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CHAPTER - I
INTRODUCTION

1.1 INTRODUCTION:

The present study entitled “An Analytical Study of Administrative and Operational Efficiency of India Post with reference to Solapur District” is an attempt to evaluate the administrative and operational efficiency, productivity of India post in Solapur District. The desire to communicate is a basic human inborn tendency. Since the early days of civilization, human being has been using various means to fulfill this desire. In a way, the development of civilization and development of means of communication have gone hand in hand. Communication media have come a long way from pigeon post in the olden days to speed post and e-post in the modern days. In the last few centuries post appeared as cheap and popular means of communication in almost all countries. Post offices and postmen have become central to personal and business communication world over. In India too, for generations of Indians as in fact for generations across the world, the post and postmen are part of conventional stories, poems, novels have been written and songs collected and movies made about the postman, the post office and the post box. Dakiya or postmen is one of the common but exciting subject for essay writing in school, certainly, for millions of countrymen even today, without postal service, there can be no life.

In India postal services in one form or the other existed even in olden period. Those were logically developed during Mughal period. During British rule, Indian post office Act 1898 was passed, section 4 of the Indian post office Act confers Department of post the exclusive opportunity of conveying by post, all letters and documents from one place to another and also the special freedom of performing all supplementary services. Thus, through this act monopoly status was approved to postal services and those services were managed by the government itself. After independence, the same arrangement continued since then Department of Post also called as India Post, with its wide spread network has been central to the personal and business communication in India. With its 1, 54, 919 branches extend across the country. India Post and its postmen have become central to our lives. The postal services form part of the daily life of people all over the world. Even in the digital age, the post remains for millions of people, the most available
means of communication and message delivery. As in many other counties, in India, India Post has also shouldered the responsibility of mobilizing small savings since the beginning of 19th century.

The winds of liberalization, privatization and globalization started blowing in India since 1991, and the rules of the game changed for India Post. After enjoying monopoly for more than a century, India Post started facing competition for its core services. India Post was quick to realize the changes taking place in the environment and the need to adapt to changes, with changing environment in 1994. Director General DOP Mr. S.C. Mahalik coined the slogan “we must change”. This mantra was forgotten, only to be recharged once again in 1998, and more so in 2000-01. India post has introduced many new services and has been making efforts like computerization, business process reengineering, Post Banking, e-services in order to face the competition and satisfy the diversify needs of different part of the customers. The Department completed one hundred fifty years of its existence in 2004 and celebrated the year 2004 as sesquicentennial year.

For postal administration the reasons for a study of administrative and operational efficiency may be even more vital. As a matter of fact postal administrations all over the world have been under a universal service obligations clause to provide a minimum defined service to all persons at uniform and reasonable rates. The Universal Postal Union says; “Substantive and sustainable development in the information society of the 21st century cannot be anticipated and achieved on a worldwide basis without integrating all existing and future communication infrastructures and services, including postal and other physical communication services. Postal services are not part of a sunset industry, but rather, will continue to play a significant role in the world’s economy and information society for years to come. The loss on account of performing these services have all along been made up elsewhere because of the monopoly position of postal administration. Recently, these administrations in many industrialized countries and somewhere else are facing a diminished portion or an abolition of the set aside areas and or increasing competition from new entrants such as private delivery companies in a liberalized structure of postal markets. This circumstances is also being faced by India post which is the corporate name adopted by the Indian postal system run by the
Government of India, for postal administrations like India post to carry out their universal service obligations. India Post needs to focus more on increasing operational efficiency and productivity so as to enable them to protect a fair and reasonable postal rate. Apart from this there is lack of technological support in rural post offices and the external post offices employees are on contract basis, they are not employees of the department, which creates inefficiency and low quality services, which affects on the customers satisfaction. Further it leads to opportunity to the private courier services in this sector. India post is facing the problem of low productivity and inefficiency in its operations. It also facing problem of competition from private courier services and technological advancement.

Within India, Maharashtra is no exception to these problems. Though Maharashtra possesses a very important position in terms of total geographical area, Technological advancement, population, industrialization and consequently more urbanized part of the country, Maharashtra is also facing same problems like India in different sector.

Within state of Maharashtra the Solapur District is a region under investigation also occupied a very important position both in terms of area and population. It has about 4.5 percent area of the state and about 5 percent population; it has about 11 Tahasils and 11 urban centers, according to 2011 census. It has 43 lacks population and about 200 Kilometer east west length and more than 150 K.M. south west.

In view of the above the region of Solapur District is better in terms of transportation and communication as compare to other parts of Maharashtra. The district stands first in rank as far as the density of railway line is concern in Maharashtra. The Postal Services in the district are divided in to two divisions i.e. Pandharpur division and Solapur division and the head post offices are situated at Solapur and Pandharpur city. As like other region Solapur district postal services are also facing problems of low productivity, inefficiency due to lack of performance based culture and absence of close monitoring system in postal services. It is therefore, necessary to undertake a study of administrate and operational efficiency of India Post in Solapur district.

Significance of productivity and efficiency:

The use of scares resources are of very important in a developing economy like India. As a source of growth, productivity has moved to the centre stage in the analysis of
growth in developing countries during recent years. It is recognized today as a key feature of economic dynamism. Human progress requires finding new and better ways of doing thing so since the beginning of civilization; man has tried to develop techniques and tools that can improve the efficiency of the work. The same basic urge for efficiency prompt business enterprises to struggle for improving productivity. Generally, productivity is considered efficiency or performance. It is a measure of how well resources are used to produce output. According to James L. Riggs - "Productivity is the measure of how specified resources are managed to accomplish timely objectives stated in terms of quantity and quality". Productivity refers to the physical relationship between the quantities of resources used in the course of production. It is the ratio between the output of goods and services and the input of resources consumed in the process of production and services. Output means total production or services while input means land, labor, capital, management i.e. all resources etc. Productivity measures the efficiency of the production system. The efficiency with which resources are utilized is called productive efficiency. Higher productivity means producing more from a given amount with lesser inputs. At the level of any organization, productivity is an output - input ratio. But at the micro level productivity is a measure of performance of an economy, particular country. From a nations point of view productivity is the ratio of available goods and services to the potential resources of the country. From the preceding description, the following points about productivity come forward.

- Productivity related to output in relation to input. Total productivity is the ratio of total output to total input.
- Productivity has always a reference to people and human efforts because without human actions there can be no improvement in the productivity.
- Productivity is a measure of how efficiently an organization has used its available resources.
- Productivity is closely related with quality. Higher productivity leads to better quality of product or service.
- Similarly whom quality improves, productivity also increases due to reduction in waste and rework and better utilization of inputs.
Productivity can be viewed from different viewpoint. It may be referred to the productivity of a nation of an industry of an enterprise or of an individual employee. A nation can be productive only when its institutions and people are productive.

Productivity varies not only due to differences in production technology but also due to differences in the efficiency with which inputs are converted into outputs. Efficiency change therefore, provides an independent contribution to productivity. In fact, if efficiency change is omitted from analysis, there would be an over estimation of unexplained residuals which is a measure of ignorance about the carvel of economic growth, and also to an incorrect allocation of productivity change to its included sources. There has been an increasing interest in measuring productivity and more specially, efficiency. This is because measurement of productivity and efficiency enables one, to quantity differentials that are predicted qualitatively by theory. For example, there is a common belief that productive efficiency is a survival condition in a competitive business environment and that its importance reduce as competitive pressure subsidies. Such a belief or otherwise can be established only by studies on productivity and efficiency measurement. Similarly, the effects of regulation, ownership etc, on productivity and efficiency gap can be assessed only by such studies.

The quantification of productivity and efficiency would also provide managements with a control mechanism with which to monitor the performance of units under their control. This may be quite important from a policy viewpoint since, for example, slow productivity growth due to inefficiency may due to institutional barriers to transmission of innovations. In this case, policies to remove these barriers may be more effective in improving productivity, efficiency than policies directed at innovation. Economics, management science and public administration literature contain numerous examples of the use of efficiency or productivity measurement for this purpose.

1.2 POSTAL SERVICES: AN OVERVIEW:

1.2.1 INTERNATIONAL SCENARIO:

The scope of the postal sector broadly covers pick-up transport and delivery of letters and parcels, post office counter services related to letter and parcel delivery and other related services such as mail box. At the same time, post offices often offer a range
of services outside of the postal sector pension’s payments, telephone or internet access, financial services and retail services. Postal services have existed for over two thousand years and have historically been important to the development of nations. The Roman postal service, the cruses publicus, used a network of messengers carrying mail up to 80 kilometers per day; illegal use of the postal system was punishable by death. The modern postal services go back to 1840 when the stamp was introduced in Great Britain. Modern postal services have been provided for well over a century by post office administration in virtually every country in the world. Today the future of these postal offices is in question in many developing and transitional countries.

The post office is a large employer in most countries and sometimes the sole presence of the state in remote areas. Politicians, employees and the public at large know reform can lead to a reduction in present context post office jobs and closure of some post offices, Trade off need to be made. Where the will to reform exists, government must be ready to undertake resistance to postal reform. But it should lead to improve productivity, performance and customer and employees satisfaction in the longer term.

Postal services more or less in the world play a vital, daily role in keeping their, country, their economy and their people connected. The Universal Postal Union, International Bureau estimated that in 2011-13 the posts, processed more than 6,440 million domestic pieces of mail a year, with million employees and 642000 postal outlets worldwide. Average area covered by a permanent post office 179 km2 and 9264 population per post office. Number of people serviced by each staff member was 1321. Global Postal consumption expenditures’ were 227.6 billion SDR.

1.2.1.1 POSTAL SERVICES IN SELECTED COUNTRIES:

1) United States (US):

Postal services in United States of America. United State Postal Service is an independent government agency fully by his part of government. It provides universal service products to all parts of the country i.e. receive, transit, and deliver throughout the United States and throughout the world, written and printed matter and parcels. Reserved Area; Mail box monopoly (delivery to recipient’s mail boxes served for USPS). Out bound single piece international letters written reserved area but bulk letters and re-mail are exempted. Extremely urgent items or items: 12.5 ounce or priced by 6 times of the
standard price open to competition. Per capita mail was 571 in 2009. Authorizations; There is no specific licensing system for postal services.

