practices of postal organizations, it is imperative to study their existing practices. In fact, the marketing mix concept plays a significant role in marketing of postal services and hence, the marketing mix adopted by the postal organizations has been discussed briefly here under. Since, India post deals with both products and services, it has cleverly combined the traditional 4 P's of marketing mix with extended marketing mix to include people, process and physical evidence in order to meet the challenges posed by unique characteristics of services.

1.5.2 The Product Mix – Quality Standards

Due to hectic competition, the postal organizations are forced to formulate a sound product mix. A sound product enables the postal authorities to understand the changing needs and requirements of different segments of areas on prospects.

There are multi-dimensional requirements of the postal services at the domestic and the institutional levels. Due to widespread industrialization and Urbanization, it is quite natural that the users need due support of the postal organizations at different stages. The speciality of postal service is that the customers get the services which are not to be made available by other communication services. It is very vital that letters, parcels must be delivered to the concerned parties in time. Wrong and delayed deliveries may lead to a gap between the services expected and services offered and this is required to be bridged over. The postal organizations generally do not discriminate between the ordinary letters or valuable documents, especially in terms of time and safe delivery.

The postal organizations mainly deal in core products like supply of postal covers, stamps, cards, postal orders etc. Besides these, value additions are given by supplying augmented products like banking services, money order services, insurance services etc., to make the postal services more attractive to customers. Today they have gone to the ‘potential level’ by supplying consumer products to bring pleasant surprise to their customers.
The product and services offered by India post are illustrated in figure 1.2

**FIGURE 1.2**

**POSTAL PRODUCTS AND SERVICES**

- Postal Services
  - Mail Communication Products & Services
  - Transportation Services
  - Financial Services
  - Premium and Value added Services

<table>
<thead>
<tr>
<th>Postal Services</th>
<th>Financial Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Post Cards</td>
<td>* Schemes of Savings Bank</td>
</tr>
<tr>
<td>* Inland Letter</td>
<td>* Postal Life Insurance</td>
</tr>
<tr>
<td>* Postal Envelope</td>
<td>* Rural Postal Life Insurance</td>
</tr>
<tr>
<td>* Book Post</td>
<td>* Money Order</td>
</tr>
<tr>
<td>* Registered Post</td>
<td>* Instant Money Order</td>
</tr>
<tr>
<td>* Certificate of Posting</td>
<td>* Indian Postal Order</td>
</tr>
<tr>
<td>* Registered Insured Post</td>
<td>* International Money Transfer</td>
</tr>
<tr>
<td>* Business Reply Post</td>
<td>* Electronic Money Order</td>
</tr>
<tr>
<td>* Value Payable Post</td>
<td></td>
</tr>
</tbody>
</table>

1.6 MEANING OF POSTAL SERVICES

Public may have purchased stamps or posted a letter, sometimes, they may also have sent money or parcels, or may have deposited savings in the post office. The services of carrying letters and parcels, arranging remittance of money, accepting deposits of money etc., are the various services offered by the post office, which the public can avail of. All these services are known as postal services.

1.7 NATURE OF POSTAL SERVICES

Postal services originated with the necessity of communicating written messages. In the past also, one could exchange messages in writing. But, then, there used to be the practice of some individuals known as ‘runners’ being engaged to go from place to place to deliver the messages. Even trained pigeons were used to carry letters from one place to another. The postal system, which we have today, became effective with the spread of roadways and railways as means of transport. In India, until 1837, the postal service was used solely for sending official mail. After 1837, the postal services were made available to the public also. In course of time, post offices offered several other services including remittance of money, delivery of parcels, banking, insurance and many other such services.
A post office serves a variety of functions, thereby making the nature of postal services divergent. Postal services are administered by the Government of India throughout the country and the charges for all these services are minimal, which the common man can afford. It is viewed as the most dependable means of written communication. It is also used by the common man as the most reliable means of sending money through money orders to persons staying at far off places. It is also the most commonly used means for delivery of articles of value. The banking services provided by post offices attract a large number of people both from rural and urban areas due to easy accessibility and wide network of post offices. One of the most interesting features to note is that all these varied postal services give public several options, which they can use according to their need and convenience. For example, to write a letter, public may use a post card or inland letter or an envelope.

1.7.1 MAIL SERVICE

Mail service is one of the main services of post office that deals with collection of letters and parcels from the sender to be distributed among the receivers. Indian postal service deals with both inland and international mails. An inland mail is one where the sender and receiver of the mail reside within the same country. On the other hand, where the sender and receiver of the mail reside in different countries it is called International mail.

While sending a written message, the sender can make use of a postcard, inland letter card or envelope. For sending an article in a packet or parcel, a wrapper (thick paper or both) can be used. These are the alternative means of sending any mail through the post office.

1.7.1.1 Post Card

Post card is the cheapest means of written communication. It is a card on both sides of which we can write our message. It has a specified space to write the address of the receiver. In the post office, two different types of post cards are available. One is ‘ordinary post card’ and the other is ‘competition post card’. Ordinary post cards are used for writing letters while competition post cards are used to send reply to questions asked in various competitions announced through Radio, Television, Newspapers and Magazines. Although the size of both the post cards is the same, they
differ in terms of colour and price. Printing any message in words or picture on any side of the postcard, one has to pay additional postage. This type of card is called a printed post card. Greeting card is of post card size on one side of which a picture or a message is printed. This is also a printed post card.

In post offices, reply post cards are also available, which are attached with the post cards to send a message. Actually, there are two ordinary post cards joined together. One post card is to be used for sending the message and the other for getting the reply. The sender writes his/her own address in the reply post card and sends both without detaching them. The receiver detaches the postcard with the message and sends the reply to the sender on the reply post card.

1.7.1.2 Inland Letter Card

Inland letter cards were introduced on October 2, 1950, i.e., the birth anniversary of Mahatma Gandhi. Like postcard, written messages can also be sent using Inland letter card. This card is sold by post offices and is commonly used for sending messages within our country. Unlike postcard, the written portion of the inland letter card is folded and sealed. Only names and addresses of the receiver and the sender remain open. Thus, these ensure secrecy of the message. However, no enclosure is allowed inside the inland letter cards. A special type of card just like inland letter card is used for sending messages to foreign countries. It is known as "aerogram".

1.7.1.3 Postal Envelope

Messages can be written on the post card or on the inland letter card. But post cards are not suitable for sending confidential messages. Again in inland letter card it is not possible to send any enclosure although it ensures secrecy of the message. Postal envelope helps to send job application or bio-data seeking employment in any organization. It is a small sized paper packet having one side open. After keeping enclosure in it, close it and send it to receiver. Postal envelopes are available at all post offices. These are widely used for mailing letters and other document in all government and private offices as well as in business firms. Besides sending letters, we can also mail certain lightweight enclosures like photographs, greeting cards through envelopes. In post offices, ordinary envelope, envelope for registered mail
etc., are available. In these envelopes there is no need to affix any additional postage stamp if the weight of enclosure is up to a certain limit. If it exceeds that limit, then additional postage will have to be affixed according to the postal rates. In case, the size of the enclosure does not fit those envelopes available at the post office, prepare own envelope or purchase it from the market and affix postal stamp according to the weight. Even otherwise, there is no compulsion of using the envelopes available at the post offices.

1.7.1.4 Book Post

Articles in the form of printed materials, Printed books, periodicals, greeting cards can also be mailed as book post. Under book post, envelopes containing book or documents should only be closed but not sealed. It should be mentioned on the face of the envelope as “Book Post”. The postage on Book Post mails is less than the postage on sealed envelopes. Advantages like sending mails faster, ensuring certainty of delivery of mails, compensating the sender in case of loss or damage to the mail during transit etc., are the facilities one can avail of by additional postal charges.

