

## SPEED POST — A PEEK INTO MODERN INDIAN POSTAL HISTORY

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This communiqué deals with notably the 'Speed Post' brand products, laying emphasis on the 'Speed Post Gold' Service, with text and covers to benefit postal historians at future exhibitions both as judges and exhibitors. This relatively less familiar service is characterised by its operational restriction to delivery zones in only six metro cities in the vastness of India. This documentation has been structured to cover the speed post service over the past three decades and will evoke interest of enthusiasts engaged in the task of recording express postal mail in the present era.

The growth of industry and business, urbanisation, spread of education, growing size and wealth of middle class gave rise to a new breed of customer who expect time-sensitive communication and are willing to pay more for special services meeting their business, professional and personal needs. In an effort to restrain mailers from drifting away from traditional postal communications, the Department of Posts (DoP) has launched many services in recent decades and with the onset of computerisation it does not remain far behind.

The entire structure of the DoP was adapted to the demands of the time, sorting sections were converted into transit sections and large investments were made in automation and computerisation.

In view of new challenges, 1 February 1986 will be a milestone in the annals of the DoP when a commercial network — Business Development Directorate at New Delhi (BD Dte, now renamed as the Business Development and Marketing Directorate) was set up on a strong footing to promote, plan and monitor the performance of marketing management of Speed Post and other value-added premier products. One-fifth of the overall postal revenue is now being generated just from the premium services (speed post, business post, retail post, direct post, media post, express parcel post, e-post, city post, inter-city post, national bill mail, logistic post, corporate e-post etc). Thus, the DoP acquired a corporate status with the name 'India Post'.

In order to speed up the mail, the Department underwent radical changes, dating back to Express Delivery (which had started 1 October 1930), the introduction of Delivery District/Zone number in 1946, and the adoption of Postal Index Number (PIN) codes on 15 August 1972. That was just the prelude to the Quick Mail Service (QMS). This began on 1 August 1975, without any fee; the aim being to popularise PIN code mail as part of 'a larger strategy' in the express communication industry.

Consistent with the India Post vision as a socially-committed, technology-driven, entrepreneurially-managed and self-supporting institution, the EMS Speed Post Service, a brainchild of the Business Development Directorate, was launched from 1 August 1986 under Section 20 of Indian Post Office Act 1898. This service intends to provide a fast economical and higher reliable transit to the customers, ensuring guaranteed delivery by linking all possible flights dynamically and providing an overnight hub-and-spoke network. Express Mail Service (EMS) is the generic name for high-speed mail services provided by the Post Administrations throughout the world, such as Chronopost in France, EMS in USA and Japan and Speed Post in India.

### SALIENT FEATURES OF SPEED POST

- ◇ It was the only courier service that was protected by the legal monopoly of postal services that was established by the 1898 Post Office Act.
- ◇ It offered a door-to-door delivery and free pick-up facility from the premises of regular customers, and other customised solutions.
- ◇ Online tracking facility of delivery and movement of domestic and international Speed Post articles on [www.speedpost.org](http://www.speedpost.org) or [www.indiapost.org](http://www.indiapost.org). See Fig. 1.
- ◇ Deposit Account Facility.
- ◇ Credit facility under Book Now Pay Later [BNPL] for regular customers. See Fig. 2.
- ◇ Guaranteed delivery within prescribed delivery norms.
- ◇ Maximum weight up to 35 Kg.
- ◇ Easy refund of speed post charges in case of delayed delivery due to service fault



# WHAT'S NEW IN INDIA

◇ Special discounts for bulk mailers; 5% for monthly business of Rs10,000 and up to Rs 49,999; 10% for monthly business of Rs 50,000 and up.

◇ Insurance facility as a value added service for customers under inland and international speed post on payment of the prescribed insurance charges over and above the speed post charges. Normal insurance charges are also applicable for speed post articles.

## Network

◇ 108 International Centres all over the world.

◇ Network of 163 National Speed Post Centres (National SPC).

◇ 1000 Towns connected with State Speed Post Centres (State SPC).

◇ Booking facilities are offered in over 4000 speed post centres and delivery is through a network of 1000 post offices. The Speed Post network was extended to 18 more cities on 1 January 2007, to 25 more cities on 1 March and to another 55 on 2 April.<sup>1</sup>

## Booking Conditions

◇ Speed post booking and delivery facilities may be provided even on Postal Holidays (including Sundays), subject to delay. No refund/complaints will be entertained in such cases.