Market access and trade barriers: Postal services provided by USPS are exempted from state sales taxes. Bilateral agreement between USPS and Canada Post on remunerations for international mail, terminal dues are negotiated through this agreement rather than through UPU. Reduction of domestic letter post volume; in 2009, total volume was 174430 mail items in that 47 percent Direct mail, 48 percent correspondence, 5 percent publications were included. Market share of USPS in domestic letter post was 100 percent, where as outbound cross border letter post apparently less than 50 percent.

2. Turkey (TR):
Turkey postal services are fully state owned. It is satisfying universal service obligation by providing US products. Regardless of weight limits, all sealed, unsealed letters and post cards of correspondence are reserved, not reserved printed papers, small packages and parcels. Licensees must be obtained from the ministry of transport for collection, transportation and delivery services out of the reserved area. More than 70 companies, licensed to operate postal services. Postal tariffs are apparently not geared to costs. No separate accounting system for reserved, non reserved services of PTT.

3. Australia (AV):
Australia post is fully state owned by the federal Government. It is providing Universal service products i.e. supply of domestic letter service. Collection and delivery, to which Australia post has the exclusive right to carry domestic letter post items, and to carry letters between Australia and places outside Australia. There is no special weight limit for universal services. It follows community service obligations. There is uniform price for services within Australia. Correspondence and direct mail up to 250 gram is reserved, where as outbound cross – border mail services are liberalized. Postal services are regulated by Australian competition and consumer commission, which is an independent statutory Authority. Market access and trade barriers: Sales tax applied to all postal services, i.e. the goods and services taxes GST at standard rate of 10 percent. Until 2000 postal services were exempted from GST.

Customs: Lower value doorstep for formal screening customs for postal items than for express courier items. Domestic letter post items per capita in 2008 were 219, Australia
posts domestic letter post market share was 100 percent in 2008. Whereas outbound cross border letter post was facing considerable competition. The main competitors of Australia Post are TNT, DHL, Troll Priority, FedEx; UPS, Allied express transport couriers please, Greyhound freight, express, Couriers Australia, Australia Post is market leader for domestic B2 C and C2 C parcels.

4) Brazil:

Brazil postal services are known as Correiose Telegraphics (ECT). It is a state enterprise affiliate to the Ministry of communication and it is fully state owned by the federal Government. The department of postal services which is part of ministry of communications regulates ECT Since 1997. ECT reports directly ministry of communications, It is fulfilling Universal service obligation. Letter mail, postal cards, small parcels, telegraphs and mail bags are reserved. Whereas express mail, packages, printed matters including, news papers and magazines are open to competition. Total volume of mail in 2009 was 8243 m items. Domestic letter post items per capita in 2008, was 43. There is 100 percent monopoly of ECT in case of domestic letter post. The main competitors of ECT are DHL, FedEx, UPS, TNT and UPS by sky postal. The Brazilian express market is highly uneven by severe competition between the major international players, ECT and large number of relatively small, locally- based express parcel firms.

5) Canada:

The Canada postal services are known by Canada Post Corporation. It is a fully state owned corporation by the Federal Government. Currently privatization and liberalization process has been under consideration. It establishes general obligation to provide universal service to canada post. The CPCA does not use the terms Universal service or establish a specific Universal service obligation. The CPCA declares that the objects of Canada post are to establish and operate a postal service for the collection, diffusion and delivery of messages, information, fund, and goods both within Canada and between Canada and places outside Canada to manufacture and provide such products and to provide such services as are, in the opinion of the corporation, necessary or incidental to the postal service provided by the corporation. Letters weighing less than 500 grams are reserved for Canada Post, where as Magazines and books may be
delivered by private firms. Private companies can delivers letters of an urgent nature. If they charge at least three times, Canada posts regular postage for 50 grams package. Domestic letter post items per capita in 2009 were 203 and total volume of mail in 2009 was 6842 m items.

Australia post holds hundred percent monopoly in domestic letter post, whereas out bound cross borders despite the 2004, court ruling which determined that out bound international mail was the exclusive privilege of Canada Post, Private firms have continued to operate as they did before the decision. Canada post leads the competition in domestic market share within the B2C and B2B market segments. The main competitors of Canada Post are UPS, FedEx and DHL.

6) China: The postal services in china are known as China post Group. It is a fully state-owned public utility enterprise. It reserved correspondence delivery area. It is fulfilling universal service obligation by providing products letters and printed matters up to 5 kg and parcels up to 10 kg. Delivery of State specified newspapers and periodicals, confidential communication of the state party. Government and military as well as post free correspondence for the compulsory servicemen, documents in Braille and legacies of radical sacrificial victim. To provide any postal or express services, license is needed from State Post Bureau according to 2009 postal law.

Market access and trade barriers: prevention for foreign investors to invest in domestics expresses delivery service for correspondence. Express or other postal operators are banned to provide correspondence services or deliver official documents of state organizations.

- The customs shall supervise and control the international post bags, postal containers and international postal items inbound as well as outbound
- China post can check the inside of letter post items.
- Quarantine of international mail inbound-outbound by the entry exit inspection and quarantine organizations.
- Public or national security organizations may legally inspect and detain mail and require the relevant postal operator to provide the information on the postal services used by the relevant customers.
• International express services under supervision of the postal administrative departments.

• Total postal mail volume in 2002 was 24722620 m items, in which includes 19 percent correspondence, 7 percent direct mail, 74 percent publications, per capita domestic letter post items were 17.

• In domestic mail market, China Post holds 100 percent monopoly. More than one lack foreign and non-state express mail services providers carrying out about 80 percent of same city express mail delivery and over 50 percent of trans province business express mail services.

• International integrators DHL, UPS, TNT and FedEx have taken most of the international freight forwarding market, China Post, through a co-operative agreement with Dutch TNT, holds only about 25 percent of that business.

7) Japan:

In the Japan, postal services are provided by Japan post. It is fully state-owned enterprise under the ministry of finance. It is also fulfilling universal service of services of mail up to 6 kg. Japan post should support public welfare by provision post services at the lowest possible charges, on a nationwide scale and in a manner fair to all. Besides it requires the operator to provide a everywhere six day delivery obligation by providing at a uniform rate for letters and post cards, and to deliver to each addressee throughout Japan. Parcels and non-correspondence mail markets already liberalized prior to 2002. Full market opening in 2002, but Japan post with in fact monopoly for correspondence up to 250 gram and prices up to Jpy 1,000. Ministry of International affairs and communications grants license for general correspondence delivery to private operators. Operators must meet universal services criteria e.g. 100000 post boxes.

Market access and trade barriers: Unequal conditions of competition between Japan post and US international express delivery providers. US objects different customs clearance procedures in favor of Japan post, cross – subsidization of competitive services by revenues from non – competitive services. US and EU expressed that draft postal reform legislation submitted to Japans diet does not address US and EU concerns about the special treatment that Japan post currently receives compared to private sector companies.
In domestic correspondence there is 100 percent monopoly of Japan post. In international express mail, DHL 29 percent, FedEx 26 percent, Japan Post 18 percent, other UPS, TNT 27 percent have market share. The total volume of letter post was 22886 m items and per-capita domestic letter post items were 166 in 2005. The main competitors of Japan post Yamato, Sagawa, Nippon Express, Fukayama, DHL, FedEx, UPS, TNT, Door-to-Door parcel delivery market dominated by Japanese’s companies Yamato, Sagwa etc.

8) Russia:

In Russia, postal services are run by Russian Post (Pochta Rossi). It is fully state owned enterprise under the control of ministry of communication and information technology. It provides universal services i.e. letters, post cards and letters post items for the blind, up to 100 gram and small packet up to 2 Kg. There is no formal monopoly on postal service since 1996 but Russian Post controls 80 percent of the postal market. Russian post is obliged to offer universal postal services throughout the country. In return Russian post receives state subsidies in order to offer low fare and losses are balanced from state budget.

Market access and trade barriers: Changes in customs clearance procedures for express operators and a 64 percent year to year increase of inbound volume have caused delays of four to ten days at mascot’s three airports in spring March 2010. DHL warned that delivery times to Russia could be up to one month because all its inbound parcels have been stored in Germany and Finland. Russia post’s own national express mail service offers prices that are 20 percent lower than the prices of competitors, remain unclear, if this is the result of cross subsidization. Anticompetitive actions of Russia post by reducing and hang up service for processing international mail of a private operator at the outlets for international postal exchange of the Russian Federation and proposing terms and conditions of a contract with foreign operators for postal services.

Domestic letter post volume m items: In 2008 Russian post served 3937.54 m items volume of domestic letter post. Per capita domestic letter items were 25 in 2008 of which 48 percent letter post were related to correspondence and 51 percent related to publications and 1 percent related to direct mail. Russia post still controls 80 percent of the postal market, where as competitors are active in niche markets i.e. press distribution.
9) Switzerland:

Switzerland Postal services are known Swiss Post. It is a fully state owned independent, incorporated – public law institution, Regulatory authority is Post Reg. (Post regulations be horde). It is fulfilling Universal service obligations by serving as products letters up to 1 kg. Parcels up to 20 kg and subscribed news papers, magazines and periodicals etc. It reserved correspondence and direct mail up to 50 grams since 2009, whereas outbound cross –border mail service is liberalized.

Market access and trade barriers: Since July 2009, full VAT has been charged for all postal items. Exclusive exemption for Swiss post from bans on night time and sun day driving, vehicles above 3.5 tones but not for other licensed operators. Customs clearance: Simplified procedure valid since 2007 for all postal licenses, including parcel and express companies.

Domestic letter post volume in 2009 was 3805 m items in which 38 percent are correspondence, 38 percent publications and 24 percent direct mail was there. Domestic per capita letters post were 520. There is a 100 percent monopoly of Swiss post in domestic letter post. Where as in outbound cross border market volume: over 200 m items. Swiss post has 57 percent share and Deut she Post Global mail (Switzerland) A4 and G3 worldwide mail (Switzerland) 39 percent share and other has 4 percent share in the market.

10) Malaysia:

The postal and courier service is essential to the efficient functioning of the economy and society as a whole. Very few sectors in Malaysia come close to the level of physical connectivity with households, businesses and retail network across the country, like the postal and courier sector.

