

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:903
ANSWERED ON:24.02.2006
SHARE OF SPEED POST
Jha Shri Raghunath

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the overall market share of the speed post is only ten per cent as compared to the private courier companies;
- (b) if so, the reasons therefor;
- (c) the steps taken to overcome the conditions to improve market share of speed post business and to capture a larger share;
- (d) whether the charges of speed post for the local mails are higher in comparison to private courier charges; and
- (e) if so, the steps taken to reduce the charges of the speed post for local mails to compete the private couriers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

- (a) & (b) A survey undertaken in 2001 estimated the market share of Speed Post to be around 8.41%. Based on the growth projections of Express Market in the survey, and the actual revenue earned by Speed Post, the market share of Speed Post is estimated to have increased to around 11%. Speed Post has shown a healthy growth of 22 to 23% per annum, over the years.
- (c) Number of value additions, like free pick-up facility, door to door delivery, internet based track and trace, volume based discount and credit facility have been provided over the years. Number of booking counters and offices with late hours of booking has been increased. Further, special attention is being paid to the marketing and promotion of Speed Post.
- (d) The range of rates for local mails charged by the private couriers covers rates below as well as higher than the local Speed Post. Department of Posts offers a range of services from Postcard at 50 paise, inland letter card at Rs. 2.50, Book Post at Rs. 4.00 and letter at Rs. 5.00 in addition to Speed Post. Private couriers do not offer such a range of services. Taken together, the market share of mail products offered by Department of Posts is around 50% of the mail market.
- (e) There is no proposal at present to reduce the charges of Speed Post.