
* LICENSED POSTAL AGENCY - A REPORT *

by RAJESH PAMNANI

The Indian Postal System is the 7th largest in the world in terms of the volume of mail handled. There are 0.14 million Post Offices in the country. The annual traffic of first and second class mail handled by the P.O. is about 12,000 million articles. They also handle 230 million registered articles, 20 million parcels and 120 million money orders annually.

So far, the postal service has been the exclusive preserve of the department. But recently, for the first time, the Government has invited private participation in 'running' post offices.

The decision to introduce the Licensed Postal Agency (LPA) has been taken in the face of increased demand for postal facilities, especially in Urban areas, and to reduce the congestion at the existing P.Os.

The opening of more departmental post offices has become a difficult proposition for a number of reasons; these include -

- (a) Finding suitable accommodation to house the P.O;
- (b) The economic feasibility of opening a regular P.O. in new localities.

LPA System:

- (I) LPAs are required to -
 - (a) Sell stamps and stationery;
 - (b) Book registered articles.

It is the responsibility of the LPA to collect and despatch safely the postal articles posted at the agency; and the clearance of letter boxes around its premises.

- (II) The LPA is paid a commission of 3% on the stamps and stationery sold through it. A commission of 50P is also paid on every registered article booked at the agency. (Note: Originally the commission on the sale of stamps and stationery was 5%, but since March '86 it has been reduced to 3%).

- (III) The LPA has to work for a minimum of 3 hours a day, between 8a.m. and 7p.m. This type of flexibility is advantageous because LPAs are at liberty to carry on transactions on all days, even beyond the prescribed hours.

- (IV) The following are given preference when considering the opening of a LPA -
 - (a) Charitable Institutions;
 - (b) Co-operative Societies;
 - (c) War Widows;
 - (d) Mahila Samajams (Ladies' Co-operative Societies);
 - (e) Physically handicapped;
 - (f) Stamps Sale Agents;
 - (g) Selected business concerns;
 and (h) Individuals may also be appointed.

(V) The rules and regulations are silent on the standard and format of the handstamps and cancellations etc. to be used by the LPAs. Mostly rubber stamps have been found used on registered articles to indicate the office of origin. The stamps are usually cancelled by the P.O. to which the LPA is attached. There is no way to differentiate between the mail originating from LPAs or the regular post office, except in the case of registered articles, which bear the LPA name stamp.

- (VI) The exact date from which this scheme became operational is not clear;

Newspaper reports referring to this scheme started appearing from July '85 onwards, but the first P & T circular regarding the LPA that I have come across during the course of this study was dated 16-8-85.

This scheme has been quite popular. According to a press report on 15-3-86, there were about 400 LPAs in the country, out of which 320 were in Andhra Pradesh.

LICENSED POSTAL AGENCY SCHEME
for

- i) Sale of Postage Stamps and Stationery
- ii) Booking of Registered letters.

HIGH LIGHTS :

1. The Licensed Postal Agents will be paid a commission of 5% on the sale proceeds of stamps and stationery. Such commission can be deducted at the time of replenishment of stamps and stationery from the Post Office.
2. A commission of 50 P. will be paid on every Registered article booked by the Agent and this commission is payable once a month at the post office to which the agent is attached.
3. The Licensed Postal Agents have to work for a minimum of 3 hours between 8.00 AM and 7.00 PM in the premises to be provided by them and approved by the Department.
4. Collection of ordinary postal articles at the Agency and clearance of letter boxes, closure of bags and despatch to the nominated post office. No additional remuneration is payable for this service.

ELIGIBILITY :

Charitable institutions, co-op societies, War-widows, Mahila Samajams, Ladies Co-operative societies and Physically Handicapped persons will be preferred. Selected business Individuals or concerns may also be appointed Existing stamps sale Agents may also however be given preference.

The selected Licenced Postal Agent has to furnish security for Rs. 3000/- in the shape of National Savings Certificates or a fidelity bond for like amount.

No licence fees is payable. Licenses have to be renewed every three years.

Counter and necessary fittings have to be provided by the Licensee for the convenience of customers.