Each day postal and courier services deliver more than 3 million pieces of items in various forms such as letters, small packages, parcels and magazines. More than 20,000 postmen and couriers offer themselves for this cause. These items are reliably and securely, delivered to more than 6.3 million addressee nation-wide, both in urban and rural areas. The postal and courier sector growth is continues. In 2009 more than 100 million transactions took place at post offices around the country, valued at more than RM 15 billion. The sector in 2009 employed more than 34,000 people. Postal services
of Malaysia recorded an annual average growth of 5.2 percent over that period, while the courier sector recorded annual growth of 10 percent, per capita mail services are 44 in 2008 as per UPU report, Malaysian post has framed out national postal strategy 2010-14 in order develop this sector.

**Liberalization of postal services:**

Since, 1657 post office Act created the UK’s Royal Mail; Countries have come to support the sustainable provision of a universal postal service, with postal monopolies. From experience, governments recognize challenges to USPS. Each post faces the competitive burden of maintaining large fixed cost networks to serve everyone, everywhere in the country. Each post also has to operate under uniform rates with underlying cross-subsidies of higher-cost areas by lower cost area. That makes the posts susceptible to competitors who target the most profitable part. This complex situation potentially saddest each posts with higher cost section, which threaten the post ability to maintain available economic position or universal service.

The last decade has brought changes to each national post, deposit the growth in direct mail revenue and certain mail section, many new communication technologies plus rising customer demands for new options produced a destruction if not drop in mail volumes comparative to the growth in population and economic activity. That is particularly true in the most industrialized countries. Postal operators recognize that the volume decline is not temporary. They see that the convenience, speed and lower costs of emerging communications will create lasting changes. Several studies point out that physical communication networks will remain a viable, relevant, reliable alternative means of exchanging information. For example, the Universal Postal Union (UPU) says: “Substantive and sustainable development in the information society of the 21st century cannot be visualize and achieved on a worldwide basis without integrating all existing and future communication infrastructures and services, including postal and other physical communication services. Postal services play a significant role in the world’s economy and information society for years to come. At the same time may countries have privatized utility sectors formerly dominated by state–owned companies in such areas of telecommunications, energy water and waste disposal and public transportation. That trend led most developed countries to consider similar competition for the postal sector to
achieve improved quality of service, lower, price increased customer choice, and improved service, provided productivity. Central to the liberalization theory is the notation that one cannot justify preserved areas as the preferred or even sole means of guaranteeing universal service. It holds that market forces alone or with limited public involvement can accomplish the same outcome. The postal liberalization theory quit the traditional monopoly concept and produces several forms of liberalization described below:

Monopoly: In this situation, universal service is defined the wide terms and its provision guaranteed by a nationally organized monopoly matching the scope of the universal service.

Partial Market Opening: The extent of universal service may remain the same or have slight modifications but market forces provide partial service. Regulatory or legislative involvement establishes USO, limited to services inadequately provided by market forces. Independently, the USP may maintain a leading market position i.e. relative market share beyond the reserved area.

Full market opening: Market forces provide universal service without reserved areas; independently the USP may maintain a dominant market position i.e. relative market share in some or most of the market segments.

Postal liberalization: International experience: The European example: Starting in 1994, the European Union reached reconciliation for a gradual, controlled opening of its postal markets to competition. The EU guaranteed the sustainability of universal service as a main objective of its communist postal policy. A driving force behind the EU’s postal liberalization was an expectation that new scaled operators would create competition within a single European market. By 1997 the EU had established a regulatory framework to guarantee universal service and set limits for postal services, which member states could reserve for their Universal service provider. The EU complete that steady progressive reduction of reserved areas was a priority. It set install time tables for further market opening. In 2006, the EU established that the sustainable provision of postal universal service under the quality standards the member under the quality standards the member’s state, defined could be secured without the requirement of a
reserved area. In 2008 the EU announced its plan, to abolish the postal monopoly laws in member states by 2011-13.

The reserved area will no longer be the preferred solution for financing the USO. Member states would ensure universal service through either market forces or designation of one or several regulatory system to support such service. Examples include the ability to use external financing to fund resident net costs of the USO as needed, the Use of general authorizations and individual licenses to regulates market access and the ability to regulate employment conditions in the postal services, sector.

**Status of the liberalization across major developed economies:**

Finland, Germany, New Zealand, Sweden and the UK phased out all the reserved area in their domestic postal markets. Italy, the Nether lands, Poland, Spain and Sweden took steps to prohibit bulk addressed mail from the reserved area. The Neither land considers advertising mail outshined the scope of USO. Despite elimination of their reserved area, many USP, remain leading in their domestic markets or part of their domestic market. European countries maintaining reserved area have all reduced the scope of these areas as per the European and have scheduled total elimination of reserved area by 2011-13. By contract, Australia, Canada and the US currently maintain considerably higher reserved area. With a few exemptions, liberalization or the postal industry has only just begun in some countries.

**1.2.1.2 Some Important Dimensions of Posts : Worldwide**

*a) International scenario of postal network:*

**China:** The numbers of permanent post offices were 52,050 and the population served by each post office was 25,889 and average areas served in square kilometer were 184.37 per post office, where as number of employees per post office were 17.09 in 2011.

**India:** The number of permanent post offices was 1, 54,866 and the population served by each post office was 8,016 and average area served in sq. km., were 21.16 per post office, where as number of employees per post office were 3.01 in 2011.

**Indonesia:** The numbers of permanent post offices were 19,975 and the population served by each post office was 10,954 and average area served in sq. km., were 45.34 per post office, where as number of employees per post office were 1.18 in 2011.
Malaysia: The numbers of permanent post offices were 1,028 and the population served by each post office was 26314 and average area served in sq. km., were 320.86 per post office, where as number of employees per post office were 15.63 in 2011.

Srilanka: The numbers of permanent post offices were 4,680 and the population served by each post office was 4,438 and average area served in sq. km., were 15.31 per post office, where as number of employees per post office were 4.08 in 2011.

United Kingdom: The numbers of permanent post offices were 11,818 and the population served by each post office was 5,281 and average area served in sq. km., were 15.31 per post office, where as number of employees per post office were 13.18 in 2011.

United States of America: The numbers of permanent post offices were 29,831 and the population served by each post office was 10,133 and average area served in sq. km., were 322.28 per post office, where as number of employees per post office were 21.65 in 2011.

b) Mail Volume: International Post

Postal services around the world play a significant, daily, role in keeping their country, their economy and their people connected. The Universal Postal Union, International Bureau estimated that in 2011-12, the posts, processed more than 6,440 million domestic pieces of mail a year, with 5.3 million employees and 6,42,000 postal outlet worldwide. Average area covered by a permanent post office 179 km2 and 9,264 people per post office. Number of people serviced by each staff member was 1321. Global postal consumption expenditures were 227.6 billion SDR.

c) Financial Services: International Post

Around two third of the post offices in the world are performing financial services like postal money order services, postal saving Bank Account, Recurring Deposit Account and other certificates of investments. Post offices are also performing agency services like banking and collection of bills on behalf of other agencies and government.

d) Posts and environment protection: Using recycled material and participation in environment awareness program and satisfying postal service obligation. These initiatives are shared among posts at symposia organized by the Universal Postal Union and are published, in an operational guide planned for member country posts. The UPU
special project team on the environment provides support to member countries through studies on the environment and by development of environmental policies that include training and awareness programmes.

e) Posts in times of conflict and after natural disasters:

Calamity, an armed conflicts or even acute poverty often prevents large portions of the world’s citizens from conducting through the mail. In such situation UPU acts in a co-operative efforts to lend assistance over the past few years, conflicts in places such as Bosnia, Kosovo, the great lakes region of Africa, seriously disrupted the postal services. The UPU helped in each case to develop short term rehabilitation plans to introduce measure to provide basic postal services within the limits of the circumstances.

Posts also play a humanitarian role in the after math of natural disasters such as earth quacks and floods. In these trying circumstances the post is often used to locate missing relatives, to distribute humanitarian aid and to provide food and shelter to sufferers.

1.2.1.3. Non-Traditional Services offered by post office –Worldwide:

Social and economic functions, that clearly goes beyond the business rational of many other industries. This is especially true in the developing world. A reliable postal system is a significant component of the modern information and distribution infrastructure and can be a key to social and economic development and poverty reduction. The postal infrastructure normally covers the entire country, including remote regions. This network provides basic communication and information services especially for residential customers and small medium enterprises. Mail order directs marketing, further more industries relay on reliable mail services.

National Services offered by post Offices:

• Postal financial services: Post offices are providing agency services banking and collection of bills on behalf of other agencies in different countries.

• Post offices are providing business support services: Post offices are providing business support services like logistics, marketing solution etc. Integrated logistics service for diversification of activities; e-commerce and e-business industry.

• Marking Solutions:
Malaysian post offices offers corporate mail management services provided on the clients premises, as a part of total solution program for all business communication or delivery needs. It also offers data post a one stop mailing services. Provides customers with word processing graphic layout, printing, inserting, enveloping, mail processing and delivery services. South Africa Post office offers web shop couriers, which allow 30 kg delivery anywhere in the world. Maintaining and updating customer database. E–parcel service, Internet and e-business assistance services and E–Governance, Other initiatives—self service automated machine that can be accessed round the clock to meet postal need such as purchasing stamps, weighing to pay fines and utility bills etc.

1.2.1.3 Global Postal Organizations:

The postal services, form part of the daily life of people all over the world. Even in the digital age, the post remains for millions of people, the most accessible means of communication and message delivery. There are mainly four postal organizations working on international level. These are:

1. **Universal Postal Union (UPU):**

Universal Postal Union (UPU) was formed in October 9th 1874 as a United Nations, active agency, it’s headquarter is at Bern, Switzerland. UPU is coordinating postal policies among member nations, in addition to the world wide postal system. The UPU contains four bodies consisting of the congress, the Council of Administration the Postal Operational Council and the International Bureau. It also oversees two co-operatives including the Telemetric and EMS co-operatives respectively. Each member agrees to the same terms for conducting international postal duties.

French is the official language of the UPU. English was added as working language in 1994. The Majority of the UPU’s documents and publications – including its flagship magazine, Union postal are available in the United Nations official languages. In the UPU monument in Bern, bronze and granite, by Reneole Saint Marceaux, the five continents join to transmit messages around the globe. Prior to the establishment of the UPU, each country had to get ready a separate postal contract with other nations it wished to carry international mail to or from. In some cases, senders would have to calculate postage for each support of a journey and potentially find mail forwarders in a third country, if there was no straight delivery. As a result of the UPU establishment that:
1. There should be a uniform flat rate of mail, a letter anywhere in the world.
2. Postal system should give equal treatment to foreign and domestic mail.
3. Each country should preserve all money; it has collected for international postage.

