

Government has approved the proposals for financial support of ₹ 6724.51 crores to BSNL on surrender of BWA (Broadband Wireless Access) spectrum and waiver of Government loan to BSNL involving an amount of ₹ 1411 crores.

In addition to the above, Government has assigned the work of providing mobile connectivity in 2199 identified locations in Left Wing Extremism (LWE) affected areas through BSNL at an estimated cost of ₹ 3567.58 crores. The work of providing mobile connectivity to uncovered villages in Arunachal Pradesh and two districts of Assam has been assigned to BSNL on nomination basis at an estimated cost of ₹ 1975.38 crores. Implementation of Transmission-Media Plan for North Eastern Region at an estimated cost of ₹ 295.97 crore and implementation of Comprehensive Telecom Development Plan for Andaman and Nicobar Islands and Lakshadweep Islands through augmentation of satellite connectivity/bandwidth at an estimated cost of ₹ 99.03 crores and augmentation of OFC network at a cost of ₹ 20 crores have been assigned to BSNL.

Modernizing the Department of Posts

†558. SHRI NARESH AGRAWAL: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether it is a fact that there has been a sharp decline in the market share of postal services in comparison to the courier companies in the country;
- (b) if so, the main reasons therefor;
- (c) the quantum of market share of the courier companies and the Department of Posts at present; and
- (d) the steps being taken to modernize the Department of Posts?

The MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD): (a) to (c) No, Sir. There is no decline in the market share of the postal services in comparison to the courier companies in the country. Contrarily, the market share of Speed Post in the overall courier market has increased. As per study done by M/s IMRB International in the year, 2013, the total courier industry in India is valued at ₹ 5,246 crore in 2012-13. The IMRB study brings out that the share of Speed Post in the overall courier market has increased from 15.1% - 18.3% in the year 2010-11 to 16.7% - 19.8% in the year 2011-2012 and to 17.4% - 20.2% in the year 2012-13. In the subsequent years also the traffic of Speed Post registered increase from 36.99 crores in 2013-14 to

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39.87 crores in 2014-15. Likewise, the revenue of Speed Post also increased from ₹ 1372.21 crores in 2013-14 to ₹ 1470.53 crores in 2014-15. The market share of major courier companies in value terms in the year 2012-13 *vis-a-vis* Department of Posts is stated below:

Sl. No.	Name of the courier company	Percentage Share
1.	Blue Dart	26.4 – 27.6%
2.	Speed Post	17.4% - 20.2%
3.	First Flight	9.6 – 8.6%
4.	DTDC	6.8 – 7.2%
5.	Professional Couriers	4.7 – 5.1%
6.	AFL	4.3 – 4.7%
7.	Overnite Express	3.0 – 3.2%
8.	Others	23.1 – 28.6%

In the same period (2012-13), the Department of Posts has the highest market share in volume terms *i.e.* 31.5 to 32.5%, whereas Blue Dart comes second with market share in volume as 8.8 to 9.2%.

It is pertinent to note that the Comptroller and Auditor General of India (C&AG) in their Report No. 20 of 2015 on Communications and IT Sector (laid in the Parliament on 8th May, 2015) has evaluated the services of Speed Post *vis-à-vis* the private couriers. Para 3.1.9.4 of the said Report States that after actually posting and testing the quality of delivery through customer feedback, it was found that 98% letters were delivered by Speed Post in local areas as compared to 93.55% by private couriers. In major cities, 99.05% letters were delivered by Speed Post as against 92.17% by private couriers. In respect of Tehsil level, delivery performance of Speed Post was 100% as compared to 83.54% by private couriers.

The C&AG concluded that Speed Post Service of the Department of Posts was better than the services provided by the private couriers.

(d) The Cabinet Committee on Economic Affairs (CCEA) has approved the IT Induction and Modernization of Department of Posts in November 2012, with a total out lay of ₹ 4909 Cr. The scope of the project is as under:

(i) Modernization and computerization of all Post Offices in the country;

- (ii) Deployment of Rural Information and Communication Technology (Rural ICT) solution in all the 1,30,000 rural Branch Post Offices.
- (iii) Establishment of IT Infrastructure, viz., Data Centre, Disaster Recovery Centre and Wide Area Network (WAN) based networking.
- (iv) Development of software applications covering all core operations of the Department. Through these initiatives, the achievements on the project, as on date, are as under:
 - Data Centre has started functioning at Navi Mumbai since April 2013 and Disaster Recovery Centre at Mysore is operational since May 2015.
 - 27561 Departmental Post offices including mail offices and administrative offices have been networked as single Wide Area Network (WAN) and connected to Data Centre.
 - Core Banking Solution (CBS) has been rolled out in 2590 Post Offices.
 - ATMs have started functioning at 117 locations.

Additionally, 'Project Arrow' executed by the Department from 2008-09 onwards has improved the quality of postal 'Core Operation' and also provided a standardized 'Look and Feel' to the Post Offices across the country. The 'Mail Network Optimization Project' has improved mail operations.

Action plan to strengthen Department of Posts

†559. SHRI NARESH AGRAWAL: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that there has been sharp rise in the business of courier companies due to corruption, shirking of work and negligence prevailing in the Department of Posts;

(b) if so, whether it should not be considered to either shut down or to hand over the postal department to private parties; and

(c) whether Government is having any action plan to strengthen the Department of Posts, so as to enable it to compete with the courier companies?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD): (a) No, Sir. As per a study conducted by M/s IMRB International covering the period 2010-11 to 2012-13, the rate of growth of the courier industry has decreased from 10% in 2011-12 to

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