1.7.1.5 Registered Post

Some times we want to ensure that, our mail is definitely delivered to the addressee or otherwise it should come back to us. In such situations, the post office offers registered post facility through which we can send our letters and parcels. These mails are handed over to the post office after affixing additional postage as registration charge. On receiving the mail, the post office immediately issues a receipt to the sender, which also serves as a proof that the mail has been posted. The post office will never accept letters without complete address on the letters. To distinguish them from ordinary mail, all registered mails are super scribed as “Registered post” on their face. One who wants to confirm the letter has been delivered to the addressee, post office provides another facility. Normally registered posts are handed over to the addressee after getting their signature on some postal documents. But it is not intimated to the sender unless he specifically asks for it. But if the sender wants to have intimation then an “Acknowledgement Due card” can be sent along with the registered mail. This form is signed by the receiver (addressee) on delivery of the article and returned to the sender by post. The acknowledgement Due cards are available at all post offices. The sender of the registered post is required to buy one card, write his complete postal address on it and tag it to envelope. The envelope must
be super scribed as “Registered post with AD”. Now, through registered post, temple prasathams, medicines, medical equipments, land documents, valuable study certificates, important journals, CDs, students’ progress reports are sent.

1.7.1.6 Certificate of Posting

When ordinary letters are posted, the post office does not issue any receipt because we generally drop them in the letter box of the post office or in our locality. However, if a sender wants to have a proof that he/she has actually posted the letters, then a certificate can be obtained from the post office on payment of prescribed fee. This is called “Certificate of posting”. In order to have such a certificate just need to write the complete address of the receiver and sender on a plain paper and affix the required postage on it. This paper along with the letters is handed over to the post office. The post office will put its seal on that paper and return it to the sender. This paper now serves as an evidence of posting the letters. But remember to write UPC on the face of the mail. UPC stands for ‘Under postal certificate’. It may serve as an evidence of posting in case of any dispute about communication.

1.7.1.7 Registered Insured Post

While mails are in transit, they can get damaged or lost, resulting in a loss to the sender. In the case of ordinary letters, registered letters or parcels, post office cannot be liable for any loss or damage to the article. However, there is a provision that a sender can insure the letter or parcel, so that, in case of any loss or damage to the letter or parcel, the post office shall compensate for it. Thus, insured post is a type of mail service through which valuable articles may be sent after insuring these up to a specific amount. The insurance premium is paid to the post office according to the value for which the mail is insured. Here post office acts as the insurer and is liable for the loss or damage to the extent of the value insured for. Only registered mails are allowed to be sent through insured post. Letter or parcel will not be accepted for insured post unless it is packed and sealed as required by the post office.

1.7.1.8 Business Reply post

Creation of customers is one of the important economic objectives of every business. To achieve this objective, businessmen always look for prompt reply and reaction from their customers if customers’ opinion is sought for. In this regard post
office allows the customers to send their reply through business reply post, which does not require any postage from the sender. The post office recovers the postage from the addressee later on. To avail of this facility businessman can obtain a license from the post office after paying a prescribed fee for it. That license number should be clearly printed on the card/envelope along with phrases like “business reply card/envelope”, No postage will be paid by the addressee, No postage stamps necessary if posted in India”. The address of the receiver must be printed on the face of the card or envelope.

1.7.1.9 Value Payable Post (VPP)

Some times we want to buy certain goods, which are not available in any local shop. In such a case, we can always make a request to the seller located at a distance to send the goods to us. Here, post office gives a very good option to the seller to use its Value Payable Post (VPP) service. Under this service, post office receives the properly packed goods from the seller and carries those to the customers. After receiving the total amount (that includes the price of the goods and the VPP charges) from the customer it delivers the goods. Then the post office sends the money to the seller.

1.7.2 TRANSPORTATION SERVICES

Everywhere transport is a means where goods and services are shifted from one place to another. Transport can be done through Road, Railways, Airways and Ocean ways. But Postal services do not use waterways. Postal services utilize Road, Rail and Airways. Parcels and cargo are carried through road ways by means of separate mail vans operated by postal department.

There is a separate RMS (Railway Mail Service), where separate employees are permanently employed at the railway stations in order to take delivery of the parcels to their destinations brought through trains.

Airways do their service for posts by providing airlift of letters, parcels and cargo through their aeroplanes and for transporting passengers or through separate aeroplane used for airlift of cargo. Many sorting assistants are present at airports to take delivery.
In short, Road, Railway and Air transport, in all possible ways, provide services to posts. A transport service of India post includes parcels and cargo.

Parcels are packed materials of higher value. For example: Chemical and medical equipments and books of higher value, computer peripherals and accessories. Cargos are materials which are of average value and bulk in nature. India post provides reliable and economical parcel delivery service.

Under parcel post services, parcels of specified size and weight can be sent across the country as well as outside the country. Postal charges vary according to the weight of the parcel. Postage is to be paid for inland and foreign parcel post.

India post introduced Express Parcel Post service with effect from 1.3.1997. But it was relaunched with improved features on 1st March 1999 to provide a reliable and time-bound parcel service through surface transport. It provides door-to-door service for distance-based tariff; weight limit up to 35k.g. assured delivery and VPP service up to Rs.50,000. The express parcel post caters to corporate users and business establishments. It can be booked in 100 cities of the country where National speed-post centers are available.

Free pick-up facility is extended to a regular customer who books a minimum of 3 articles per day and who uses the special journal. Now, customers are provided value added services including credit facility under “Book Now Pay Later (BNPL) scheme”. Further, rates have also been modified to suit customer needs. Express Parcel Post retail has been introduced from 1.5.2009, under which a common man can also avail the service. Revenue earned under Express Parcel Post during 2008-2009 was Rs.230.4 million.

1.7.3 FINANCIAL SERVICES

1.7.3.1 Schemes of Savings Bank

The Post Office Savings Bank (POSB) is the oldest and largest banking institution in the country. It operates more than 206 million savings accounts as on 31.03.2009. The post office savings bank scheme is an agency function performed by the department of posts on behalf of the Ministry of Finance, the Government of India. Through its network, the post office savings Bank provides an avenue to people
all over the country to deposit their savings in various schemes. Its reach and service are unparalleled by any other banking agency in the country. The Ministry of Finance remunerates the department of posts for the savings banks work at a rate fixed from time to time.

Presently Eight savings schemes are operated by post offices across the country. These schemes are:

(i) Savings Account
(ii) Recurring Deposit (RD)
(iii) Time Deposit (TD)
(iv) Monthly Income Scheme (MIS)
(v) Public Provident Fund (PPF)
(vi) Kisan Vikas Patras (KVP)
(vii) National Savings Certificate (NSC) and
(viii) Senior Citizens Savings Scheme (SCSS).

The outstanding balance under all national saving schemes in post office is ₹5,636,977 million as on 31.3.2009.

1.7.3.2 Postal Life Insurance (PLI)

Postal Life Insurance (PLI), introduced in 1884 is the oldest Life Insurance Scheme for the benefit of government employees. Initially, meant only for the postal employees, today it caters to employees of the civil and military, personnel of the Central and State Government, Local bodies, Government aided educational institutions, Universities, Nationalized banks, many Autonomous and Financial Institutions, Public sector under takings of the Central and State Governments.

The following types of polices are available under PLI.

(i) Whole Life Insurance (Suraksha)
(ii) Convertible whole life Assurance (Suvidha)
(iii) Endowment Assurance (Santhosh)
(iv) Anticipated Endowment Assurance for 15 & 20 years (Sumangal)
(v) Joint Life Endowment Assurance
(vi) Children Policy (Bal Jivan Bima)
Postal Life Insurance celebrated its Quasquicentennial i.e. 125 years of service to the Nation on 1-2-2009. The post office allows the employees of these organizations, who are below 50 years of age, to insure their life on payment of a fixed premium for a particular period. It undertakes to pay a certain sum of money either on the death of the insured or on the expiry of a specific period.