One rule specific that stamps issued for post cards (green) normal letters (red) and international mail (blue) a system that remained in use for several decades. After the establishment of the United Nations, the UPU became a specialize agency of the UN in 1948, in 1969 the UPU introduced a new system of payment where fees were payable between countries according to the difference in the total weight of mail between them. These fees were called permanent dues. Ultimately, this new system was faire when traffic was heavier in one route than the other. As this affected the charge of the delivery of periodicals, the UPU plan a new “doorstep” system, which it later implements in 1991. The system sets separate letter and periodicals for countries which obtain at least 150 tones of letters annually. For countries with less mail the original flat rate is till maintained. The United States has negotiated a separate terminal dues method with thirteen European countries that includes a rate per piece plus a rate per kilogram; it has a parallel arrangement with Canada. The UPU also operates the system of international Reply coupons’ and address concerns with E to Es.

Standards: Standards are important basics for efficient postal operations and for inter connecting the global network; the UPS’s standard Board develops and maintains a increasing number of international principles to develop the exchange of postal related information between postal operators. It also promotes the compatibility of UPU and international postal initiatives. The postal organizations, customers, suppliers and other partners, including various international organizations, the standard board ensure that to hereunto policy are developed in areas such as electronic data exchange mail programming, postal forms and meters, UPS standard are drafted in accordance with the rules given in part of the general information on UPU principles and are published by the UPU international Bureau in accordance with part VII of that publication.

Member Countries:

All United Nations member states are allowed to become member of the UPU. A non–member state of the united nation may also become a member, if two third of the UPU member countries agree its request. The UPU currently has 192 members (190
The overseas constituent countries of the Netherlands (Aruba, Curacao and Saint Marten) are represented as a single UPU member as are the whole British overseas territories, there members were originally listed separately as colonies, protectorates, etc. In the universal postal principle and they were grand fathered in when membership was restricted to sovereign states.

1. **Postal Union Congress:**

The Universal postal congress is the most important body of the UPU. The main reason of the quadrennial congress is to verify proposal to alter the Acts of the UPU, including the UPU constitution, General policy, principle and postal payment services agreement. The congress also serves as intermediate for participating member countries to discuss a large range of issues impacting international postal services, such market trends, guideline and other strategies issues. The first UPU congress was held in Bern, Switzerland in 1874, delegates from 22 countries participated. UPU congresses are held every four years and delegates often receive special philatelic albums formed by member countries covering the period since the former congress.

- **Philatelic activities :**

  The Universal Postal Union, in grouping with the World Association for the Development of Philately, developed the WADP Numbering system (WNS). It was launched on January 1st, 2002. The website displays entries for 160 countries and discharge postal entities, with over 25000 registered stamps since 2002. Name of them have images, which generally remain copy righted by the issuing country, but the UPU and WADP allow them to be downloaded.

- **Electronic Telecommunication:**

  In some countries telegraph and later telephones came under the same government department as the postal system. Similarly there was an International Telegraph Bureau,
based in Bern action to the UPU. The International Telecommunication Union, presently services international electronic communication.

2. Asia Pacific Postal Union (APPU):

The plan of a controlled union in this part of the world comes up first in the late 1950’s. In order to give a concrete shape to the plan, after informal discussions the Philippines government sent through diplomatic channels invitations to 18 countries for a round table in Manila on 10-23 January 1961. Between the countries invited were Afghanistan, Australia, Brunei, Cambodia, China, India, Indonesia, Iran, Japan, Korea, Laos, Malaysia, Nepal, New Zealand, Pakistan, Shrilanka, Thailand and Vietnam. The roundtable drew up to the Asian Oceanic postal meeting.

The meeting was to come into force on 1st April 1962. On that date, they formed a union among themselves and established its head quarters in Manila with Mr. Palomar, Postmaster General of Philippines as its head quarters was relocated to Bangkok in 2002. In due course others countries of the Asia-Pacific region join this regional postal union making it today an inter-governmental body of 32 countries namely Japan, Korea, Lao, Malaysia Mongolia, Maldives, Myanmar, Nauru, Nepal, New Zealand, China, Fiji, India, Indonesia, Iran, Afghanistan, Australia, Bangladesh, Bhutan, Brunei, Darussalam, Cambodia, Pakistan, Papua, Newgartn, Philippines, Samos, Shrilanka, Singapore, Solemn Islands, Thailand, Tonga, Vanuatu and Vietnam.

Organization: The congress, the executive council and the Bureau are the three organs of the union. The main functions of these three organs are.

1) Congress: The congress is the supreme organ of the union and composed of representatives of member countries. The representatives of the member countries of the union meet in congress not later than two years after holding of each universal postal congress in order to change the Acts of the Union, if required and to consider, as necessary, other postal problems of common interest to the member countries.

2) Executive council: The executive council comprises all the member countries of the Union with a quorum of the majority to ensure the continuity of the work of the union in the intervals between congresses, the executive council meets in principle once each year. The functions of the executive council are;

   a. To perform any duty assigned to it by a resolution of the congress.
b. To lay down the international postal service rules which shall provide for details necessary for the operation of the international postal service between the member countries.

c. To keep contracts with postal administration of the member countries of the union with a view to improving the postal service.

d. To set down rules for the management of the Bureau and to control the activities of the Bureau.

e. To review and approve the annual budget and account of the administrative section prepared by the Bureau in the intervals between congress.

3. Bureau: The Bureau serves as an intermediary of link, information, inquiry and training for the member countries of the union. The Bureau is composed of the administrative section and the training section. The Bureau is composed of a director and such other staff as the union may need. The Bureau provides the secretarial for meetings of the union, jointly, with the postal administration of the country, where each meeting is held. The Bureau is under the general control of the executive council.

- Training Highlights of APPC:

APPC represents an excellent example of international co-operation in the field of postal training in the region. APPC has trained more than 5000 postal managers from various postal administrations in the Asia-pacific region and African continent up till now. APPC provides professional training in relevant areas, covering international post quality of service sales and marketing postal operations, postal planning, human resource management development and finance. APPC provides external training programs in various countries. APPC organizes seminars and workshops, sponsored by the UPU, related organization and postal administrations.

3) Conferences of Common Wealth Postal Administrators (CCPA):

CCPA was formed in 1971. The postal administration of Great Britain was taken lead in forming CCPA, who hosted the first meeting in 1971. The objective was to create a regular meeting of common wealth post offices. So as to provide for discussing matters of common interest bearing in mind that, in terms of mail exchanges, common wealth countries are major trading partners of each other. CCPA has also regularly provided a meeting for exchange of ideas and best practice. In 1998 CCPA adopted the Kualalumpur
Declaration. This required to set up service principles for mail flows within the commonwealth and to create a statement of values for CCPA members. CCPA meets every two years with additional meeting being held immediately before UPU congress.

The commonwealth is a deliberate association of 53 independent countries. It is home to 2.2 Billion citizen and over 60 percent of these are under the age of 30. The commonwealth includes some of the world’s largest, smallest, richest and poorest countries, across five reigns. The commonwealths guiding principles are in its deed. Common wealth polices are formed by member countries, who have an equal say on decisions affecting them. Commonwealth organizations put these decisions and plans into actions.

4) Asian Postal Business Meeting (APBM):

Asian Postal Business Meeting was established in 1992, exclusively for the postal operators in Asian countries, with the objective of increase and coordinating Asian Collaboration in the postal sectors. The APBM is an annual meeting organized by member countries on a rotating basis, bringing together the heads of the postal organizations of the 10 Asian countries and 5 Asian plus countries, namely peoples Republic of China, Honking, Japan, Indian and Republic of Korea and focuses on issues affecting the regions postal industry. It also enables the exchanging of information and experiences as well as best practices for postal reforms and business development activities among Asian Countries.

1.2.2 INDIA POST - AN OVERVIEW:

A brief, overview of India post, in terms of its progress, the post in ancient and medieval India, development of postal services during British period and some of the current developments which have had an impact on its present status as a significant player in the background of postal services in India.

1.2.2.1 History of India Post:

The post in ancient and medieval India: The history of India’s postal system begins long before the introduction of postage stamps. In ancient times the kings, emperors, rulers, Zamindars or the feudal lords protected their land through the intelligence services of mainly trained police or military agencies and courier services to convey and get information through runners, messengers and even through pigeons. The chief of the
secret service known as the postmaster maintained the lines of communication. The people used to send letters to their remote relatives through their friends or neighbors. For centuries it was outstanding for messages to be carried by any means other than pass on of runners on foot. A runner ran from one village or pass on post to the next, carrying the letters on a pole with sharp point. It was a dangerous occupation, the relay of postal runners worked throughout the day and night, at risk to attacks by thief and wild animals. These mail runners were used by merchants for table purpose. It was much latter that mail runners, came to be in use for the carriage of private mail.

The postal history of India primarily began with the overland routes, stretching from Persia to India. What began as mere foot-tracks that more than often included fords across the hilly streams, regularly develop over the centuries as highways, used by traders and military messenger on foot and horses, for carriage of letters. The Arab control of the caliphate came about with the capture of Sind by Muhammad Bin Quasim in 712 A.D. Thereupon, the Divan-I-Barid or Department of posts established official communication from corner to corner the tar-flung empire. The fastness of the horse messengers finds mention in many of the history of that period. The first Sultan of Delhi, formed messenger post system. This was expanded into the Dak Chowkies, a horse and foot runner service, by Alaudin Khilji in 1296. Sher Shah Suri (1541-1545) replaced runners with horses for transportation of massagers. He also built 1700 'Serais' where two horses were always kept for the send out of the Royal mail. Akbar introduced camels in addition to the horses and runners. In the south of India, in 1672 Raja Chakdev of Mysore started an efficient postal service, which was further improved upon by Hyderali.

