

INDIA POST: UNLEASHING NEW AVATAR

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Abstract

Ever wondered India Post could be beyond carrier of messages? Anyone and everyone would express negativity on this question. The report here is prepared to answer this question. A 150 year old organization run by GoI under ministry of Communication and Information Technology has catered to needs of millions through its services. Today it has carved niche for itself in every field. This is of course commendable and cannot be ignored. One can firmly say that India Post has modernized and made itself adaptable to growing competition. The main objective of this study is to understand various changes India Post has undergone to compete with the competition and sustain its survival. To understand the role played by it apart from delivering messages to desired destination.

(GoI- Government of India, DoP – Department of Posts, IT – Information Technology)

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INTRODUCTION

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. In course of time, Post Offices offered several other services including remittance of money, delivery of parcels, banking, insurance and many other such services. India Post is the most credible outreach infrastructure in the country. When in those golden old years, when there was no telephone/mobile or internet, it was the Indian Post which provided excellent service of sending communications that too at a nominal price of 5 paise. India Post. The world's largest postal network has over 1.55 lakh post offices, 89.76 per cent of which are in rural areas. On an average, a post office serves 7,175 people and covers an area of 21.21 sq. km, giving it a natural advantage to take financial services closer to the unbanked.

TYPES OF POSTAL SERVICES

Indian postal services are mainly concerned with collection, sorting, and distribution of letters, parcels, packets, etc. Besides, a number of other services are also provided to the general public as well as business enterprises.

Classification of facilities under the following main headings.

- Mail Service
- Business Service
- FinancialService
- Retail Service

Services Associated With Traditional Postal Communication

- Post Restante
- Post Box
- Post Bag

- Identification Cards
- Business Reply Service

Problem Statement:

“To discover various dimensions of India Post beyond being merely a messenger.”

The main objective of this paper is to throw light upon key segments under which India Post has emphasized. These key segments are studied analyzing various blogs, articles, DoP website etc coming under purview of secondary data.

Framework

With the emergence of email and penetration of mobile telephony, people stopped using postcards and writing letters. At one time it was enjoying the status of sole supplier in communication network. But now it ended surviving solely on government subsidy. With the private players taking up major share in the approximately 1200 crore Courier market in India, India Post is left with the unprofitable business. It is a paradox that even with this reach, India Post have not been able to convince the corporate players to give them business. The problem was mainly with the service delivery. With the postmen taking a visit to each locality everyday India Post has not used this reach to capture any business. With the Postman reaching the houses every day, India Post has to refocus their business strategy for mere delivery of letters to doing business with the household.

The cutthroat competition calls for cutthroat selling attitude. Lately realizing this, the GoI has reshaped the Department of Post as a product / service with multiple offerings. It has proved to be one of the greatest institutions of the country which plays an important role in the socio-economic activity of the nation. The acceptance towards transformation from physical to digital network has enabled the Government to use the postal network for communication, banking, insurance, mails and service delivery needs of the citizens. Changing technologies, needs of the customer and requirements of the society has given a ‘new paradigm’ for the Post office, changing in its works gives the way to be a customer friendly and relevant organization in the society.

The Department of Posts is also faced with twin challenges of increasing competition and continuing advances in communication technology, especially in mobile telephony and the Internet. In order to provide the best-in-class customer service, deliver new services and improve operational efficiencies. Prior it was only regarded as channel to mail letters, money orders like discussed previously. Over last few years Indian Post has undergone extreme transformation making it competent to perform different role. The further sections of report with hold elaborations in this regard.

An organization has to market itself to regain the lost confidence, to survive challenges and reshape itself into new avatar. GoI has analyzed the market structure to position Post Services and has introduced various features in recent years.

1. The foremost thing GoI has initiated is drastic revelation of infrastructure and so

Project Arrow speaks it all

A strategy in the name of project to provide pleasing and convenient ambience with Post Office for customers to procure desirable services and for employees to work smoothly and deliver services as desired.

"A window to the world for the common man."