1.7.3.3 Rural Postal Life Insurance (RPLI)

Rural Postal Life Insurance (RPLI) scheme was introduced in 1995 with a specific mandate to provide insurance cover to the rural public in general and benefit weaker sections and women workers of rural areas in particular.

RPLI offers the following schemes:

(i) Whole life assurance (Gram Suraksha)
(ii) Convertible whole life Assurance (Gram Suvidha)
(iii) Endowment Assurance (Gram Santhosh)
(iv) Anticipated Endowment Assurance for 15 & 20 years (Gram Sumangal)
(v) 10 years RPLI (Gram Priya)
(vi) Children Policy (Bal Jivan Bima)

As on 31st March 2009, there were 38,41,539 and 73,56,446 lives covered under PLI and RPLI respectively.

1.7.3.4 Money Order

Money can be sent through post office under money order service. The Money Order service was introduced in 1880. Money Order is an order issued by one post office to another post office to pay a certain sum of money only to the person named there in. If we want to send money, first we have to fill up a money order form which is available at all post offices on payment. The duly filled in form along with the money to be remitted is then handed over to the post office. In a single money order form, we can send a maximum amount of ₹5000/-. The money order form also contains some space where we can write down our message for the addressee. The filled in form is then sent to the post office where payment is to be made. The postman carries the form with him and after obtaining the signature from the addressee, hand over the money to him. For this service, post office charges a specific commission from the sender, which varies according to the amount of money sent.
For the convenience of customers, post office offers different types of money order services like Ordinary money order, Telegraphic money order, Satellite money order, Speed post money order etc., For the convenience of businessmen it also offers corporate money order service.

- **Instant Money Order (IMO)**

  Instant Money Order service is a computerized web based instant money transfer service between two resident individuals in the territory of India through the post office. This service enables the customer to receive money in minutes from any of the post offices providing IMO service. The service was introduced on 20th January 2006. Under this service, a person can send an amount from ₹1000/- up to ₹50,000/- in one transaction. Money will be disbursed to the payee at any of the IMO post offices in India other than the office of Booking on presentation of 16 digits IMO number and photo identity proof. At present IMO service is available from more than 2100 locations across the country.

- **Indian Postal Order (IPO)**

  Like money order, we can also send money through postal orders i.e., Indian Postal Order (IPO). It is a convenient method of sending money from one place to another and is mainly used for remitting examination fees or while applying for any job. Postal orders are available at all post offices in different denominations like ₹1/-, ₹2/-, ₹5/-, ₹7/-, ₹10/-, ₹20/-, ₹50/- and Rs.100. We can buy postal orders on payment of prescribed charges and send it to the payee after mentioning his name and specifying the name of the post office where it is intended to be encashed. The payee after receiving the postal order produces it for payment at the post office mentioned therein. To ensure payment to the right person, we can cross the postal order by putting two parallel diagonal lines on its top left hand corner just like crossing a bank draft or cheque. The effect of crossing a postal order is that the payment can be collected through the payee’s account at the post office or bank. This method of remittance is mostly used for official purposes.
International Money Transfer Service (IMTS)

Department of posts has been operating this service in association with a Multi National Company (MNC) – Western Union Financial Services Inc. since April 2001. This service provides the customers the facility of receiving remittances from 205 countries and territories on a real time basis. The service is currently available from 8,511 post offices and has delivered remittance of ₹76496.5 million in 2008-2009. For the period from April 2009 to December 2009, a total of 3.11 million transactions were done by the department.

Electronic Money Order (EMO)

The department of posts has launched EMO on 10.10.2008. Electronic money order is a system that facilitates electronic remittance of MOs. More than 8800 post offices provide this service. In the year 2008-2009, 1.65 million EMO’s amounting to ₹1917.3 million were booked. In the year 2009-10, 9.63 million EMO’s amounting to ₹11480.4 million have been booked.

Features of EMO

The tariff structure would be the same as that for ordinary money order with the following features.

a) Messages in standard codes.
b) Tracking facility through 18 digits PNR No.
c) Bulk booking of EMO’s on the basis of lists provided by the bulk remitter; uploading data available in soft copy.
d) Payment of bulk EMO’s through consolidated list.
e) Payment information can be obtained through SMS.

1.7.4 PREMIUM AND VALUE ADDED SERVICES

A business development directorate was setup on 1.2.96 with the objective of marketing and promoting premium services for meeting the needs of specific customers segments. The premium and value added services offered by India post are as follows:
Speed Post

The speed post service was introduced on 1 August 1986. This service is available 24 hours at specific speed post centers. Post office picks up speed post mail from the doorstep of the senders who send bulk mail on a regular basis. Under speed post service, letters, documents and parcels are delivered faster, i.e., within a fixed time frame. This facility is available at specific post offices. In 1986, speed post delivery service was available between seven major cities in the country. Thereafter, the network was expanded year after year. It has a network covering 315 major cities and towns in the country. In addition, 987 towns and district head quarters are brought on state speed post network, from where the speed post articles can be booked for national and international destinations. Speed post offers time bound and assured delivery of letters, documents and parcels weighing up to 35 kg across the country. Delivery norms are fixed taking into account the fastest available transport mode between the stations.

Internet based track and trace system is available for speed post. Under this system, the customer can find out the status of his article/consignment online by logging on to department’s web site www.indiapost.gov.in.

Revenue to the tune of ₹ 5152.7 million was generated through speed post during the financial year 2008-2009 showing a growth of 13.18% over the previous year.

1.7.5 VALUE ADDITIONS UNDER SPEED POST

In order to keep pace with the courier industry, the following value added services are provided:-

A. Book Now Pay Later (BNPL) facility.
B. Free pick-up
C. Nodal Delivery centers.
D. Direct delivery of articles received in bulk from speed post concentration centre
E. Volume based discount.
F. Tracking of speed post articles through SMS on mobile phone (Dial 55352 and enter the speed post article number)
1.7.5.1 Discount Offered to Corporate Customers

Volume based discounts are available to corporate customers. Only those corporate customers, who sign the speed post contract, will be eligible for the discount. As a part of the speed post contract, the speed post discount will be provided. In the event of an insured speed post article, insurance amount or actual value of the articles whichever is less is to be refunded to the sender of the article.

Speed post service is having good response among the public. One of the most important advantages of speed post is, we can send Gold coins, Gold ornaments, bullion, precious stones, Jewellery under insured speed post service. The value of goods does not exceed ₹1 Lakh.

1.7.5.2 Business Post

The department launched business post with effect from 1.1.1997 to meet the specific needs of big mailers. The service provides value addition to all traditional service offered by the department in the form of collection, insertions, addressing, sealing, franking etc., Printing has been added to the value additions recently. With increase in number of corporate customers to this service, revenue growth of 15.36% has been recorded during the financial year 2008-2009. This service has topped in revenue generation among business development products with net revenue of ₹6032.5 million in 2008-2009.

◊ Media Post

Under this service, the postal department allows the corporate and government organization to reach the customers through advertisement on postcards, inland letter, aerogramme and other postal stationeries. Public awareness messages may be printed by government on postal stationery. Revenue earned under this service during 2008-2009 is ₹102.8 million.