**Posts and the East India Company:**

The East India Company took positive steps to progress the existing systems in India. When in 1688, they opened a post office in Mumbai followed by similar one in Calcutta and Madras. The fee charged was two annas per 100 miles. The postmarks applied on these letters are very rare and are named 'Indian Bishop Marks after colonel Henry Bishop. The post master General of the United Kingdom who started this practice in Britain. The post office Department of the East India Company was first established on March 31, 1774 at Calcutta, followed in 1778 at Madras and in 1792 at Mumbai. After 1793, when Cornwallis introduced the Regulation of the permanent arrangement, the
financial duty for maintaining the official, post rested with the Zamindars. Along with these, Private Dak mail systems sprang up for the business delivery of messages using hired runners. Also the East India Company created its own infrastructure for the improvement and administration of Military and business power. The runners were paid according to the distance they traveled and weight of their letters. The mails were accessible to self-confident officials without charge, which became a controversial privilege as the years passed. On this basis the Indian post office was established on October 1st 1837.

The use of the Sindh Dawk adhesive stamps to represent the payment of postage began on 1st July 1852 in the Sindh district, as part of an comprehensive reform of the district's postal system. A year earlier Sir Bartle frère had replaced the postal runners with network of horses and camels, improving communication in the Indus river valley to provide the military and business needs of the British East India Company.

The first stamp valid for postage throughout India was placed on sale in October, 1854 with four values 1/2 anna, 1 anna, 2 anna and 4 anna. Featuring a youthful profile of Queen Victoria act 15 Years, all four values were planned and printed in Culcutta and issued without perforations or gum. All were lithographed except for the 2 annas green, which was produced by print from copper Clichés or from electrotyped plates, the 4 annas value illustrated was one of the world’s first bio-colored stamps processed only by the Basel Dove, a striking local issue. A new design for stamps, with 'Queen Victoria' in an oval vignette inside rectangular frame was emblazoned 'East India Postage'.

The Reforms of 1866 and the provision’s: The volume of mail moved by the postal system increased steadily, doubling between 1854 and 1866, and then doubling again by 1871. The post office Act XIV introduced reforms by May 1, 1866 to attach some of the more apparent postal system deficiencies and maltreatment. Lower rates were introduced for inland mail, as well. The designs consisted of the usual Victoria profile in a variety of frames, decorated 'India Postage'. The water mark also changed to a star shape. These stamps were profoundly used and are still rather common today. The stamps of the convention states all became worthless on 1st Jan 1951 when they were replaced with stamps of the Republic of India valid from 1st Jan 1950.
The feudatory states maintained their own postal services within their region and issued stamps with their own designs. Many of the stamps were imperforate and without gum, as issued. Many varieties of type, paper, inks and dies are not listed in the standard catalogs. The stamps of each feudatory state were suitable only within that state, so letters sent outside that state needed British India Postage. Both Faridkot and Jind, as feudatory states, issued their own stamps before they joined the postal rule. Faridkot joined on 1st January 1887. Jind joined in July 1885, its stamps from the feudatory period became unacceptable for postage, but they continued to be used for revenue purpose.

In 1902 a new series depicting king Edward-VII generally reused the frames of the Victoria Stamps, with some color changes and included values up to 25 rupees. The higher values were frequently used for the payment of telegraph and parcel fees. Generally, such usage will lower a collector’s evaluation of a stamps value, except those from remote or 'used abroad' offices. The 1911 stamps of king George V were more fancy in their design. It is reported that George V, a philatelist, personally approved these designs. In 1919 a 1/2 anna stamp was introduced, inscribed one and half anna, but in 1921 this changed to one and a half annas. In 1926 the water mark changed to a pattern of many stars.

The first symbolic stamps appeared in 1931. The set of six, showing the fortress of Purana Qila. Delhi anc government edifices, was issued to mark the Governments move from Calcutta to New Delhi. Another symbolic set also showing buildings, commemorated George vs silver jubilee in 1935. The stamps issued in 1937 stand for various forms of mail transports, with King George VI's model appearing on the higher values. A new issue in 1941, forced by the significance of world war-II, consisted of rather plain designs using nominal amounts of ink and paper. As India post offices annually required some billions of stamps for postage, as a measure of economy the large graphic stamps were immediately quiet and smaller stamps were issued. Even this did not ease the paper condition and it was thought attractive to reduce the size even more.

A victory issue in 1946 was followed in November 1947 by a first domination issue, whose three stamps were the first to show the Asoka pillar and the new flag of India, postage stamps were generally issued discretely from the revenue stamps. In 1922, the viability of this issue was explored in England by Lt. Col C.H. Willis, C.I.E. then
Master of the Mumbai mint and Mr. F.D. Ascot, ICS, controller of printing, stationary and stamps. The responsibility of setting up the press was hand over to none other than the London firm of Thomas De-La Rue which already had a Sir Decade long association with Indian stamps. The construction began in 1924 at an original estimate of Rs. 17 1/2 pons and was completed in 1925 with additional costs of Rs. 67 and 1/4 ponds.

The first stamps produced were the perfect series of George V. Printed using typography from the same plates used earlier in England by De La Rue, Which were now transferred to India. The water mark was changed by the press to various stars. The first stamp of Independent India was issued on 21st November 1947. It depicts the Indian Flag with the patriot’s slogan. Jai Hind (Long Live India) on the top right hand corner. It was valued at three and one half annas.

Exactly one year latter a perfect series appeared, represent India broad cultural heritage, mostly Hindu, Buddhist, Muslim, Sikh and Jain Temples, statue, gravestone and fort. A succeeding issue celebrates the inauguration of the Republic of India on Jan 26, 1950. Definitive’s included a technology and development theme in 1955, a series all showing the map of India in 1957, denominated in naye paisa or decimal currency and a series with a broad variety of images in 1965.

The old writing of 'India Postage' was replaced in 1962 with 'INDIA' though three stamps issued between December 1962, January 1963 carried the earlier words, India has printed stamps and postal stationary for other countries, mostly neighbors, countries which have had stamps printed in India include Burma, Nepal, Bangladesh, Bhutan, Portugal and Ethiopia.

1.2.2.2 The Present Scenario of Indian Postal Services:

Today the Indian postal service serves the public from 1, 55,000 post offices. India is believed to have the most widely distributed system in the world (China has 57,000, Russia 41,000 and the United States 38000 offices.) This large number of offices outcome from India's long tradition of having many distinct postal systems eventually unified in the Indian Union after Independence with its extreme reach and its existence in remote areas, The Indian postal service provides many services such as small savings banking and financial services, Gandhi, Nehru and other historic personalities continued on the postal issues. Coming from the country since independence, with almost half a
century seeing the Gandhi definitive’s of denominations most often used in the period concerned, becoming identical with a postage stamp to the Indian people of that particular time period. New themes are now finding their place on Indian postage stamps. Featuring some stamps issued jointly with postal agencies of other countries, renewable energy sources, the local flora and fauna and even the special annual issues wishing season’s greetings on March 9, 2011. India post launched an online e-post office. The portal will provide for electronic money order, instant money order, sale of philatelic stamps, postal information, tracking of express and international shipments, pin code search and registration of feedback and complaints online.

Besides the large collection of India postage stamps designed, printed and issued. It has large collection of Indian states both associate and feudatory early essays proofs and color trials, collection of stamps used a base and as well as early Indian post cards, postal stationery and thematic collections. The museum was widely renovated in 2009. It now includes more exhibits, a philatelic bureau and other postal objects such as beautiful Victorian post boxes.

1.2.2.3 Postal Services in Maharashtra- An Overview:

The General Post Office of Mumbai was established in 1794 then appointed Postmaster General for Mumbai Presidency, Mr. Charles Elphinstone. Before that, Mumbai had only an agency Post Office that the East India Company started it. All dispatches of mail were brought in and delivered out of that agency Post Office. The East India Company was enthusiastic on overcoming the difficulty of establishing contacts with remote regions of the country under its occupation by establishing postal communication connecting the principal towns.

In those days, this GPO was housed in a congeries of small buildings near the Apollo Pier. These buildings were lost in a fire. Subsequent to the fire, the GPO transferred in 1869 into the new building. In course of time, that building became insufficient for the GPO, and very early in this century, plans were already a foot for construction of a new building. Mr. John Begg, Consulting Architect to the Government, was given the responsibility. He designed the present building, and was in charge of its construction, which took nine years from 1904. In 1913, GPO transferred into this building with 12000 square meters of work-space in two floors. This construction located
in the heart of city is a mainly heritage building. It is in Indo-Saracen style with a solid outer walls, and well-ventilated and comfortable interiors. Mumbai GPO provide to over 50,000 address sites, most of which are recipients of huge mail.

The Business Hall of the GPO is exclusive with 101 counter positions, following the addition of the 1200 square meter large Bi-Centenary Hall, and working from 8 hrs to 23 hrs where all businesses of a post Office are transacted for some 25,000 people every day. A good number of counters are computer-run. Mumbai GPO combines the beauty of a historical tradition and the high caliber of contemporary technology, and is part of the life-line of the city.

1.2.2.4 Postal Services in Solapur District:

Transport and communication facilities are the most important facilities, joining the different settlements and population to one another for different purposes. The role of communication facility in terms of percentage of settlements and population served by post facilities, found in the special parts of the Solapur district, have been taken into consideration. Even today, the post facilities are of essential importance for the millions of people at reasonable rate for different areas.

Background of Solapur District:

At the very outset, it is most suitable and appropriate to understand different backgrounds of the region under study, since these backgrounds have a great bearing upon each other and one influence the other. Background of the regions such as physical, historical, social, economic and political influenced the communication scenario of the region concerned. Man can change and modify the physical landscape with his expertise, as he desired for his comfortness. From the historical events, man can learn a lot and may implement his experiences for future oriented plans for the various kinds of developments including communication. To a certain extent, political factors also play a very important role in the changing the face of the region. Man can implement various policies and programs by establishing of different projects for development of social, economic conditions of the region. In this way, the physical landscape may be changed into social and economic landscape such as converting forest area into agricultural land and arresting the river water into artificial reservoirs, bringing a marvelous change in the region. In view of this, it is most essential to give an account of each background in order to make
clear overall picture of the region, which helps in the analysis of the various aspects of the region under investigation. For the purpose, following backgrounds have been briefly discussed to understand specific by the nature of the area under study.

Solapur was famous for textile Mills. There is ability in the entrepreneurs, businessmen, intellectuals, strategists and the sensible citizens of Solapur in visualizing the city as a potential place for prosperity. The reflection of confidence in together, overheard from the multicultural, city of sacrificial victim, are quite loud and clear. Fast developing infrastructure facilities, the changing prices of land, growing housing societies and apartments, remarkable turnover in the construction filed, new superbazaars, malls, five-star hotels, educational institutions, super-specialty hospitals and upcoming international airport are clear indicators of a city ready to shine its old identity of a town with textile mills and handloom.

