GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF POSTS

RAJYA SABHA
UNSTARRED QUESTION NO. 1190
TO BE ANSWERED ON 27TH JULY, 2018

SETTING UP OF PARCEL DIRECTORATE BY DEPARTMENT OF POSTS

1190. SHRI T. RATHINAVEL:

Will the Minister of COMMUNICATIONS be pleased to state:

(a)   whether the Department of Posts had set up a Parcel Directorate to tap the potential of e-commerce and increase the department's revenues;

(b)   if so, the details thereof;

(c)   whether there has been a drastic reduction of revenue from letter mail in the last few years;

(d)   whether once reliable Speed Post has become unreliable and its customers are no more interested in availing the services of Speed Post due to poor quality of service; and

(e)   if so, the steps taken by Government to bring back the past glory of Speed Post?

ANSWER

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) & (b)   Yes, the Department has set up a Parcel Directorate. The global decline in letter mail, and India being no exception to this trend, has been offset by an increase in packets and parcels. This is primarily on account of the e-commerce boom in India, with e-tailers requiring an integrated collection, aggregation, sorting, transmission and delivery systems. India Post has taken various steps to revamp the parcel operations, network, strengthening processing hubs, delivery centres, ensuring security and road transport routes. To have a holistic and focused attention to parcels, a Parcel Directorate, with its headquarters in New Delhi has been setup for managing the parcel functions of the Department.

(c)   No, the revenue from Letter mail has increased over the last few years. The revenue figures of the last few years are as under:

(Amount in Crores of Rs.)

	2015-16	2016-17	2017-18 (preliminary figures)
Letter Mail**	3760.75	3920.42	3955.79

**Letter mail includes Domestic and International mails.

(d)   The traffic and revenue of Speed Post has shown continuous growth over the years indicating the trust of the customers in the service. The Comptroller and Auditor General (CAG) has also mentioned in its 20th report of 2015 – Union Government, Communications and IT Sector laid in the Parliament, at Chapter-III, "***The delivery performance of speed post was better than those of private couriers in major cities, at the tehsil level and at village level.***"

The traffic and revenue generated from Speed Post for last three years is as follows :

Year	Traffic (in Crore)	Revenue (in Rs. Crore)
2015-16	41.43	1605.25
2016-17	46.31	1783.00
2017-18	46.38	1846.60

(e)   Department of Posts reviews its services and products from time to time in view of changing needs of the market and customers, industry benchmarks etc. and takes steps to improve service features and introduces new value additions to meet the customer expectations. Some of them are as follows :

- Online track and trace system for Speed Post has been strengthened. Complete end to end status of an article can be tracked on the website of the Department of Posts by logging onto www.indiapost.gov.in. In addition to this, status of an article can also be tracked through mobile application.
- SMS alert has been introduced to provide delivery status of articles to customers.
- Cash-on-delivery facility especially for e-Commerce companies has been provided as a value addition to the Speed Post.
- Book Now Pay Later (BNPL) and National Account Facility have been introduced under Speed Post for contractual customers.
- Apart from delivery through postman, Outsourced Postal Agents scheme has been introduced with a view to extend door step delivery of various kinds of articles and pickup from customer's premises.
- Mobile phones have been provided to postman for delivery through postman mobile app to capture delivery on real time basis.
- Computerization, infrastructure and site upgradation of sorting and mail processing offices has been carried out.
- Dedicated point to point road transport for fast and secure transmission of Speed Post articles has been introduced.
- Departmental vehicles have been equipped with Geo-positioning-system (GPS) for monitoring their movement on real time basis.
- Nodal Mechanized Delivery Centres for delivery of Speed Post articles have been established in selected cities.
- Quality Monitoring Cells have been established in the circles to monitor mail performance. Centrally, through the Mail Network Optimization Project, the mail movement has been rationalized and is monitored on a regular basis.

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