◇ All speed post booking centres are authorised to book speed post articles meant for State, National and international SPCs. However, State SPC, will not close direct bag for either National or State SPC outside its own Postal Circles. State SPC has been attached with one National SPC as gateway.<sup>2</sup>



Fig. 1: Printout of a web-page, for the on-line Speed Net.

1 *Hindustan Times*; daily newspaper; New Delhi edition, 19 May 2007, p22

2 Department of Posts, BD Dte. New Delhi, letter no. 51-58/2001-BD, dated 30-9-2002

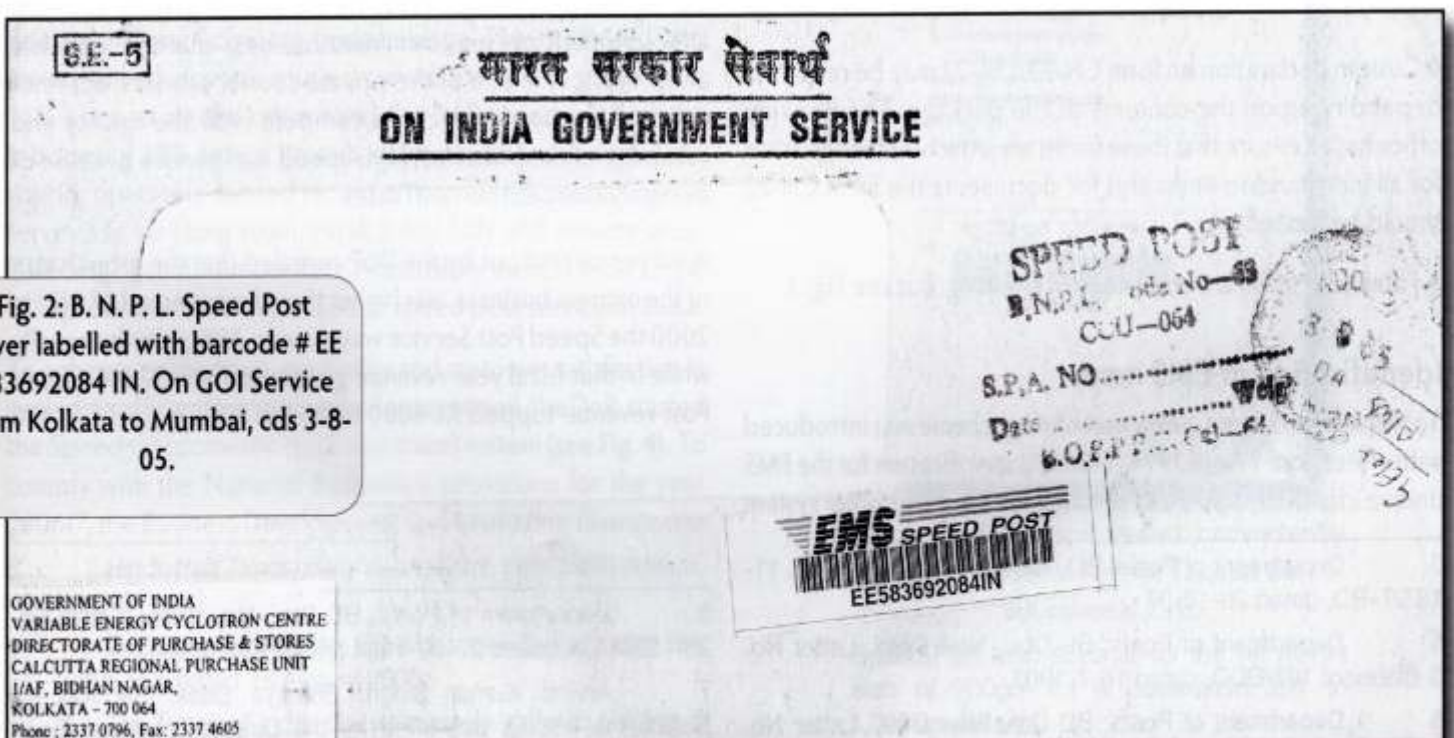


Fig. 2: B. N. P. L. Speed Post cover labelled with barcode # EE 583692084 IN. On GOI Service from Kolkata to Mumbai, cds 3-8-05.



# WHAT'S NEW IN INDIA

◇ The distance by air or by rail whichever is less will be taken for the purpose of deciding the distance slab.