Solapur, blessed with Lord Siddheshwar temple, symbolizing social service of around eight hundred years, is also surround by the religious centers at Tuljapur, Pandharpur, Akkalkot and Gangapur. A visitor can take a one-day trip to Kudal Sangam, Mangalvedha, Aran, Akluj and the sanctuary of the great Indian Bustard at Nanaj, Naldurg fort, Golghumat of Bijapur and historical buildings.

The city is well connected with major cities in Mahahrashtra, Andhra Pradesh, Karnataka and Gujarat by air, road and rail. Well-thought investment in drainage systems and water supply by the corporation in the periphery, the double railway line between Wadi and Bhigwan and its electrification, renovation of the Hubli-Solapur track by the railways, the four-lane Solapur-Pune- Hyderabad highway, and improved state transport services are ready to support the city's further development. Entrepreneurs like Kirloskar, Patil, Yetin Shah, Ram Reddy, and Sharad Thakre have retained the entrepreneurial identity of Solapur.

The city is blessed with water connectivity from Ujani, the largest dam on the river Bhīma. The water supply being upgraded with a double line, with the help of NTPC, will strengthen the infrastructural facilities of the city. In addition to this, the plan to utilize water from the Ekruk tank will ensure sufficient water supply in the future. The power grid from Limbi Chincholi is ready with the promise of continuous electricity supply. The MIDC surrounding three sides of the city is a definite plus for the city's
industrialization. The ready master plan for the next 50 years after 2010 is a promissory note to the interested investor.

India's largest power company NTPC is ready to accelerate and energize this entire area. The unit surrounded by cement factories of leading companies is clustering into the industrial zone, luring the entrepreneurs from all over the country.

Growing educational and professional skills centers in the form of WIT, Orchid, Sinhagad and BMIT are enriching the existing academia with the medical college, Dayanand, Sangameshwar and Walchand conventional degree colleges. Along with the conventional courses these premier centers are ready to provide the required human resource with professional skills. Solapur University, a separate university for the district, is a unique example. With collaborations, the fast growing educational hub can be further expanded into a centre of entrepreneurship. In tune with the times, there will provide need-based courses to cater to the demands of the upcoming industries, It is time for the university to go for enrichment of the traditional course with the professional. There is an urgent need for industry-academia interface, with complementary contributions in the form of extended education for the academia and ready to work human resource for industry.

After the white revolution with milk, the farmers in Solapur district are ready for a revolution in sugar industry. Thirty sugar factories are already functioning with a turnover of Rs.4,000 crore, and six to eight are ready for revolutionizing agriculture in the entire district. These cooperative and private sugar factories have a lot of potential for the production of byproducts of ethanol, electricity and paper. Textile industry, the very identity of Solapur in the form of Jakards worldwide is waiting for its modernization. It has the potential to change the economic face of the city. Now it is crystal clear that major cities in Maharashtra have their own development constraints. Making use of the city's proximity to Karanataka and Andra Pradesh, its already established super-specialty medical hub can be further enhanced into a medical tourism centre. Soalpur is ready to unroll the red carpet to entrepreneurs. Premier companies like Thermax and Bharat Forge have already shown their interest. There is a lot of scope for the IT industry, because this industry, flourishing in Pune, Mumbai and Hyderabad, has skilled and committed human resource in this city, once only known for the hard skills of its mill workers, No doubt the
pace of progress is slow but the picture is positive and promising for pure action to aspiring industrialists and corporate giants.

**Location and extension of Solapur District:**

The district of Solapur is one of the most important districts of Maharashtra State in terms of area and population. It lies entirely in the Bhima-Sina-Man basins. The total geographical area of the Solapur district is about 14,878 square kilometer and population of 4315527 according to 2011 census. Within the region under study, Karmala is the largest tahsil in area and the smallest is the North Solapur tahsil, this tentatively constitutes 4.84 percent area and 3.84 percent population of the Maharashtra State. In other words, the area under study ranks fourth in terms of area and seventh in terms of population in Maharashtra.

The district of Solapur is well defined to its west as well to its east by the inwards looking scraps of Phaltan and Osmanabad plateau respectively. The neighboring districts are Sangali to its South-West, Satara to its West, Pune to its North-West, Ahamadnagar to its North-West and Osmanabad to its North and North east and the Bijapur district lies to its South as well as Gulbarga district to its east of Karnataka State.

Transport and communication facilities are the most important facilities, joining the different settlements and population to one another for different purposes. The role of communication facility in terms of percentage of settlements and population served by post facilities, found in the different parts of the Solapur district, have been taken into consideration. The communication facilities now are being changed by mobile telephone, landline telephone, and satellite even, in rural areas of the world. Post office and telegraph facilities used to take a lot of time to communicate between the two parties. This delay has been replaced by modern communication services like telephone, mobile and electronic mail within no time over the globe. Even today, the post facilities are of vital importance for the millions of people at reasonable rate for different areas. Post facility varies within the district for different tahshils. The North Solapur tahsil recorded the highest percentage of settlements having post facility. On the other hand of the scale, the lowest percentage was for Akkalkot tahsil. There were four tahsils namely, South Solapur, Mohal, Mangalwedha, and Karmala having lower percentage of settlement having post facilities below the region. On it appears that availability of post offices
depend upon the size of the settlements, political influence and proximity to the large urban centers. After considering the physical, social and economic background of the Solapur district, it is concluded that the transportation and communication facilities in the district are not evenly distributed, in some tahsil they are optimum. Percentage of population served by post facilities in the Solapur district is much higher than the many other parts of Maharashtra State. For the district of Solapur, the percentage of population served by post facilities was 68.57 percent. It was the highest for the Sangola tahsil most likely due to the existence of post offices in large number. And the percentage of population served by post facility was lowest for Mangalwedha tahsil, the adjoining tahsil of Sangola. The lower percentage recorded for Karmala, Pandharpur, Mohal and Akkalkot, below the region. In other tahshils, it was higher than the region average. These amenities also represent the degree of development, higher the density for post facilities, the better conditions of that region, because it reduces the high pressure over the population in the region. It appears that even today, 100 percent settlements’ and population is not served by post facilities, hence, there is need to increase such facilities in the region under study.

This is also found that percentage of population served by post facilities in the Solapur district is much higher than the many other parts of Maharashtra State. For the district of Solapur, the percentage of population served by post facilities was 68.57 percent. It was the highest for the Sangola tahsil most likely due to the survival of post offices in huge number. And the percentage of population served by post facility was lowest for Mangalwedha tahsil, the neighboring tahsil of Sangola. The lesser percentage recorded for Karmala, Pandharpur, Mohal and Akkalkot, under the region. In other tahshils, it was higher than the region average.
Table 1.1
Percentage of Settlement and Population Served by Post Facilities in Solapur District (2011)

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Tahsil</th>
<th>Percentage of Settlement having Post facilities</th>
<th>Percentage of Population served By post facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>North Solapur</td>
<td>67.92</td>
<td>69.47</td>
</tr>
<tr>
<td>2</td>
<td>Barshi</td>
<td>48.89</td>
<td>71.77</td>
</tr>
<tr>
<td>3</td>
<td>Akkalkot</td>
<td>35.56</td>
<td>63.45</td>
</tr>
<tr>
<td>4</td>
<td>South Solapur</td>
<td>40.45</td>
<td>68.85</td>
</tr>
<tr>
<td>5</td>
<td>Mohal</td>
<td>43.14</td>
<td>67.83</td>
</tr>
<tr>
<td>6</td>
<td>Mangalwedha</td>
<td>38.27</td>
<td>55.20</td>
</tr>
<tr>
<td>7</td>
<td>Pandharapur</td>
<td>46.81</td>
<td>67.00</td>
</tr>
<tr>
<td>8</td>
<td>Sangola</td>
<td>51.59</td>
<td>75.63</td>
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<tr>
<td>9</td>
<td>Malshiras</td>
<td>48.18</td>
<td>71.50</td>
</tr>
<tr>
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<td>Karmala</td>
<td>44.92</td>
<td>66.02</td>
</tr>
<tr>
<td>11</td>
<td>Madha</td>
<td>48.28</td>
<td>70.10</td>
</tr>
<tr>
<td>12</td>
<td>District</td>
<td>45.77</td>
<td>68.57</td>
</tr>
</tbody>
</table>

Source: Socio-economic Abstract of Solapur District 2011.

These facilities also stand for the extent of growth, higher the density for post facilities, the better conditions of that region, because it reduces the high pressure over the population in the region. It appears that even today, 100 percent settlements and population is not served by post facilities, hence, there is need to increase such facilities in the region under study.
Table 1.2
Postal Services Statistics in Solapur District 2011

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Tahsil</th>
<th>No of Post Office</th>
<th>No of Post Box</th>
<th>No of Postmen</th>
<th>No of Villages under Postal Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Karmala</td>
<td>54</td>
<td>149</td>
<td>02</td>
<td>54</td>
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<tr>
<td>2</td>
<td>Madha</td>
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<td>98</td>
<td>05</td>
<td>47</td>
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<td>3</td>
<td>Barshi</td>
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<td>191</td>
<td>14</td>
<td>60</td>
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<tr>
<td>4</td>
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<td>34</td>
<td>41</td>
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<td>01</td>
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<td>148</td>
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<td></td>
<td>District</td>
<td>533</td>
<td>1563</td>
<td>141</td>
<td>504</td>
</tr>
</tbody>
</table>

Source: Source: Socio-economic abstract of Solapur District 2011.

1.3 GLOBALIZATION AND RECENT DEVELOPMENT IN POSTAL SERVICES

In view of global changes, market liberalization and technological developments, postal services are also undergoing the deep changes. The traditional postal system will have to face a vibrant business environment and the protection of its monopoly position is a major question. Currently, there are debates to ensure the sustainability of universal service obligation of the postal system. Universal service is a set of measures that aims to permanently grant all users in all points of a region a adequate leve1 of service. These obligations take the form of constraints, and apply to a range of products or services. They involve quality, in the broad sense and price controls. The existence of obligations means that, in their absence, the market may not provide a sufficient level of service, or the whole scope of products, or at least not at an reasonable price level for all users. Some countries have tightened the rules for the monopoly position of the government postal department; other countries have cross-subsidized the basic system and allowed courier companies to step in for value-added services; and some countries have even
generated funds for USO. The postal sector is now at a turning point. The major challenges are mainly double: the future use of the postal network for revenue generation and making use of the private sector. These require framing of proper policy, quality of service and reformation of the sector. However, other segment such as business-to-private mail may be less affected by new communications technologies, as long as public postal services are run in an efficient and customer-oriented manner and access to postal services remains more widely available to residential customers than in home computer terminals.