◊ Retail Post

India post offers this facility to collect consumer bills for service industries like telephone/electricity/mobile phone etc., for Government and private organizations. Post offices also sell forms for public bodies across counter of post
office. Besides this, facility of reservation of Railway Tickets through computerized passenger reservation system terminals has been commenced from 7.10.2007 in selected post offices. Retail post leverages the vast network of post offices for sale of products across the counter on behalf of other organizations. It projects India post as a ‘one stop solution provider’ for various utility services and it is in a position to offer the retail service to the customers of any agency. Retail post offers the following services:

1. Telephone revenue collection
2. e-Ticketing for road transport corporations and Airlines
3. Sale of UPSC forms, University applications etc.,
4. Sale of passport application forms
5. Sale of gold coins, forex service
6. Sale of SIM and recharge coupons
7. Sale of India Telephone cards
8. e-Ticketing of railway tickets

Greetings Post

Department of posts launched the pre-paid postage envelops and greeting cards in September 2000. This greeting card is ‘Buy and Post’ product unlike ordinary greeting cards. It is also a philatelic collectible item. The cards are available for occasions like birthday, anniversaries and festivals like Diwali, Christmas etc.

Direct Post

It was introduced in March 2005. Direct marketing facilitate business organization to use an addressed and unaddressed mail to popularize their products. Unaddressed mail is delivered to the door step of the targeted customer group under this service. Revenue of ₹17.6 million has been earned through this service during 2008-2009.

e-Post

This is an e-enabled service launched by the Department of Posts on 30th January 2004 to bridge the digital divide. E-post allows sending of message through e-mail to be printed in a post office nearer to the addressee and delivered
as letters. Similarly, written messages can be brought to a post office, which will scan them and send them as e-mail to any e-mail ID in the world or to a postal address in India. Revenue earned through this service during 2008-2009 is ₹16.0 million.

- **Logistics Post**

  It provides transportation, distribution, warehousing and other value added services to customers. Logistics post Air, under which air lift is given to consignments, was made available to North Eastern states through freighter aircraft consequent on introduction of two more freighter aircrafts from 29th July 2009. This service has been extended to Delhi, Mumbai, Chennai and Bengaluru.

- **e-Payment**

  E-payment is a facility for accepting payment of bills or payment from many-to-one through post office. The amount collected is consolidated electronically in a web based central server on line and the information is made available to the user. Payment is made centrally through the identified post office. The facility for collection of payment from utility service users through e-payment is also available. Department has earned revenue of ₹271.5 million in 2008-2009 from this product.

The following table 1.2 clearly explains the product wise revenue growth of business development activities.

**TABLE 1.2**

<table>
<thead>
<tr>
<th>S. NO</th>
<th>PRODUCTS</th>
<th>GROWTH OF REVENUE</th>
<th>% OF GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Speed Post</td>
<td>4552.4</td>
<td>5152.7</td>
</tr>
<tr>
<td>2</td>
<td>Business Post</td>
<td>5228.0</td>
<td>6032.5</td>
</tr>
<tr>
<td>3</td>
<td>Bill Mail</td>
<td>594.2</td>
<td>653.6</td>
</tr>
<tr>
<td>4</td>
<td>Other Services</td>
<td>2445.8</td>
<td>2510.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>12820.4</strong></td>
<td><strong>14349.7</strong></td>
</tr>
</tbody>
</table>
It is found from the above table that, the revenue growth of all postal products has been increasing during 2008-2009 when compared to 2007-2008.

1.8 GOVERNMENT SUBSIDY FOR POSTAL SERVICES

User charges in the postal system cover around 78.3% of costs. There is a significant element of government subsidy as may be seen in the following table 1.3 given below.

TABLE 1.3
GOVERNMENT SUBSIDY FOR POSTAL SERVICES (2006-2007)

<table>
<thead>
<tr>
<th>S. No</th>
<th>SERVICES</th>
<th>SUBSIDY PERUNIT (₹.)</th>
<th>TRAFFIC (IN MILLION)</th>
<th>TOTAL SUBSIDY (₹. in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Post Card</td>
<td>6.39</td>
<td>270.68</td>
<td>172.83</td>
</tr>
<tr>
<td>2</td>
<td>Printed post card</td>
<td>0.92</td>
<td>78.00</td>
<td>7.15</td>
</tr>
<tr>
<td>3</td>
<td>Letter cards</td>
<td>4.52</td>
<td>280.99</td>
<td>127.04</td>
</tr>
<tr>
<td>4</td>
<td>Registration</td>
<td>15.90</td>
<td>192.36</td>
<td>305.81</td>
</tr>
<tr>
<td>5</td>
<td>Money order</td>
<td>25.80</td>
<td>111.08</td>
<td>286.61</td>
</tr>
<tr>
<td>6</td>
<td>Regd. Newspaper (Single)</td>
<td>8.95</td>
<td>81.18</td>
<td>72.66</td>
</tr>
<tr>
<td>7</td>
<td>Regd. Newspaper (Bundle)</td>
<td>15.10</td>
<td>8.28</td>
<td>12.51</td>
</tr>
<tr>
<td>8</td>
<td>Printed Books</td>
<td>14.69</td>
<td>17.58</td>
<td>25.82</td>
</tr>
<tr>
<td>9</td>
<td>Parcel</td>
<td>23.78</td>
<td>40.99</td>
<td>97.46</td>
</tr>
<tr>
<td>10</td>
<td>Others</td>
<td>N.A.</td>
<td>N.A.</td>
<td>267.33</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>1375.22</strong></td>
</tr>
</tbody>
</table>


It is evident from the above table that, the government is giving more subsidy per unit (₹.25.80) for money order, followed by parcel (₹.23.78), registration (₹.15.90) and for printed books (₹.14.69).

The Product mix must inform the prospects in different types of services for the different types of prospects. While designing the product mix, both the high profit services as well as the low profit services must be included.
1.9 PRICE MIX

A Pricing decision has to be taken rationally, as on the one hand the postal department, has to maintain their commercial viability while on the other hand they must fulfill the interests of the different segments of the society. Hence, the postal organizations have to fix the price in such a way that even the weaker sections of the society find it convenient to use these services. The Following table 1.4 Exhibits the price mix for the postal products:

**TABLE 1.4**

**TARIFF FOR POSTAL PRODUCTS**

<table>
<thead>
<tr>
<th>POST CARD</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Card</td>
<td></td>
</tr>
<tr>
<td>a) Single Post Card</td>
<td>0.50</td>
</tr>
<tr>
<td>b) Reply Post Card</td>
<td>1.00</td>
</tr>
<tr>
<td>c) Printed Post Card</td>
<td>6.00</td>
</tr>
<tr>
<td>d) Competition Post Card</td>
<td>10.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INLAND CARD</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inland letter card</td>
<td>2.50</td>
</tr>
</tbody>
</table>

**BOOK POST**

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>₹.Ps.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Packets Containing printed book only (Maximum 5 K.G) For every 100 grams (or) fraction thereof</td>
<td>1.00</td>
</tr>
</tbody>
</table>
| Book pattern and sample packets (max. 2kg)  
   (i) First 5 grams or fraction thereof | 4.00 |
| (ii) Additional 50 grams or fraction thereof | 3.00 |
| Book Packets Containing periodicals registered with Registrar Press Council of India (max.5 kg) | |

<table>
<thead>
<tr>
<th>Value of Periodicals</th>
<th>Up to ₹.20</th>
<th>₹.21 to ₹.50</th>
<th>Above ₹.50</th>
</tr>
</thead>
<tbody>
<tr>
<td>For first 110 grams</td>
<td>2.00</td>
<td>4.00</td>
<td>8.00</td>
</tr>
<tr>
<td>For addl. 100 grams or fraction thereof</td>
<td>3.00</td>
<td>5.00</td>
<td>9.00</td>
</tr>
</tbody>
</table>
### REGISTERED POST

**(i) Registered Newspapers (Single Copy) (Maximum 5kg)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. up to 50 grams</td>
<td>0.25 paise</td>
</tr>
<tr>
<td>b. Exceeding 50 grams, but not exceeding 100 grams</td>
<td>0.50 paise</td>
</tr>
<tr>
<td>c. Every additional 100 grams or fraction thereof</td>
<td>0.20 paise</td>
</tr>
</tbody>
</table>

**(ii) Registered Newspapers (More than one copy of the same issue)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>d. Not exceeding 100 grams</td>
<td>0.50 paise</td>
</tr>
<tr>
<td>e. Every additional 100 grams or fraction thereof</td>
<td>0.20 paise</td>
</tr>
</tbody>
</table>

**(iii) Registration**

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>f. Fee for each article</td>
<td>17.00</td>
</tr>
<tr>
<td>g. Concessional Regn. fee for VPP containing printed books up to ₹50</td>
<td>2.50</td>
</tr>
<tr>
<td>h. Fee for Acknowledgement</td>
<td>3.00</td>
</tr>
<tr>
<td>i. Registration Envelope</td>
<td>22.50</td>
</tr>
</tbody>
</table>

### CERTIFICATE OF POSTING

- Certificate of posting For three articles or less ₹3.00.