◇ Speed post articles bearing a Post Box/Post Bag address can be booked and delivered.<sup>3</sup>

◇ Proof of delivery (POD) is treated as speed post article on its return journey.<sup>4</sup>

◇ Booking facilities are offered to customers in the corporate sector/Govt. Sector, that can provide an average monthly business of Rs 5,000 or more.<sup>5</sup>



**Fig. 3: Missing Country Name**

Meter-franked Speed Post cover dated 27-4-1988 and booked at Railwaypura, Ahmedabad, received Alipore WB the following day. The meter mark bears no indication of country of origin so was not suitable for international usage.

◇ Custom declaration on form CN-22/CN-23 may be required, depending upon the contents of the package. The Booking office has to ensure that these forms are attached to the article for all merchandise items and for documents the form CN-22 should be pasted on.

◇ Franked articles are accepted for booking. But see Fig. 3.

## Identification of EMS items:

To identify EMS items, a new numbering scheme was introduced with effect from 1 April 1994. The UPU specification for the EMS unique identifier stipulates the adoption of a numbering system

3 Department of Posts, BD Dte. New Delhi, letter no. 11-18/97-BD, dated 29-10-97

4 Department of Posts; BD Dte., New Delhi, Letter No. 3-Buzment 197/BDD, dated 16-7-1997

5 Department of Posts; BD Dte., New Delhi, Letter No. 01/17/96-97/BDD, dated 18-6-1997

that consists of a thirteen-digit barcode whose disposition from the left is as follows:<sup>6</sup>

◇ Positions 1 and 2: the characters 'EE' indicate an EMS item.

◇ Positions 3 and 4: denote the Postal Circle in which the item is booked.

◇ Positions 5 to 10 inclusive: represent the serial number of the article.

◇ Position 11: is used for a check digit.

◇ Positions 12 and 13: indicate the alpha Country Code e.g. 'IN' for India.

In India, Speed Post basically offers the following three kinds of services:

1. Inland Speed Post,
2. International Speed Post,
3. Speed Post Money Orders

## The Inland Speed Post

Initially the service was limited to a few important cities and foreign mail and it was later on extended in phases to more locations. The service tariff is based on the weight and distance covered by the postal article. Under the Speed Post brand there are the inland service, international service, express parcel, passport service, money order service, gift service and other similar products.

The monopoly of handling the post enjoyed by the Government-owned Post Office has been challenged, as in most countries, during the past two decades by the rise of private couriers, although their present dominant business share in India has a short history. None of the private courier services, at either national or state level, could compete with the quality and reliability of the India Post high-speed mail service because of its highly competitive tariff rates.

A survey carried out by the DoP revealed that the growth rate of the express business was higher than the expected 17.5%.<sup>7</sup> In 2000 the Speed Post Service was close to 35% growth annually while in that fiscal year revenue generation was 22.8%. Speed Post revenue topped Rs 4080 million in 2005/6, and Rs 4490

6 Department of Posts; BD Dte., New Delhi, Letter No. 28 - 3/94-DA, dated 23-02-1994 and 12-04-1994

7 Arvind Kumar Singh, *Bhartiya Daak: Sadiyon Ka Safarnama* (Hindi); published by the Director, National Book Trust, India, New Delhi, 2006, pp273-5



# WHAT'S NEW IN INDIA

NEW DELHI GPO (110001) भारतीय डाक  
 SP EE203075153IN  
 Counter No:2,OP-Code:3  
 INDIA POST  
 INDIA POSTAGE  
 Amount:Rs30.00  
 24/09/2002 17:54  
 Wt:20grams To : PATNA, PIN:800



**Fig. 4: Speed Post cover prior to imposing Service Tax and Educational Cess**

New Delhi to Patna, 24-9-2002, showing the tariff of Rs 30.00 for the 1st weight slab of 200gm for a destination town between 201 and 1000km distant.



**Fig. 5: Taxes paid in the form of postage stamps.**

Back of cover dated 10-9-2006, Stock Exchange P.O. Mumbai - Bankipore. Postage stamps worth Rs 58 have been used. Rs 50 is the Speed Post tariff for an article weighing up to 200gm travelling between 1001 to 2000km. Rs 8 cover the extra charge of Rs 6.12 for the Service Tax and Educational Cess. The excess of Re. 1.88 worth of stamps was probably paid due to a lack of low denomination stamps.

million during fiscal year 2006/7. It is targeted for the current financial year (2007/8) at Rs 5000 million.<sup>8,9</sup>

India Post began its first ever Air Freighter Service in August 2007 exclusively for the carriage of mails.<sup>10</sup> India thus entered the select group of postal administrations having dedicated aircraft for mail transmission.