**Project Arrow:**

India Post has implemented a technological and overall development plan “Project Arrow” in 2008. An arrow, well aimed, will reach its intended destination straight, safe and sure! Similarly, the "Project Arrow", being conceptualized and implemented by the Department of Posts, under the Ministry of Telecommunications, aims to make postal services sharp, straight and sure. The project will see to it that the customers will directly feel the difference in the quality of postal services. Ariyaloor was the first post office in Tamilnadu to have implemented "Project Arrow". It was inaugurated in August 2008 by Shri D. Raja, Minister of State for Telecommunications. Project Arrow is an effort at the integrated transformation of postal services. It aims at modernizing the look, feel and efficiency of the services rendered by the post office. The project also aims at making the services of the postal department as directly, safe and sure as that of a well aimed arrow! For this purpose, the project has been divided into two sections. Less than one section branding of services, use of modern information technology strategy, integration of human resources and development of infrastructure is being achieved. This section mostly is an attempt at improving the look and feel of the service. The second aspect of Project arrow is aimed at improving all the core areas of the postal services. Thus, the aim is to modernize and make more effective services like mail, savings bank operations, improving quantum and quality of remittances and developing a better quality of counter services and customer services. As a part of the project, most post offices including Ariyaloor, which have been included in the first phase of the project, are in the process of completing basic documentation about the post office, its service area, customers, banking particulars etc. Development of new and better
infrastructures like buildings, furniture etc also comes under this section. Training of staff and development of adequate hardware are the other principal mechanism of Project Arrow. In the initial, pilot phase of Project Arrow, fifty post offices have been selected. In the second phase 450 post offices will be covered. The final phase is intended to modernize 4500 post offices, covering all the parts of the country. The aim is to cover 4500 post offices under the project within the next two years. In the Southern Region, 33 post offices have been covered so far. Nineteen more post offices have been identified for inclusion in the project. It is also to be noted that the Project Arrow is a green initiative. The project aims to minimize the use of paper, thus help in preserving trees and green cover, by making all internal correspondence based on email alone. Another important aspect of Project Arrow is that it allows for independent assessment of the quality of the program. For this purpose, an independent rating agency is being authorized to rate the services of the Project Arrow using a five star rating formula. Best achievers under the program will be rewarded suitably and their services will be recognized. The final aim of Project arrow is to become a working model for integration of services of the post office.

1.4 STATEMENT OF THE PROBLEM AND AREA UNDER STUDY:

The statement of problem is to justify the research topic and area under study to be under taken for analysis. The selection and choice of the topic for any research work is very difficult task. The area and the problem of research are the important aspects for researcher. Since many fold social-economic and political problems play a very important role in the development of particular region. Whatever the world today we find, is an output of a long planed implemented schemes. Plans and schemes are implemented in a particular area is responsible for the overall developed picture. The postal services have been playing a vital role since ancient period in the exchange of message, transportation and communication system. In fact it is life line of nation. The movement of the people in various sectors is done by transportation and communications facilities. The postal system even today are playing very significant role in the sociao economic development. In India Maharashtra occupies a very important position as regards to area and population. Within the state of Maharashtra, Solapur district also occupies a very significant position. Since it has highest density of railway in Maharashtra, at the same time, number of sugar industries are highest in Maharashtra. The Solapur district is
selected for “An Analytical Study of Administrative and Operational Efficiency of India Post with reference to Solapur District”. Since, no study has been carried out from the point of view of productivity and efficiency of postal services so far.

Postal administration in India is facing with the challenges posed by growing volume of mail; need to deliver services faster to the customers, increasing competition from private courier industry, administered prices and poor technology are issues discussed as under:

**Structural issues:** Due to globalization and competition from private courier companies, India post has to face competition. The so-called social service character the need to continue a cheap postal service with state subsidy for the benefit of the common man, of the post can be still retaining in terms of well-defined universal service obligation.

**Legal structure and competition:** The legal monopoly of the department, which still continues, has been eroded on the ground by a large number of private courier services who has been taken away a good proportion of conveying by post all letters and of performing all the incidental services of receiving, collecting, sending, dispatching and delivering all letters. The postal service act has included post cards within the definitions of letters; the term letter has not been defined in law has led to the large number of Private Couriers conveying letters purportedly as documents which concerns the affairs of the sender or receiver sent by a messenger on purpose, which they have concerned the high revenue yielding part of the written communication market. Department of posts is left with low revenue yielding and expensive tariff as a part of its universal service obligation the efforts of the Department of post to meet the challenge of the couriers in the premium product and service segments of the market have been invited by the Government culture of slow response instead of quick business decisions.

**Expenditure Revenue Gap and Tariff Control:** Postal Expenditure has steadily increased; postal tariffs have not been correspondingly increased to reflect costs. It leads to revenue deficit year after year.

**Cross Subsidizations Vs Budgetary Support:** One of the pertinent issues faced by the postal department is to decide upon the proportion of cross subsidizations and budgetary support. The postal deficit met from the general budget increased, from 1509.70 million in 1998-99 to 63456 million in 2010-11.
**Technological issues:** The department of post continues to own and operate a large number of ancillary logistic services even though outsourcing these would be a cheaper alternative. Physical transmission of written message is getting outdated because of new means of electronic mail. The future of the department depends upon, its ability to adopt new technology. Technology is the survival kit and competitive edge of any modern organization. It has totally changed, the way business is conducted especially in the communication sector. Physical exchange of data and message is fast being replaced by electronic exchange through the worldwide web. The constraints of physical transportation by surface or air are fast disappearing which has the tremendous potential of relieving an end-service provider like the department of posts of its reliance on physical carriers like railways and airlines. The post has to choose to become an email operator instead of a snail-mail operator it has to survive competition. The population to post office ratio is 7176. People served by a post office 5,682 in rural and 20,346 in urban areas. Apart from this there is lack of technological support in rural post offices and the external post offices employees are on contract basis they are not employees of the department, which creates inefficiency and low quality services and which affects on the customers satisfaction further it leads to opportunity to the private courier services in this sector.

In brief, the state of Maharashtra in India is one of the most industrialized and consequently most urbanized part. Hence it is socially and economically developed part of the country. Within the state of Maharashtra which has 35 districts at different levels of socio economic developments Solapur district is one of very significant part of the state and occupies very important position both in terms of area and population. Till recent past some of the textile mills, handlooms and power looms had contributed a considerable share to the economy of the district. At present Solapur District have more than 43 lacks population and more than 4.5 percent area of the state. In Solapur district there are 533 post offices which include two Divisional Post Offices and two Head post offices at Sholapur and Pandharpur respectively. The numbers of villages under the post offices service are 504. During the last decade, not only has the share of the post in communication market declined but also more significantly the share of private communication between individuals in the postal traffic has declined with growing share
of business to business, business to individual and individual to business communication. The significance of such study is more relevant in the present context as so much inefficiency and low productivity is there in postal services due to lack of performance based culture and due to lack of close monitoring system. Hence, in view of above mentioned problems in postal services, it is most essential and appropriate to undertake “An Analytical Study of Administrative and Operational Efficiency of India Post in Solapur District.”

1.5 RELEVANCE OF THE STUDY:

Selection of the topic is most important work before one can carry out a research work in particular field. The choice of the problem and region is not very arbitrary. Selection of research topic entitled ‘An Analytical study of Administrative and operational efficiency of India post with reference to Solapur District’ is not very arbitrary because no study on India Post in Solapur District has been carried out so far as from the point of view of its operational efficiency.

i) Academic Relevance:

In order to understand relevance of the study in academic field, it is necessary to highlight the relationship of a study of administrative and operational efficiency of India Post in Solapur district. In day to day relevance precisely understands manifold aspect. Such as world wide acceptance for new syllabus in business administration, management courses and communication social security schemes, etc. Without any utility of the subject in present contest is futile and meaningless, communication is the back bone of any economy, from development point of view. There is close relationship between postal performance and economic development.

ii) Research Relevance:

The most significant aspect of research associated with postal services, open the way in solving the prolonged problems of postal services. It is the necessity of planner, Government and researcher to furnish the most important amenity and facilities to solve future oriented problem. Today, the world is the result of implementation of policies and development plan. Even in future the world will go on improving its various fields, through the application of research done by the research scholars.
A study of administrative and operational efficiency of India post would make the future researcher to understand postal services more precisely than what is today. The scope for future study lies in attempting wide area and multiple outputs and multiple inputs of India Post.

iii) **Relevance for the policy maker:** Any industrial sector is the back-bone of the economy and prosperity of the nation. Communication is the back bone of any economy, from development point of view The communication sector plays a very prominent role in exchanging ideas, plans for development of all sectors of the economy. As information is a powerful instrument in enhancing the development of a society, the role of the postal sector is significant. Technological upgrading in the postal sector is expected to make it an essential vehicle for future economic, social and cultural development. Postal services can be utilized for effective public campaigns regarding health and nutrition issues, spreading education, etc. Postal infrastructure in remote areas may be used for alternative activities such as schools and dispensaries; postal vehicles in many places act as mobile libraries; and post office may be used as birth and death registration offices. To build a global partnership for development, post offices can be used too. Therefore, study is related with administrative and operational efficiency of India Post in solapur district is focused on efficiency. The study enabled to analyze the determinants of efficiency and challenges faced by this sector and suggest measures to overcome the inefficiency in this sector. Therefore this study would be a guide to India Post administration for enhancing the efficiency.

Policy makers bring-out new concept to improve the concerned field. Therefore, relevance of present research in policy making industries will help the postal communication sector in even future.

1.6 **SIGNIFICANCE OF THE STUDY:**

Communication is the back bone of any economy, from development point of view. There is close relationship between postal performance and economic development. The role of the post office in an era of globalization has changed significantly. Today, postal services consist of pick-up, transport and delivery services of letters and printed matter; parcels for domestic or foreign destinations; post office counter services provided at counters; and other postal service such as mailbox rental. The universal postal system
is not only used to send and receive letters and parcels, but is now being used to send bank documents, pay service bills, and deliver goods ordered through the Internet in addition to financial services.

