

Postal dept. failed to meet targets: CAG

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THE good old ordinary letter has come to the rescue of the postal department. It is the only service which has brought in some revenue for the department in an otherwise gloomy year ending March 1990, a government audit has revealed.

"The department is losing on all the services except letters which showed a marginal profit of three paise per letter," the Comptroller and Auditor-General of India (CAG) has stated in the report laid in Parliament last week. With traffic in high value categories of services declining over the years, it has been only the letters service which has stood by the oldest department enterprise of the government.

For every hundred paise realised towards providing postal services, the department spent Rs 1.37 in 1989-90. It had a deficit of Rs 262 crores during the year, compared to Rs 170 crores during the previous year. The postal system, by and large, has been covering its costs till 1963-64, after which, except for

1979-80, the deficit have been mounting every year.

The Indian postal system, considering the volume of mail handled, today ranks seventh in the world after the United States, the United Kingdom, Germany, France, Japan and the USSR. One of the highly labour-intensive organisations of the government, the entire revenue receipts of the department are appropriated by staff costs alone.

Besides mounting deficits, the report has pointed out that the department has not achieved any of the physical targets envisaged in the seventh five-year plan. Against a target of 6,000, only 3,007 new post offices were opened. Again, against the target of constructing 1,250 buildings for post offices and railway mail services, only 476 were constructed.

The report makes a mention about the dingy conditions and poor customer services in most of the post offices in the country. It quoted the expert committee on excellence in postal services as saying: "The image projected by the postal service to the public at large is one of slow, manual work

and untidy, ugly work places. The efforts of the postal services till now in mechanisation have been only marginal. For more than 30 years, the services has ritualised modernisation and mechanisation by introducing functioning mechanical aids without any strategic goal."

The department was allocated Rs 34 crores for mechanisation and modernisation in the five-year plan but it was able to utilise only Rs 4 crores. There has been no effort in installing the proposed postal life insurance computer in the West Bengal circle, high-speed stamp cancelling machines and setting up a stamp and seals factory. "The department did not appear to be serious enough to improve efficiency through modernisation/mechanisation", the CAG report stated.

On the higher management in the department, the report quoted the observation of the expert committee: "A significant characteristic of higher management of this department is that it has no vision; it has no concept of a vision and it has not evolved for itself or

for the lower formations any well defined objectives except for opening of new post offices."

During the year, domestic unregistered mail handled numbered 3711 million while registered mail was 291 million. The postal system conveyed 110 million remittances of money aggregating Rs 22714 million by way of money orders and Rs 273 million by way of postal orders. In the 15 returned letter offices in the country, 28 million pieces of mail was handled of which 60 per cent were traced to the correct addressees.

Domestic Speed Post booked 3.122 million articles during the year against 1.945 million the previous year. However, as the annual report of the department states, "there is a boom in private couriers which have taken away a sizable part of the profitable market". To tackle this, it admitted that the service demanded constant vitalisation within and a business orientation. All state capitals except those of Arunachal Pradesh, Mizoram, Nagaland and Sikkim have been connected by Speed Post.