The Licensed Postal Agent will not be treated as an employee of the Post Office and will not be entitled to leave, pension or gratuity.

The Licensed Postal Agent is not entitled to regular absorption in any capacity in the Department and will not be entitled to any payment other than the commission.

The Licensed Postal Agent will not be entitled to any payment for the premises housing the agency and shall be responsible for the up-keep of the premises providing required facilities to the customers. No extra payment will be paid for such facilities.

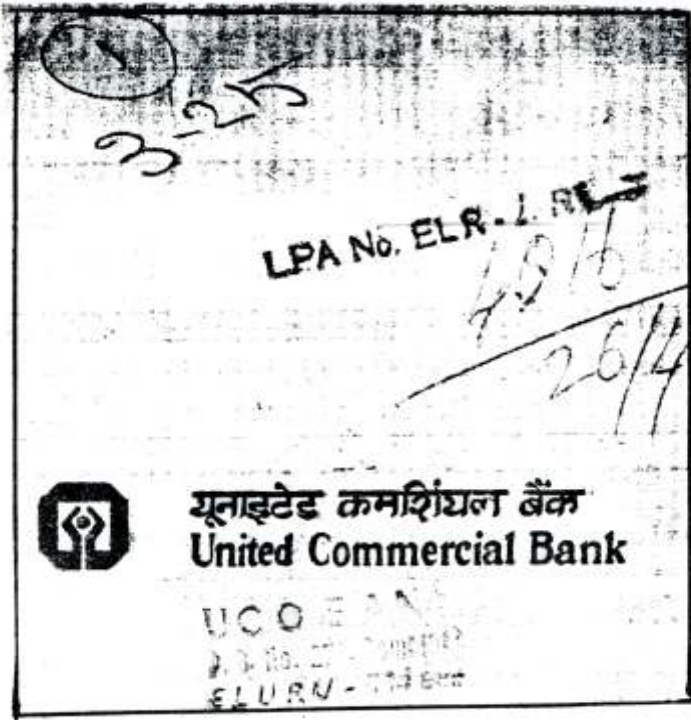
In case of necessity when the agent has to be absent, a substitute duly authorised by the agent should be provided. The substitute will not be entitled for any commission/remuneration from the department. The Agent will be responsible for all acts of the substitute.

The Agency will be inspected periodically, besides verifications visits/reviews by officers of the department.

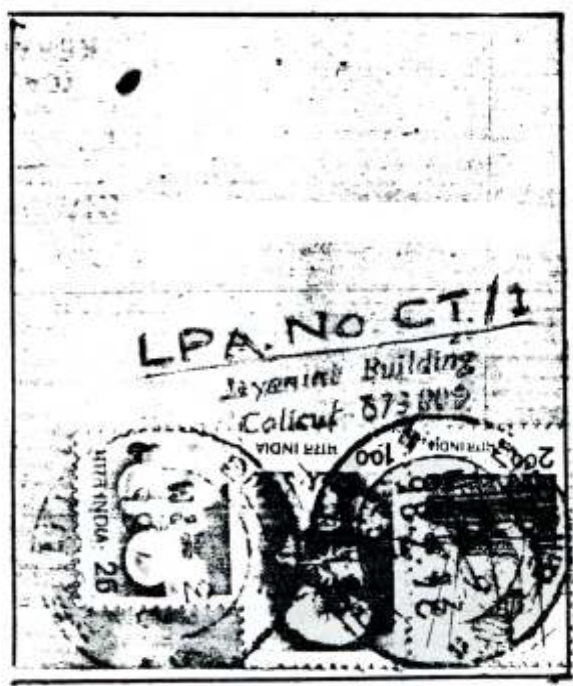
The Licence can be revoked at any time for violation of any instructions issued by the Department from time to time

Further details of the scheme and application form can be had from the Superintendent of Post Offices of the area concerned.

POSTMASTER-GENERAL
Andhra Pradesh Circle, Hyderabad-500 001.



LPA No. ELR-2. RL
ELR = ELURU (Andhra Pradesh)



LPA No. CT/1
Jayanthi Building, Calicut-673 002
CT = Calicut