### MONEY ORDER

- Money order (Maximum value ₹5000 per money order)
  - a) Cost of MO form           → 0.25 paise
  - b) Commission for every ₹20  → 1.00 Rupee
1.9.1 MONEY ORDER TRAFFIC AND VALUE

A Comparative statistics of money order traffic and the value of money orders transmitted during 2008-2009 compared with the previous year is given in the following table 1.5.

### TABLE 1.5
MONEY ORDER TRAFFIC AND VALUE

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>YEAR</th>
<th>INCREASE / DECREASE (in % age)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money order traffic (in million)</td>
<td>91.05</td>
<td>86.69 (-) 8.80%</td>
</tr>
<tr>
<td>Value of MOs Transmitted (₹ in million)</td>
<td>83630.58</td>
<td>79547.69 (-) 4.88%</td>
</tr>
</tbody>
</table>

*Source: Annual report 2009 – 2010*

From the above table it is inferred that, the value of money orders transmitted has decreased when compared to the previous year. The money order service is highly used by the rural masses.

The following table 1.6 shows the domestic tariff for speed post.

### TABLE 1.6
DOMESTIC TARIFF FOR SPEED POST

<table>
<thead>
<tr>
<th>S. No</th>
<th>Weight</th>
<th>Local (₹.)</th>
<th>Upto 200 kms (₹.)</th>
<th>201-1000 kms (₹.)</th>
<th>1001-2000 kms (₹.)</th>
<th>Above 2000 kms (₹.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Upto 200 grams</td>
<td>12*</td>
<td>25*</td>
<td>25*</td>
<td>25*</td>
<td>25*</td>
</tr>
<tr>
<td>2</td>
<td>51 to 200 grams</td>
<td>20</td>
<td>25</td>
<td>30</td>
<td>50</td>
<td>60</td>
</tr>
<tr>
<td>3</td>
<td>201-500 grams</td>
<td>20</td>
<td>40</td>
<td>45</td>
<td>70</td>
<td>80</td>
</tr>
<tr>
<td>4</td>
<td>Addl.500 grams or part there of</td>
<td>5</td>
<td>7.50</td>
<td>15</td>
<td>30</td>
<td>40</td>
</tr>
</tbody>
</table>

*Includes service tax and education cess w.e.f.11.06.2007.*
1.9.2 DISCOUNT OFFERED TO CORPORATE CUSTOMERS FOR SPEED POST

Volume based discounts are available to corporate customers, as detailed in the following table.

<table>
<thead>
<tr>
<th>Monthly Business</th>
<th>Maximum Discount Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to ₹.10000</td>
<td>Nil</td>
</tr>
<tr>
<td>₹.10001-₹.50000</td>
<td>Up to 5% of speed post fee.</td>
</tr>
<tr>
<td>₹.50001-₹.100000</td>
<td>Up to 10% of speed post fee.</td>
</tr>
<tr>
<td>₹.100000-₹.250000</td>
<td>Up to 15% of speed post fee.</td>
</tr>
<tr>
<td>₹.250001 &amp; above</td>
<td>Up to 20% of speed post fee.</td>
</tr>
</tbody>
</table>

COST OF SERVICE

The Average cost and revenue incurred in various postal services is illustrated in the following table 1.7.

**TABLE 1.7**

**COST OF SERVICE**

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Services</th>
<th>2007 - 2008</th>
<th>(Figure in Paise)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cost</td>
<td>Revenue</td>
</tr>
<tr>
<td>1</td>
<td>Post Card</td>
<td>710</td>
<td>50</td>
</tr>
<tr>
<td>2</td>
<td>Printed Post Card</td>
<td>709</td>
<td>600</td>
</tr>
<tr>
<td>3</td>
<td>Competition Post Card</td>
<td>460</td>
<td>1000</td>
</tr>
<tr>
<td>4</td>
<td>Letter Card (Inland Letter)</td>
<td>696</td>
<td>250</td>
</tr>
<tr>
<td>5</td>
<td>Letter</td>
<td>785</td>
<td>1020</td>
</tr>
<tr>
<td>6</td>
<td>Registered Newspaper - Single</td>
<td>858</td>
<td>43</td>
</tr>
<tr>
<td>7</td>
<td>Registered Newspaper - Bundle</td>
<td>1097</td>
<td>74</td>
</tr>
<tr>
<td>8</td>
<td>Book Post – Printed Books</td>
<td>1467</td>
<td>372</td>
</tr>
<tr>
<td>9</td>
<td>Acknowledgement</td>
<td>648</td>
<td>300</td>
</tr>
<tr>
<td>10</td>
<td>Registration</td>
<td>3360</td>
<td>1700</td>
</tr>
<tr>
<td>11</td>
<td>Speed post</td>
<td>4059</td>
<td>3761</td>
</tr>
<tr>
<td>12</td>
<td>Money order</td>
<td>5759</td>
<td>2670</td>
</tr>
</tbody>
</table>

(Source: Annual report 2008 – 2009.)
It is inferred from the above table that, the average revenue is raised for registered newspaper—single (+56paise), followed by registered newspaper—bundle (+25paise) and money order (+847paise) as compared to the previous year. The average revenue remains constant for post card, followed by printed post card, competition post card, letter card, acknowledgement and registration as compared to the previous year. The average revenue is reduced for the services like letter (-19paise) and book post-printed books (-17paise), when compared to the previous year.

It is concluded that the average revenue earned for mail communication services remains constant.

A rational tariff policy is a difficult task which requires professional skill. However, the postal services make the pricing decisions more scientific and progressive. They have a high tariff for dispatching valuable documents and papers and charging low charges for the regular customers. This method helps to increase the market share and therefore the tariff structure should not be more than the tariff for other communication services. On the whole, the pricing method is a kind of cost plus pricing since cost becomes the primary basis for price determination.

1.10 THE PLACE MIX

The place mix has two important issues,

1. The postal department has to process the services without any gap between the services furnished and services offered.

2. The offices of the postal organizations must be located at a sensitive point.

Realizing this, India post has adopted a viable policy of locating its offices mainly both in the rural and semi urban areas and at the same time touching the urban areas too. The channel of distribution for postal services is direct and short in the sense that product and services flow directly from the marketers to ultimate consumers. Since India is a land of villages, the India post is basically rural based. The total number of post offices has been reduced from 1,55,669 (2003 – 2004) to 1,55,015 (2008-2009), the reduction being marginal. However, the number of rural post offices remains more or less constant, thereby signifying the rural based services of the India post.
1.11 PROMOTION MIX

The promotion mix must inform the prospects in a creative way.