Project Arrow was conceptualized by the Department of Posts in 2008 with the objective to make a visible difference in the working of post offices by improving and upgrading the Core Business areas and 'Look and Feel'. It aims at improving the quality of services offered by post offices in both urban and rural areas. By the end of 2013-2014, 21600 post offices (Phase I to Phase VII) were being monitored under 'Core Operations' and 2615 post offices were covered under 'Look & Feel'.

The following factors are covered under 'Look and Feel' of Project Arrow:

- **Technology:** To provide IT enabled services, leased line/broadband connectivity in all the identified post offices; adequate provision of power back-up in the identified post offices.
- **Human Resource:** Enhancement of operational and soft skills of the staff; training to all staff members.

• **Infrastructure:** Standardization of interiors and exteriors of identified post offices to ensure uniform branding for easier visibility.

2. The India Post 2012 :*Joining hands with Information Technology*:The Department of Posts has undertaken an end to end IT Modernization project to equip itself with requisite modern tools and technologies.The IT Modernization Project of Department of Posts was approved by the Government of India in November 2012 as a Mission Mode e-governance Project with an outlay of ` 49090 million. The Project aims at transforming the Department of Posts into a totally technology driven Department.

As a part of India Post Project, the Department of Posts has carried out business process reengineering across various functional areas and has created To-Be processes that will enable it to achieve these objectives. In order to implement these processes in a sustainable manner, they need to be IT enabled in an integrated manner that improves operational efficiencies.

India Post 2012 aims at transforming the DoP into a “Technology Enabled, Self-Reliant Market Leader”.The key components of the Project are as under:

- A. Modernization and computerization of all post offices in the country;
- B. employment of Rural Information & Communication Technology (Rural ICT) solution in all the 1,30,000 rural Branch Post Offices in the country by supplying computer hardware, solar charging devices and providing network connectivity to them;
- C. Establishment of IT Infrastructure, viz. Data Centre, Disaster Recovery Centre and Wide Area Network (WAN) based networking of all the departmental post offices, mail offices, accounts offices and administrative office;
- D. Development of software applications covering all operations of the Department viz. counter operations, mail processing, online tracking and tracing of the mail article, Banking, Insurance, Finance & Accounts and Human Resources management functions;
- E. Provision of multiple channels of user interaction apart from the conventional post office counters.These include web portals, ATMs, call centers, employee help desks, SMS gateway etc.; and

F. Preparing Postal employees and GraminDakSewaks for the changes at their workplace on account of induction of technology and training them for this.

The project also unlocked revenue streams previously stymied due to lack of automation and radically improved delivery of mail to urban customers. It also increased revenues in the banking and mail businesses thereby leading to the economic sustainability of the Department of Posts.

- **Indian Post: *Connecting untapped Rural India***

One of the key components of the DoP's vision is to be a "socially committed organisation connecting rural and urban region". Of the total 1.55 lakh Post Offices, around 10% are situated in urban areas and 90% are in rural areas. On an average, each Post Office in India serves an area of 21.2 sq. km and a population of 7,174. Department of Posts is attending the mandate of leveraging the rural postal network spread across the length and breadth of country to provide services relevant to the rural areas, and thereby generate revenue to the Department. Over the years, Financial Inclusion has emerged as the focus of various Government sponsored Social Security Schemes like Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS),

Strategies are devised for leveraging rural postal network for revenue generation by providing services to third parties such as collection of data for compilation of Rural Consumer Price Index (CPI) on behalf of Ministry of Statistics and Programme implementation. One of the most important contributions of the Department of Posts is bringing approximately 85 million rural people into the ambit of formal financial services, achieved through opening of Post Office Savings Bank accounts for them, for disbursement of social security scheme benefits.

2013: *India Post blessed by partnering with IT giant Infosys to offer tech touch to rural postal system.*

Infosys, India's second largest IT services company in 2013 bagged India Post's rural Systems Integration (RSI) contract. Prior to this in 2011, had bagged Financial services System (FSI) Integration contract from India Post, which is presently undergoing a modernization

programme. Infosys was selected as the lowest bidder for the contract estimated to be around Rs 100 crore.