The industry is totally engaged in the supply chains that have become an integral part of consumer and industrial product manufacturing and marketing. Consumers benefit not only from speed of delivery, but also from lower costs as a result of efficiencies of operation. Modernization such as overnight deliveries and time-definite deliveries have encouraged global competition both by private carriers and by traditional national postal administrations. In addition, major courier companies are also in the logistics business and these two sectors are closely integrated. The efficiency of supply chain industries is entirely dependent on the performance of these two sectors which makes both courier and logistics industries an essential component for increasing global competitiveness of industries as well as services.

Member Countries of the Universal Postal Union (UPU) are obliged to provide basic services with adequate quality at affordable prices. The social obligation of the postal sector goes ahead of merely contribution of universal services. As information is a powerful instrument in enhancing the development of a society, the role of the postal sector is significant.

Modernization and technological changes in the postal sector is expected to make it an essential vehicle for future economic, social and cultural development. Postal services can be utilized for effective public operations regarding health and nutrition issues, spreading education, etc. India Post in remote areas may be used for alternative activities such as schools and dispensaries; postal vehicles in many places act as mobile libraries; and post office may be used as birth and death registration offices.

The Indian economy has scaled new height over the last few years and is still in acceleration mode. Emergence of several significant trends such as liberalizations, Globalization, Demographic shift towards urbanization leading to increasing internal and external migration required to be serviced. Monetization of the economy especially the agricultural sector giving rise to a corresponding demand for financial services by the all sections of population Government policy to increase funding for weaker sections. Programs have necessitated changes in postal frame work. Changing communication
technology especially mobile telephone, World Wide Web, courier services, financial
deficiency, low-productivity and inefficiency are the challenges before India post. It also
facing problem of competition from private courier services and technological
advancement. No study has been carried out on Postal Services from efficiency point of
view in Solapur district before this study. Hence the study undertaken by the researcher
an analysis of administrative and operational efficiency of India Post in Solapur District
is very significant. This study has motivated for maximum utilization of available
resources by India Post in order to improve administrative and operational efficiency of
Indian Postal Services. This will be beneficial to the stake holders of postal services.

1.7 CONCEPT AND DEFINITIONS OF SOME IMPORTANT TERMS:

Administrative efficiency: Administrative efficiency can be interpreted as the efficiency
of gathering, processing and communication of information, knowledge, experience and
ideas.

Operational efficiency: It is a working efficiency of human resources engaged and the
mechanism used in an organization.

Sustainability: The organization which can manage its expenses from its own income
and which is in profit continuously.

Social Security Services: The social security services schemes of the central
Government for the benefit of rural people delivered through India post like pension
scheme for people below poverty line.

Technical efficiency (Overall efficiency): Technical efficiency (TE), relates to the
productivity of inputs. The technical efficiency of a firm is a comparative measure of
how well it actually processes inputs to achieve its outputs, as compared to its maximum
potential for doing so, as represented by its production possibility frontier. Thus,
technical efficiency of the post office is its ability to transform multiple resources into
multiple postal mail and financial services. A post office is said to be technically
inefficient if it operates below the frontier. A measure of technical efficiency under the
assumption of constant returns-to-scale (CRS) is known as a measure of overall technical
efficiency (OTE). The OTE measure helps to determine inefficiency due to the
input/output configuration as well as the size of operations.
Pure Technical Efficiency (Managerial efficiency): The PTE measure is obtained by estimating the efficient frontier under the assumption of variable returns-to-scale. It is a measure of technical efficiency without scale efficiency and purely reflects the managerial performance to organize the inputs in the production process. Thus, PTE measure has been used as an index to capture managerial performance.

Scale efficiency: A unit is said to be scale efficient when its size of operations is optimal so that any modifications on its size will render the unit less efficient. The value for scale efficiency is obtained by dividing the aggregate efficiency by the technical efficiency. To decide on the bank’s size or in other words, to choose the scale of production that will attain the expected production level. Inappropriate size of a Post office (too large or too small) may sometimes be a cause of technical inefficiency. This is referred as scale inefficiency and takes two forms: decreasing returns-to scale (DRS) and increasing returns-to-scale (IRS). Decreasing returns-to-scale (also known as diseconomies of scale) implies that a post office is too large to take full advantage of scale and has supra-optimum scale size. In contrast, a post office experiencing increasing returns-to-scale (also known as economies of scale) is too small for its scale of operations and, thus, operates at sub-optimum scale size. A post office is scale efficient if it operates at constant returns-to-scale (CRS).

Allocative efficiency: It is the efficiency measured in the context of use of several inputs in optional proportions given input and output prices.

Productivity: It is the ratio of total product (output) to the amount of input used during the same period. It is the concept of total factor productivity (TPF). Productivity (\( P \)) = \( \frac{\text{Output (O)}}{\text{Input (I)}} \)

Data envelopment analysis: Data envelopment analysis (DEA), introduced by Charnes et al. (1978) based on Farrell’s work (Farrell, 1957), is a nonparametric technique for measuring the relative efficiency of a set of similar units, usually referred to as decision making units (DMUs). DEA is capable of handling multiple inputs and outputs without requiring any judgment on their importance. DEA identifies the efficiency in a particular post office by comparing it to similar post office(s) regarded as efficient, rather than trying to associate post offices performance with statistical averages that may not be applicable to that post office. Using linear programming technique, the various DEA
models intend to provide efficiency scores under different orientations and assumptions of returns-to-scale.

1.8 HYPOTHESES OF THE STUDY:

The present study is based on the following hypotheses in India post Solapur District.

1. In the period under study there is significant enhancement in administrative and operational efficiency of India Post in Solapur district.
2. There are variations as to the perception of service users and customers about service provided by private courier agencies and India Post organization.
3. The enhancement in terms of quality and efficiency of India Post has resulted in improving level of customer satisfaction.
4. The changes in the business environment, competition and customer perception has change in the approach, service quality and practices of India Post in Solapur District.

1.9 JUSTIFICATION OF THE HYPOTHESES:

Hypotheses are the assumption about some characteristics of population which must be accepted or rejected on basis of empirical evidences. The guesses or a number of guesses are the hypotheses which either solve the problem or these guesses help in further investigation. It is clear that a hypothesis is a provisional formulation of a tentative solution of the problem facing by the researcher. The objectives and hypotheses make research meaningful by testing the hypotheses and fulfill the objectives for the improvement conditions of concern area. In this study researcher has made some assumptions about the efficiency of postal services in Solapur district which were tested to fulfill the objectives of the study.

1.10 OBJECTIVES OF THE STUDY:

Objectives of research are the important elements for conducting research as it helps in determining the possibility of conducting the study. Basically the broad aim of all researchers is to confirm the reliability of existing knowledge and also find the deviation of existing knowledge. A clear objective helps in easy investigation and analysis of the problem under study.
The present study deals with an analytical study of Administrative and operational efficiency of India post with reference to Solapur District.

In the light of above hypotheses the objectives of the study are as follows:

1. To examine whether the resources are utilized in productive and efficient manner by India Post in Solapur District.
2. To study the perceptions of different customer segments about the services provided by India Post in Solapur district.
3. To examine the level of customer satisfaction about the services provided by India Post in Solapur district.
4. To study the efforts of India Post in Solapur District to adopt to changing business environment.
5. To make suggestions to improve efficiency and sustainability of India Post in Solapur district.

1.11 Justification of the Objectives:

The above stated objectives can be justified on the ground that the India Post is the only effective, visible and popular government organization which possess network of post offices spread throughout the country having the responsibility to provide communication, banking, insurance and social security services to every resident but due to inefficiency and lack of performance based culture it is facing problems, Therefore the study related to administrative and operational efficiency of India Post has been undertaken with above objectives.

1.12 ORGANIZATION OF THE STUDY:

In order to understand and assess the administrative and operational efficiency of India post in Solapur District, the entire research work has been divided in to the following chapters.

Chapter - I: Introduction:

The first chapter deals with the introduction of the topic. It includes the justification of the topic and study area. In order to get acquainted with certain technical terms related with the postal services, the concept of administrative and operational efficiency, productivity, sustain ability, security service schemes, Technical efficiency, and overall efficiency.
The significance of the topic entitled 'Analytical study of Administrative and operational efficiency of India post with reference to Solapur District' has also been highlighted in the context of the requirement by the people of Solapur District. The first chapter also includes evolution of postal services in India and Postal scenario in India, present position, statement of problem, relevance of the study, significance of the study etc.

**Chapter-II: Review of the Literature:**

The second chapter is associated with the review of the relevant literature. It is necessary to get acquainted with the parallel research work which has already being done. While doing the reference work the researcher has to go through a comprehensive literature in order to get some idea about new methods and techniques applied by the earlier researchers. Therefore reference work done by the investigators is included in chapter two. Important related studies have been reviewed and their substance and themes have been given in this chapter.

**Chapter III: Research Methodology:**

The third chapter is associated with research methodology, scope and limitations of the study, the objectives and hypotheses of the study. In order to fulfill the objectives sources of data collected and sampling size of the study, questionnaire used for data collection and data processing and statistical techniques used for the data processing etc is explained in this chapter.

**Chapter IV: Organizational Structure and Schemes of India Post:**

The fourth chapter is concern with the nature of administration and organization structure of India Post. In this chapter details of postal administration in India and organizational structure from top level to branch level is explained. It also includes various schemes of India Post and the service norms.

**Chapter V: Analysis and Interpretation of Quantitative Data:** This Chapter is concerned with analysis of Quantitative data collected from various post offices in respect of its performance, productivity and operational efficiency. The trends of performance of postal services in Solapur District have also analyzed and interpreted.
Chapter VI: Analysis and Interpretation of Qualitative Data:

This chapter deals with the opinion survey of customers of postal services regarding the quality of services provided by India post in Solapur District and customer’s satisfaction. Also state the overall operational efficiency of India post in the district.

Chapter VII: Conclusions and Suggestions

The last section of the study gives the generalization of the previous topics. At the same time important findings and results along with suggestions to solve the existing problems about the Administrative and operational efficiency of postal services in the Solapur District included in this chapter.
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