1.11.1 Advertising

In the present age of sophisticated technologies, advertisement is a vital tool in promoting the business of postal organizations. They advertise through print media, broadcast media and the telecast media. The postal people expose their potentials as well as the requirements to use the media found instrumental in promoting the business. For postal services, print media is more effective because the sophistication in the development of print technology is more creative. The offset print, screen print and laser printer are some of the latest devices used by the postal organizations for that purpose. The newspapers, magazines in big circulation are also effective since the services are used by almost all the segments of the market. There is economy in the print media. It is due to the fact that, of late print media have been found more effective. The marketing professionals have to create slogans, messages, themes and appeals. The broadcast media are also used by the postal organizations.

1.11.2 Publicity

It is an unpaid form of communication. The ad professionals try to develop a rapport with the media people and organize a get together. When the media people are satisfied with the quality of services offered by them, they may give suitable coverage as a news item. Generally, the publicity will be more effective as the prospects will balance that the media people are presenting right things regarding the services of postal organizations.

1.11.3 Personal Selling

Sometimes, for promoting the business of postal organization, personal selling will be much effective. The promotion mix of the postal organizations may be successful only when the sales people have high communication ability. The large sized postal houses may engage agents, trade representatives for developing contact with target prospects. When the sales people use high communication ability, attractive personality and commitment to profession, the business will be successfully completed. It is always advisable for the postal organizations to recruit and train quality sales people for that very purpose.
1.11.4 Word of Mouth Promotion

Generally, the quality of goods or services will attract the customers. When the postal houses provide better services to the prospects or users, they will remain satisfied and communicate to their friends and relatives the plus and negative points. Thus, they will act as a hidden sales force. When one hears about good quality of postal services from his friends and relatives, he prefers to use the services of that very organization as and when the circumstance necessitates. This is known as word of mouth promotion.

1.11.5 Sales promotion

This is an important component of the promotion mix. The postal organizations use innovative promotional tools for the sales personnel, marketing personnel and more so for the users of the services. They can offer gifts, attractive packages and concessional services to the regular customers.

1.11.6 Telemarketing

While promoting the postal services, the telemarketing provides information regarding the services and the queries by telephones. The postal organization recruits a person with high communication ability so that he/she is in a position to convince the prospects. The telemarketers use sophisticated telephonic instruments effective in transmitting and receiving the messages without any interruption. In this context, the satellite communication has opened avenues for the use of telemarketing for promoting the business.

By using the above measures of sales promotion the postal organizations and the marketing professionals are able to mix the different constituents in such a way that the prospects are stimulated and the dialogue is transformed into a deal.

1.12 THE PEOPLE MIX

It involves the different categories of employees' serving in the postal organizations at head or branch offices. The personnel working in postal services function as the marketing professionals. It is a fact that employees play an important role in improving the quality of postal services. The Management creates a fair synchronization of performance orientation and employee – orientation.
In postal services, the service personnel reflect the organizational reality. It is through the interaction with the staff, customer forms an opinion of the organization. To provide the quality service, the postal department adopts a kind of internal marketing with a view to having motivated and customer consideration employees’. In fact the employees have to act as ‘ambassadors for the organization on the quality of service and the quality of service providers are inseparable. Realizing this, the postal department takes all initiative to develop a high level interpersonal skills and customer oriented attitude in employees.

However, the employees working at the head and branch offices must be efficient, must be aware of the operation and maintenance of technologies used in the process. They must also be sincere and punctual to the work and must understand the behavioural profile of prospects or users. They must prove themselves to be high performers. The management must offer the employees’ efficiency based incentive plans.

1.13 PROCESS MIX

The process has been given much attention in the postal service sector very recently. The postal organization identify the needs and wants in the market place so that, they can design the service process so as to ensure service quality. They pay meticulous attention to service delivery processes which are designed, implemented and monitored effectively by the department. However the greatest impact on the process element of postal marketing mix has been due to technological developments, enabling automated service, For example: using computerized system to provide instant services like Instant Money Transfer.

1.14 PHYSICAL EVIDENCE

The postal department offers tangible evidence for the nature of services provided by it. The service environment in which interaction takes place consists of Physical evidence as well as the social settings. Realizing this, the Postal Organisations aim at enhancing the customer perception of the service by providing the right physical evidence. For example: the infrastructure in the rural setup should be such as to attract only in the rural masses where as in the urban areas, it is very palatial. In order to create correct social setting, the department pays attention to the appearance of the staff. Staff uniform plays a significant role. Thus, physical evidence helps in enhancing the department’s image and its identity.
The above marketing mix can be exhibited in the following figure. 1.3

FIGURE 1.3
MARKETING MIX FOR POSTAL SERVICES

1.15 PUBLIC GRIEVANCES

During the year 2009 – 2010, total of 6,74,779 cases of public grievances were handled. A total of 6,32,391 cases were settled during the period of report i.e., 93.72% of the total grievances handled over. Computerized customer care centers have been established across the country for online exchange of information amongst all the units for speedy redressal of public grievances and to provide a convenient facility to the customers for redressal of grievances. “Sevottam – a service delivery excellence model” implemented at New Delhi GPO has been awarded the IS157000:2005 certification on 11th April, 2008. This certification is valid for 3 years. India post is the first government department to implement the scheme.
1.16 CONCEPTUAL TERMS

◊ Post Office

It is a place where mail is handled and where postage stamps, other postal materials and services are sold. It also refers to the agency that provides mail services.

◊ Postal Services

Various services offered by post office are called postal services. These services include receiving of letters and parcels and delivering them to the addressees, arranging remittances of money, accepting deposits, insuring life of the people etc.

◊ Pin Code

To speed up the sorting and delivering processes and also for identification, a specific six-digit number is allotted to each post office of our country. This number is called Postal Index Number (PIN). For example: PIN-759001. Here, the first digit (7) represents zone in the country; the second and third digits (59) represent the sub zone and the manner of routing the mail; the first three digits (759) together indicate the sorting district; the right three digits of the PIN code (001) indicate a post office of delivery within a sorting district. All the six digits together (759001) identify an individual post office or a delivery unit.

◊ Post Box

It is a box where the unregistered mails are collected. These boxes are found outside every post office and also at some specific places for the convenience of the public.

◊ Sorting

It is a process of separating the various postal articles according to the areas.

◊ Postman

The Postman is a person who delivers the mails, parcels, money orders etc., to the correct addressees.
Post master

Post master is a person who is the head of the post office who controls the affairs of the post office.

Mail

It refers to various types of letters.

Mail overseer

He is usually attached to a sub office. He visits all the post offices under the control of the sub office and checks and verifies the accounts maintained by the postmaster of that office.

Extra Department Branch Post Master

Post offices situated in rural areas are usually considered as an Extra Departmental Post Office. The affairs of this office are managed by an EDBPM.

Extra Department Branch Postman

Postman attached to an ED Branch office is called Extra Department Branch Postman (EDBP). His main duty is to carry the mail bags from post office to sub-office and vice-versa and to deliver cards, covers, letters, parcels, money orders etc., to the correct addressees.

1.17 NEED FOR THE PRESENT STUDY

The postal department is one of the largest public sector enterprises serving the communication needs of all the Indians including the “Aam Admi”. There are as many as 1,55,015 post offices located in various places of India forming a close network. Initially mail delivery was the sole function of the post offices but during the course of time, various new services have been added. The charges levied for handling postal articles and services have been very nominal.

Recently, private enterprises in communication system have started emerging in this field and they are called courier services.
As the courier services are managed by private people, they work with a competitive spirit. They manage to attract the attention and confidence of the common man and at present various courier services are thriving very well at the cost of government postal services. One advantage of the courier services is that they can modify their rules, regulations and charges to suit the needs of the time and persons.

Because of the severe competition posed by the courier services, the postal department has started incurring revenue losses. Therefore there is an urgent necessity to undertake a study of this nature. Moreover, the impact of Information and Communication Technology on India Post is another area of concern.

1.18 STATEMENT OF THE PROBLEM

The India Post which till recently reigned supreme throughout India is now undergoing setbacks not because of its incompetence but because of so many other reasons.