The Bangalore-based company as the RSI partner, Infosys developed service delivery platform (SDP) using its solutions such as mConnect, TruSync and Finacle. The SDP would allow more than 130,000 rural post offices to offer online services. Additionally, it also connects and manages more than 130,000 handheld devices used by rural postal workers for distribution of social benefits under the National Rural Employment Guarantee Act and process Electronic Money Orders.

- ***Rural Post Offices will work as Common Service Centers.***

The rural post offices across the country will function as common service centers (CSCs) providing e-services. The vision of digital India program is to ensure that from a mason to barber to a tyre puncture repairer, all can access newer avenues of growth using communications equipment like a smart phone," And in this digital India initiative, rural post offices have a very crucial role to play. The ministry of Information and Communication has proposed in recent (2015) to make all the 1.30 lakh rural post offices as common service centers (CSCs) to provide services.

Implemented under the National e-Governance Plan and formulated by the Department of Electronics and Information Technology, the CSCs are ICT-enabled front end service delivery points at the village-level for delivery of government, financial, social and private sector services in the areas of agriculture, health, education, entertainment, FMCG products, banking, insurance, pension, utility payments etc.

- ***Virtual touch to rural artisans supply***

India Post has joined hands with E-tailers to supply various products hand-made, weaved etc of small scale industries providing platform to sell their produce virtually. This leads to more profitability, increase in their standard of living, more employment and expansion of markets. One such company has initiated this move: Snapdeal.

A. Core Banking Solution: *Banks better sit up and take notice of this lumbering giant of a competitor, waiting in the wings to steal a march on you.*

The Core Banking Solution (CBS) Project has introduced facilities of ATM Banking, Internet Banking, Mobile Banking and Phone Banking to the Post Office Savings Bank (POSB) customers to perform transactions 24x7 in ATMs and to transfer money from their account to any bank account through National Electronic Fund Transfer (NEFT) and Real Time Gross Settlement (RTGS). In late December 2014, it was announced that India Post would issue ATM-cum-debit cards to its Post Office Savings Bank (POSB) account holders.

The Post Offices all over India are preparing for Core Banking Solution. Now India Post employees are frequently saying or using one word i.e. "Migration" in all their conversations. Here migration means changing the POSB platform from Sanchay Post to Finacle, Core Banking Solution (CBS) from Infosys. Banking Solution through Mobile Application and hand-held devices will be provided to the rural post offices.

In September 2014, a task force was formed by Prime Minister Narendra Modi which aimed to study ways in which the existing postal network could be leveraged. The task force was headed by T. S. R. Subramanian. On 4 December 2014, the task force submitted its report to Minister for Communications and Information Technology Ravi Shankar Prasad. The report said that more services should be provided in the field of banking, insurance and e-commerce.

B. **MUTUAL TRANSFER REQUEST THROUGH EMPLOYEE NEEDS CORNER (ENC)**
India Post has launched new facility for its employees called Employee Needs Corner (ENC) through CEPT website. The object is to allow posting of messages by those who are having login credentials to CEPT web site. As a first step towards this goal, facility for posting of messages relating to Mutual Transfers is provided.

In the normal course, it is very difficult to know who is willing to go on mutual transfer to a particular place. Thus employees with such need may be suffering due to lack of knowledge about other employees with similar need. Now facility is provided on <http://cept.gov.in> to

employee seeking a mutual transfer to any place in the Country. Employee can post requirement so that employees with similar needs can respond. Only registered users can use this facility.

C. **Post Bank of India:**The concept of Post Bank which was earmarked in 2013 has finally made its way to reality through the Reserve Bank who is expected to grant payment bank license to the postal department by September 2015 for operating Post Bank. The Department of Post (DoP) plans to launch banking operations from its 50 branches in the first year and scale it to a total of 150 branches in 5 years. In September 2014, a task force was formed by Prime Minister Narendra Modi which aimed to study ways in which the existing postal network could be leveraged. The task force was headed by T. S. R. Subramanian. On 4 December 2014, the task force submitted its report to Minister for Communications and Information Technology Ravi Shankar Prasad. The report said that more services should be provided in the field of banking, insurance and e-commerce

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- **Indian post and mail operations.**
 - a) **The changing Speed Post has indeed increased its "SPEED"**

Speed Post was started in August 1986 for providing time-bound and express delivery of letters and parcels weighing upto 35 kg between specified stations in India. It is a flagship product of Department of Posts and it is the market leader in the domestic express industry with monthly volumes of more than 30 million articles. Available in almost all post offices of the country.

