

## CHAPTER 31

### POST AND TELECOMMUNICATION

Postal services originated with the necessity of communicating written messages. 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 has the largest postal network in the world with 1,54,979 post offices across the length and breadth of the country as on 31 March 2010. Out of this total, 1,39,182 were in rural areas and 15, 797 in urban areas. On an average each post office serves 7176 people and covers an area of approximately 21.21 sq. km. India Post has so far introduced 1082 franchisee outlets to cater to the demand for postal services where it is not possible to open departmental post offices.

Postal services are administered by 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 offer several options, which one can use according to ones need and convenience. For example, to write a letter, one may use a post card or inland letter or an envelope.

The Department of Posts has launched Project Arrow, to lay the foundation for a comprehensive, long-term transformation of India Post. Project Arrow aims at comprehensive improvement of the core post office operations as well as the ambience in which postal transactions are undertaken. The response of the general public and the staff of the Department to the initiative have been overwhelmingly positive and Project Arrow offices have shown significant increase in revenue earnings. The initiative 'Project Arrow—Transforming India Post' has also won the Prime Minister's award for Excellence in Public Administration for the year 2008-09. So far 1530 post offices have been covered under this project.

Telecom in the real sense means transfer of information between two distant points in space. The popular meaning of telecom always involves electrical signals therefore, the history of Indian telecom can be started with the introduction of telegraph.

The first experimental electric telegraph line was started between Calcutta (now Kolkata) and Diamond Harbour in November 1850. A year later the line was completed and opened for the East India Company's traffic.

In 1881, a license was granted to the Oriental Telephone Company Limited of England for opening telephone exchanges at Kolkata, Mumbai, Chennai (Madras) and Ahmadabad and the first formal telephone service was established in the country. While all the major cities and towns in the country were linked with telephones during the British period, the total number of telephones in 1948 was only around 80,000.

While certain innovative steps were taken from time to time, as for example introduction of the telex service in Mumbai in 1953 and commissioning of the first [subscriber trunk dialing] route between Delhi and Kanpur in 1960, the real transformation in scenario came with the announcement of the National Telecom Policy in 1994, the setting up of the Telecom Regulatory Authority of India, the opening up of basic telephone services to the private sector, the announcement of the new ISP policy, and the separation of the Department of Telecommunications into the Department of Telecom Services and the Department of Telecom Operations.

After March 2000, the government became more liberal in making policies and issuing licenses to private operators. The government further reduced license fees for cellular service providers and increased the allowable stake to 74% for foreign companies. This was a gateway to many foreign investors to get entry into the Indian Telecom Market. Because of all these factors, the service fees finally reduced and the call costs were cut greatly enabling every common middle class and below middle class families in India to afford cell phone.

With a population of over 1.1 Billion, India has become one of the most dynamic and promising Telecom markets of the world. In recent times, the country has emerged as one of the fastest growing telecom markets in the world. It has third largest telecom network and the second largest wireless network in the world. The total number of telephones has reached 6212.8 lakh as on March 2010 as compared to 4297.25 lakh as on March 31, 2009. Today, the wireless subscribers are not only much more than the wire line subscribers in the country, but also increasing at a much faster pace. The number of wire line and wireless telephones was 382.91 lakh & 66.77 lakh respectively in 2002. This increased to 369.6 lakh & 5843.2 lakh respectively in March 2010.

This section presents operating and financial data relating to the different branches of the Department of Posts including the Post Office Savings Banks. It comprises statistics on the number of Post offices as well as the volume of traffic handled by them which can be used to study the growth of traffic with the expansion of facilities and vice versa.

## Highlights

- As on 31 March 2010 there are 1,54,979 post offices across the length and breadth of the country, out of this total, 1,39,182 were in rural areas and 15, 797 in urban areas

- Maximum number of Post offices in 2009-10 are in Uttar Pradesh (11%) followed by Andhra Pradesh (10%), Maharashtra (8%). Likewise the largest number letter boxes is in Uttar Pradesh (14.9 %) followed by Maharashtra (9.1%), Andhra Pradesh (8.8%).
- The number of total mail traffic has decreased from 14243.4 million in 2000-01 to 6589.8 million in 2009-10. The decline is most prominent in case of unregistered articles where the number decreased from 13958 million in 2000-01 to 6146.5 million in 2009-10. In case of Registered Articles and Speed Posts & Express Parcel Posts also the number substantially decreased during the same period.
- Although over the years 2000-01 to 2009-10, the amount issued under Money Order has increased from 5851.8 crores to 7361.4 crores in 2009-10 but the number of Money Order has declined from 10.95crores to 8.1 crores.
- In 2008-09, total number of Money Orders was largest in Tamil Nadu, followed by Karnataka, Maharashtra and West Bengal and amount issued in these Money Orders was maximum in Karnataka followed by Tamil Nadu and Rajasthan.
- Number of Depositors in the Post Office saving Banks is showing a declining trend since 2000-01 till 2006-07 however, it increased marginally in 2007-08 2008-09 and 2009-10. In 2009-10 the number of Depositors in the Post Office saving Banks stands at 78.05 million.
- Total Post Office Deposit was ` 12279.31 crores in 2000-01 which increased to ` 68047 crores in 2009-10, as regard total withdrawal , the amount increased from ` 11427.74 crores in 2000-01 to ` 64279.34 crores in 2009-10.
- Receipts from postage stamps are showing an overall increasing trend from ` 1504.25 crores in 2000-01 to ` 2661.28 crores in 2009-10. Money order receipts has increased from ` 26.20 crores to ` 33.98 crores in 2009-10.
- ? Tele density (number of telephones per 100 populations) is showing noticeable improvement over the years. It has increased at all India level from 2.6 in 2000 to 52.74 in 2010. In 2010, maximum tele density is in Kerala, followed by Himachal Pradesh and then Punjab and Tamil Nadu.

**This chapter contains the following tables:**

**Table 31.1-**General Statistics of Post Offices

**Table 31.2-** Estimated Number of Postcards, Letters, Newspapers, Parcels and Packets Handled

**Table 31.3-** Number of Post Offices, Letter Boxes and Postal Articles

**Table 31.4-** Total Number and Amount of Money Orders

**Table 31.5-** Number of Post Office Savings Banks, Depositors and Amount of Deposits

**Table 31.6-** Receipts and Charges of the Post Offices

**Table 31.7-** Telephones per 100 Populations - State-Wise

**Table 31.8 –** Number of Telephone in India