The Indian postal services have been doing a wonderful service to the society, particularly to the common man as the only means of cheap communication. Post cards, envelopes, money orders etc., were delivered promptly at cheap rates. It enjoyed monopoly in the sale of post cards, envelopes and stamps. But, during the course of the last 10 years, many private courier services have sprung up and these pose great challenge to India Post.

Postal administration faces a very severe challenge posed by the growing volume of mail; need to deliver services faster to the customers, administrated prices and poor technology.

After the advent of cell phones, messages and enquiries are conveyed through S.M.S. The revolution taken place in the IT sector has enabled a common man to talk to any body in India spending just ‘One rupee’ with the help of the public telephones which are very freely available in all places. This has also contributed to the setback of the postal department.
There prevails a dearth of postal employees which affects sorting and delivery of mails. This is because, as a measure of economy, recruitments have been very limited. Since sufficient manpower is not available, the post master himself is compelled to attend to duties meant for his subordinates. He finds no time to explain to the public various new services introduced in the postal sector.

Part-time employees happen to be very large in number in the postal department. They adopt a lackluster attitude in serving the people. They are not ready to cover long distances to deliver postal articles. The public are, therefore, compelled to turn to other service sectors for their needs.

There are certain reasons for the delay in the delivery of mails. Often the sender does not write the address clearly and legibly. He fails to note down the pin-code number. Sometimes, the address is written in a language other than the regional language not familiar to the postal employee. These letters are sent to Regional Offices for translation of the addresses. Obviously, delay becomes inevitable.

Many persons are not aware of the various services provided by the postal department and hence seek the help of other mode of information technology. Many customers reach the post offices just before the closing hours of the day. By then, all processes have been completed and the mail-bags are ready for dispatch to the head post offices. The postmaster is not able to cater to the needs of the customers. The customers get disappointed and lose confidence in the postal department. Customers do not stand in a queue to get their needs attended to by the postal employees. Many do not allot time for postal transactions.

The working hours of a rural post office are less; the public are put to difficulty. Moreover speed post facility is not made available in rural post offices. With the result, the village public cannot send letters by “Speed post” from their village and they are compelled to visit neighboring towns to avail of this facility. This situation has caused a big setback to the postal department.
1,55,015 post offices in India form a close network throughout the length and breadth of this country. However, the average area served by one post office is 21.21 sq.km. The postman is not able to cover this vast area within the stipulated time with the result he has to work extra time for which he is not paid.

The public usually make the postman wait for the delivery of mails and naturally, the postman is not able to complete the delivery in time. He has to stand sometimes for long time in front of a house to deliver the letters. Many public fail to inform the postman about the changes in their residences. The postman, in this situation, has no other option but to redirect the mails to the respective senders.

When a postman is transferred, the new postman takes a very long time to become familiar with the new area. This results in delay in the delivery of mails or in wrong delivery.

In some places, door numbers, the names of the streets etc., are not clearly indicated with the result the postman is compelled to make enquiries about the correct addressees. This not only adds to his already heavy work but causes undue delay also.

Very sincere and hard working postman are not suitably rewarded or appreciated. And their services go unrewarded and the postmen have a feeling of doing a thankless job.

Village postmen serving in rural areas are paid salary only, which is low. They are not paid other allowances. They are not at present eligible for pension. They are not provided with the basic accommodation.

Postal employees are given training only for a short period; during training period, there is no emphasis to impart qualities required of an ideal public servant such as duty consciousness, punctuality, responsibility, dedication and devotion. Instead of delivering the letters, they threw the mails in dustbins. These anti-socials do not understand the significance of the mail. Even a post card can carry a matter of life and death. There are reports that sometimes postmen misappropriate money orders or old age pension meant for helpless elders. These crimes committed by a very few postmen have made people lose faith in the postal department.
In the case of registered letter or parcel, the addressee does not authorize others in the house to receive the same on his behalf. Others also are reluctant to receive the articles. Naturally, these letters have to be returned. The Post Man usually waits for a few days to deliver the registered articles. Post offices occupy an important place in our day-to-day-life. Once upon a time, delivery of letters and mails was considered the prime duty of post offices; but time has changed. In these days, post offices are rendering to the public various other new services. Yet people are not happy with the functioning of the Post Offices. This is because people are made to wait very long before their needs are attended to. Moreover, Post Offices do not come forward to offer services required by rural masses. Even to-day 'Speed Post' facilities are not available at a rural post office. Rural Post Offices function only for a few hours which do not suit the requirements of a rural man. When a common man makes an enquiry of the services provided by the post office, the post master directs him to approach sub-offices. Complete details of services are not made available at certain post offices.

Computerized post offices are only limited in number. In certain Post Offices, customers have no chairs to be seated; Gum for pasting is not made available. After the stipulated time, the post offices levy additional charges for accepting mails. Courier agencies do not levy any late fee. For a regular customer, Post Offices do not provide any concession. In the past, post cards were delivered with the same seriousness as a registered article. But now, post cards are delivered very lately or simply discarded. It is this attitude of the postmen which brings discredit to the postal department.

Many post offices are accommodated in rented buildings. There is no parking place in these buildings. Post boxes are not properly maintained by some post offices. Clearance time is not properly indicated in these boxes. Some villages do not have any post boxes. When complaints are lodged by the public, the postal authority instead of taking action against employees, try to pacify the complainant. The registration charges for registered post are very high. Therefore, the people look to courier agencies for sending mails. When money orders are paid, the postmen expect or often demand tips for discharging his duty. Advertisements regarding various services provided by the postal department are very few. It creates setbacks to the
postal department. Many Postal employees are not able to handle computers. This results in delay in providing the services to the public. There are very many agents in LIC whereas agents available in the postal department are not sufficient.

Hence, there is an imperative need to undertake a study of this nature to analyse the various problems faced by the India Post which will enable to put forward appropriate practical solutions to the problems.

1.19 PROFILE OF THE STUDY AREA

A study of this nature required the selection of a suitable place. The Salem district has been selected since there is a heavy concentration of post offices and moreover Salem district is one of the biggest Districts in Tamilnadu. It is bounded on the north by the Dharmapuri district, on the south by the Namakkal and Erode districts, the Western Ghats in the west and on the east by the Villupuram district. The elevation of landscape generally ranges from 500 ft to 1200 ft above MSL with the exception of Yercaud which is 5000 ft above MSL. The geographical position of the district is between 110°. 14' and 10°. 53' N latitude and 77°. 44' and 78°. 50' E longitude. The temperature of the district is 37.9 °C as the maximum and 20.0 °C as the minimum. The district head quarter is centrally located in the district. The district Salem is intersected by numerous hills such as Shervoros hills and Kalrayan hills which adorn the district with beauty and forest wealth.

The geographical area of the Salem District is 5205.30 square kilometers. It has four revenue divisions-Attur, Sankari, Mettur and Salem. It is divided into Nine Taluks viz., Attur, Mettur, Omalur, Sankari, Salem, Yercaud, Gangavalii, Idappadi and Valapadi. The district includes four municipalities viz., Idappadi, Attur, Mettur and Narasingapuram and one corporation (Salem) and 385 Village Panchayats with 646 revenue villages. It also has 33 town Panchayats and 20 Panchayats unions. The total number of revenue firkas is 42 and revenue villages are 646 in number. Salem district occupies the 9th rank among all the districts with regard to size in Tamilnadu.