The growing demand for **SPEED POST** has necessitated for providing value added services.
They are:

- Credit facility under Book Now Pay Later

(BNPL) scheme,

- Free pick-up facility,
- Volume based discount facility, and
- Cash on Delivery facility (COD).

b) **Mail network optimization project**

In order to improve the quality of mail processing, transmission and delivery, the Department of Posts had initiated Mail Network Optimization Project (MNOP) in 2010 which involved consolidation and optimization of the erstwhile mail network of the Department of Posts with a view to streamline core mail operations. It also sought to bring in greater standardization and improvement in the operational processes relating to mail processing, transmission and delivery.

The operational networks for Speed Post, First Class and Second class mail have since been restructured into a hub-and-spoke network model. Operational processes were redesigned in order to simplify operations and improve efficiency.

An online performance monitoring system was also developed as part of the Project. The online track and trace system for Speed Post has been strengthened, and as a result, customers can view the end-to-end status of Speed Post articles on department of Posts' website www.indiapost.gov.in for most of the articles. As a result of the initiatives undertaken as part of the Project, the transit time (time between booking and delivery) for Speed Post has improved across the network.

c) **Online tracking facility**

Customers can view the online status of their articles/consignments for Registered Post, Express Parcel and Business Parcel in the manner similar to that of Speed Post. A road transport based transmission model for parcels is also being introduced.

Automated Mail ProcessingCentres

The Department has established Automatic Mail Processing Centres (AMPCs) in Delhi and Kolkata in order to expedite mail processing. These centres are equipped with

a Letter Sorting Machine (LSM) and a Mixed Mail Sorter (MMS) each with the sorting speed of 35000 and 18000 items, respectively, per hour.

Andhra Pradesh Circle has developed Nanyatha software using Android operating system. This software is aimed at monitoring the clearance of letter boxes planted at various locations attached to Post Offices and facilitates the members of public to know the status of the clearance of the letters posted in a particular letter box. This software also provides MIS to the Divisional Heads to know the volume of letters posted in a letter box and, thereby, to rationalize the letter boxes and further to monitor whether any letter box has been cleared or not.

d) Instant money order

Instant Money Order (IMO) is an online domestic money transmission service which is instant, convenient, reliable and affordable. This service is intended for people requiring instant money remittance. This service enables the customer to transmit money in minutes from any of the designated post office providing

IMO service. Under this service, a person can send an amount from ` 1000 upto ` 50000 in one transaction. Money will be disbursed to the payee at any of the iMO Post Office in India on presentation of a 16 digit IMO number and a photo identity proof.

e) E-post

ePost is unregistered hybrid mail which provides electronic transmission of the messages which may include text messages, scanned images, pictures, etc and their delivery in hard copies at the destination through postman/delivery staff. Presently, ePost booking facility is available in more than 13000 post offices and physical delivery through a network of more than 1.54 lakh post offices across India. ePost service is provided for both retail as well as corporate customers.

ePost Corporate service enables corporate customers including Govt. Departments, PSUs (Public Sector Units), SMEs (Small and Medium Enterprises), Companies, etc to draft, design and send the messages as per their business requirements from their office premises by using internet. The message is electronically transmitted as a soft copy, and at the destination it is delivered to their addressee in the form of hard copy.

f) E-payment

When businesses require collection of bills and other payments from customers across the country, Post Office offers them a simple and convenient solution in the form of ePayment. It is a smart option for businesses and organizations to collect their bills or other payments through post office network. ePayment is a Many-to-One solution which allows collection of money (telephone bills, electricity bills, examination fee, taxes, university fee, school fee, etc.) on behalf of any organization. The collection is consolidated electronically using web based software and payment is made centrally through cheque from a specified Post Office of biller's choice.

g) LOGISTICS POST: AIR Power of Express Distribution

Interested in having Next Day delivery of your consignments?