Salem district occupies 4th rank in population. The total population of the district is 3016346 as per 2001 census of which 54% are settled (1626162) in rural area and 46% (1390184) in urban. The total male population is 15,63,633 and the
female population, 14,52,713. The sex ratio of the population is 929 females per 1000 males as per 2001 census. Population density works out to 580 persons per Sq.km. In the population of the Salem district the number of SCs’s is 400076 and the STs’s, 89748, which work outs to a ratio of 16.7:3.5. There are 1185247 literates (Rural: 680562, Urban: 504685) and literacy rate in the district is 58% as per 2001 census. The working population of the district is 13.20 lakhs accounting for 44% of the total population. The normal rainfall of the district is 787.1mm. This is lower than the state average of 943mm. The north east monsoon period is the major rainy season accounting for 66% of the normal rainfall followed by south west monsoon (30%).

Besides the above salient features, many public sector undertakings like Banks, Insurance companies, Post offices, Transport units etc., are operating in Salem district. A postal department plays a vital role in the day today life. Public uses the post office as a medium of transferring information. To help the general public, in Salem district, there are two postal divisions

1. East division
2. West division

The researcher focused on the west division only. The west division was started in the year 1979. Formerly it was called rural division. The head office for the west division is Suramangalam. It is situated near Salem Railway Junction. Superintendent of post offices is the head for the Salem west division. 253 post offices are functioning under this division. 400 departmental and extra departmental postmen are working in the west division. Out of 253 post offices, 229 are delivery offices and 24 are no delivery offices. Under west division, three subdivisions are included.

- Suramangalam sub-division
- Mettur dam sub-division
- Rasipuram sub-division

Suramangalam sub-division has 85 post offices, including 63 branch offices in the rural areas while Mettur dam sub-division has 84 post offices including 65 branch offices located in rural areas. Finally Rasipuram sub-division has a total of 84 post offices of which 70 offices are in the rural areas. 10 post offices are situated in the
other revenue districts. There are 17 computerized post offices functioning under the west division. All the urban post offices are offering services of postal department. In rural post offices, some of the services are not provided. The services provided by the post office may differ from area to area.

1.20 SCOPE OF THE STUDY

The Scope of study is restricted to the postal services offered by post offices which come under the Salem west division. The opinion of postal customers, postmasters, and postmen and women regarding postal services have been analysed to identify the factors which contribute to the effective marketing of postal services.

Among the mail communication services postcard, inland letter, registered post, certificate of posting and book post are considered for this study since the postal department suffers heavy losses than the other services.

Among the financial services, the money order service alone is taken into account since this service is very popular in the rural areas.

Among the premium and value added services speed post alone is considered since this service is only available in the urban areas of the west division.

1.21 OBJECTIVES OF THE STUDY

The study has been made with the following set of objectives:

- To describe the different postal services offered by India post.
- To analyse the opinion of the postmasters regarding postal services.
- To examine the level of satisfaction of the postal employees regarding postal services.
- To assess the opinion of the customers towards postal services.
- To offer suggestions for the improvement of postal services offered by India post.
1.22 HYPOTHESES

The analysis of the study has been preceded with the following set of hypotheses.

- The opinion about types of products, rates charged and overall satisfaction about postal services does not vary significantly based on Gender, Education, location of the post office, Monthly income, Years of experience of the post masters.

- There is no relationship between different types of postal services, customers served per day and overall satisfaction on the job and Gender, Age, Education, Basis of Appointment, Monthly income, Grades held, Hours worked per day and area covered by the postmen / postal women.

- Opinion score on satisfaction on salary and over all job satisfaction does not vary significantly based on demographic factors of the postmen / postal women.

- There is no significant association between visits to post office, Rates charged, Festival services, Complaints, Advertisement and the Demographic profile of the customers like Age, Gender, Literacy level, Monthly income and Occupation.

- The number of customers using ordinary post card, competition post card, and acknowledgement card do not vary significantly based on location of the post office.

- The opinion scores on postal charges, complaints and postal services do not vary significantly based on demographic profile of the customers.

The above research hypotheses were broken down into simple working hypothesis and are discussed in the analysis and interpretation chapters.
1.23 METHODOLOGY

The study is both a descriptive and analytical one and it was carried out through sampling. The primary data have been collected directly from the post offices of Salem west division in Salem District and the customers of post offices through a pretested interview schedule. The Secondary data have been collected from the published documents like, Annual reports, Information booklets, Hand book of postal products and services, Hand books of postal Training College and other relevant books and journals.

1.24 SAMPLING

The sampling was done in two stages for postmasters and postmen/woman. For customers, it was done in 3 stages.

In the first stage, out of 2 divisions, west division was identified as the target sampling area. This was chosen purposively since west division covered more area. In the second stage, 80% of the postmasters were chosen randomly out of a total of 253 post masters available. Since, the post masters’ population was small enough, the sample size was increased considerably.

Out of 400 postmen and postal women, available in the west division, 50% of them were chosen for this study.

For customers, 15% of the total number of post offices was chosen. This comes to around 38 post offices which were rounded off to 40 for arithmetic convenience. In the third stage, out of the 40 post offices identified, 10 customers from each post office were randomly chosen.
Simple random sampling was adopted to choose the respondents viz., (Post masters, Postmen/Postal women and Customers).

1.26 PILOT STUDY

Before proceeding into the research in detail and formulation of research problem, a pilot study was conducted by visiting various post offices belonging to Salem west division and contacting Post Masters, Superintendent of Post Offices, Marketing Executives and also experienced post men. On the basis of their precious views and opinion, the research problem has been defined correctly and the interview schedules have been modified accordingly.

1.27 PERIOD OF STUDY

The present study covers a period of 3 years from 2006-2009.
1.28 FIELD WORK AND COLLECTION OF DATA

The field work of this study was conducted during the period of January 2009 and April 2009. The data were collected through a pre-tested interview schedule.

1.29 APPLICATION OF STATISTICAL TOOLS

For the study, descriptive statistics namely,

- Percentages
- Mean and standard deviation were used to understand the nature of the sample.

Inferential statistics namely,

- Chi-square Test
- t-test and
- ANOVA were used to test the hypothesis framed for the study.

Kendall's co-efficient was used for ordinal type of data (ranked data) to find out the similarity among the respondents in ordering the item.

1.30 LIMITATIONS OF THE STUDY

The study is subject to the following limitations:

- The Size of the sample preferred for contacting the customers and postmen is small due to paucity of time and cost. However an earnest attempt has been made to have the sample as a representative of the universe.

- The researcher has collected the data from the village members also who are mostly illiterates. Hence, the figures given by them could not be relied on as cent percent accurate.

- The design of the research is descriptive, and therefore, the approach to the problem is made at a higher narrative level than exercising as an in-depth case study or experimentation.
It has been the experience of the researcher that data collection is very time consuming. The rural post offices are almost a 'one-man show' and consequently, the postmasters are not normally in a position to spare time for any non-business activity like responding to the questionnaire owing to their heavy schedule of engagements in business activities. Because of this, it was necessary to make at least 2 or 3 visits to post offices to collect data. Besides, their responses to the questions were subjected to several distractions of an unavoidable nature.

The postal services include many services like mail communication services, transportation services, financial services, premium and value added services etc... But the study is mainly focused on the services concerned with Postcard, Inland letter, and Registered post, Certificate of posting, Book post, Money order and Speed post. Paucity of time and cost constraints are unavoidable limiting factors.

The next limitation of the study relates to qualitative nature of the responses which are measurable by scoring or ranking or assigning weights. This measurement is limited to the nature of responses, the method of measurement and the analysis of the data.

1.31 CHAPTER SCHEME

The following chapters have been framed for the purpose of the study.

Chapter I deals with the introduction and design of the present study.

Chapter II includes the Review of previous Literature.

Chapter III discusses the History, Growth and Development of postal services.

Chapter IV analyses Opinion of postmasters in marketing postal services.

Chapter V enumerates the Opinion of postmen / postal women in marketing of postal services.

Chapter VI assesses the attitude of the customers' towards postal services.

Chapter VII brings out the Summary of Findings, Suggestions and Conclusion.