Now, India Post offers you Logistics Post Air Service

Now, India Post offers you 'next day delivery' of your parcels and logistics consignments in major cities, through dedicated India Post aircrafts flying overnight. Customers interested in 'next day delivery of consignments' through Logistics Post Air may get in touch with the Chief Post Masters General / Posts Master General at the respective cities. The consignments will be delivered faster, better and safer. Consignments booked until late evening will be delivered on the next day in select cities like Delhi, Mumbai, Chennai, Bangalore, Kolkata, Nagpur, Guwahati, Imphal and Agartala. Subsequently the list will be expanded.

h). Amazon.in launches "One-Day Delivery" service in major Indian cities

After tying up with **India Post** to conduct pilot delivery tests across the country, Amazon.in has announced the availability of a One-Day Delivery service now. The offer is valid for items "fulfilled by Amazon" and is available in most major cities already at a charge of Rs 99 per order. While not available everywhere and anywhere in India, users residing in select pin codes across cities like Mumbai, New Delhi, Ahmedabad, Hyderabad, Pune and Bangalore will be able to make use of this One-Day Delivery offer. At the time of check-out, users can select the option and have goods delivered to them the very next day.

The Rs 99 charge is applicable to all orders placed under this scheme and there is no minimum order value. If the promised goods do not turn up at your doorstep the next day, Amazon has

promised that it will refund the shipping charges back to you. The next day delivery scheme will also include benefits like Cash on Delivery, delivery tracking and free returns pickup.

However, the One-Day Delivery scheme is valid on orders fulfilled by Amazon. Customers can choose from 11 million products across 15 categories on Amazon.in ranging from Books to Movies and from Kindle to Baby Products and more.

i. International Money Transfer Service

The Service enables instant international money remittance to customers in India sent from around 195 countries on a real time basis. India Post has been operating this Service in association with Western Union from 9943 Annual Report 2014-15 **39** post office locations and MoneyGram through 6070 post office locations

j. E-post office

E-Post Office is an e-Commerce portal of Department of Posts which provides select postal facility to the common man through the internet. This portal is aimed at providing convenience to the public in availing select postal services from their home/office using their own computer and internet. They need not walk into the post office to avail these services. The customer needs to register on the website for the first time.

SHOP@POST

From envelopes courier packs of all sizes, different quality to stationery materials to goodies, all at one place making it easier to deliver packages to desired destination with convenience. With the counters lined up by queue of customers waiting to proceed with their transactions this new add – on feature eases their time by sneak – in at store till the queue clears.

- **India Post: New chapter with E-commerce** As part of initiatives to leverage the e-commerce sector, the department has forged tie ups with leading online marketplaces like Snapdeal, Amazon, Paytm and Yepme for parcel delivery and has also set up modernized 48 centres to handle the packages.

With increasing talks on India Post becoming e-commerce's most potent delivery partner it becomes deliberate to understand what makes India Post, seen by many as a relic of a bygone era, so attractive to these online portals??????

UNBEATABLE NETWORK

“India Post has an unmatched network that is critical for the growth of e-commerce in India,” says Ashish Chitravanshi, Vice President of operations at Snapdeal.

Conclusions

The Department of Posts - **India Post** has touched the lives of every citizen for more than 150 years. It is regarded as the world's largest postal network. Ever since its existence it has enjoyed the trust and support of its customers and stakeholders and will continue to do so. Today it is not just a messenger of customers' messages but it is also a banker, a various utility service provider, gives you quick service in delivering goods in no time, transfers your money anywhere you wish to in few seconds, provides a complete shopping experience of different stationery, books and other articles all under one roof. With the spread of telephony, internet and modernized banking services, citizens are used to a new level of speed, transparency and quality. The DoP has always placed customers ahead of them and strived to cater to their needs providing absolute satisfaction. But there is a deep expectation from customers that India Post still needs to buck up to compete against similar service providers. Nevertheless, one cannot ignore the fact that India Post has done wonders no person could have imagined and completely shed off its traditional image and carved a different picture. With positivity, one can definitely say *“India Post is changing”*.

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