As of now, the Speed Post Service has up to 10% share of the overall express mail market whereas private couriers have captured about 15%, that too in high profile business, corporate houses and public sector undertakings. The organised and un-organised private courier service market is growing at 25% whereas on the other hand the DoP speed post service is booming 38% annual growth rate ostensibly due to private courier operators' tainted record on providing communication services in far-flung town, rural, tribal hilly and remote areas including hostility-hit borders. Admittedly there is wide scope in improvement and expansion of speed post service in India.

To enhance public trust, credibility and customer satisfaction in providing efficient transmission of express mail, the DoP started the Speednet (domestic track and trace) system (see Fig. 4). To comply with the National Budgetary provisions for the year 2006/7, the Business Development and Marketing Directorate

stipulated the levy of a tax at the rate of 12.24% (12% Service Tax + Educational Cess component @ 2% of the Service tax) on Speed Post, including Speed Post Gold and Express Parcel Post, with effect from 18 April 2006 in the form of postage stamps and accounted for separately. But example of taxes realised by metermarks and handwritten endorsements are known and recorded. See Figs. 5-8.



**Fig. 6: The Counter Assistant inadvertently failed to realise Service Tax and the Educational Cess.**

Speed Post tariff of Rs 30 for the 1st weight slab of 200gm for a destination 201 to 1,000km distant.

8 *Hindustan Times*; daily newspaper; New Delhi edition, 19 May 2007, p22

9 Department of Posts; BD Dte., New Delhi; Letter No. 51 - 39/06 BD, dated 18 August 2006.

10 *The Times of India*; Daily Newspaper, Patna Edition; 5 September 2007, p5.



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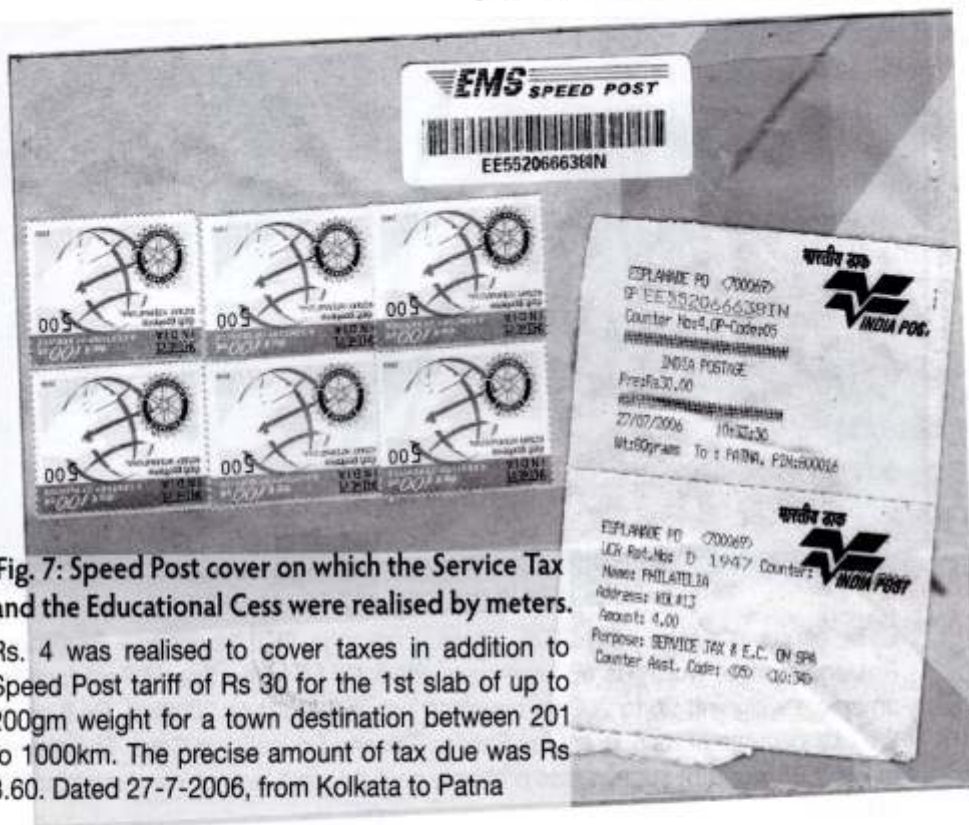


Fig. 7: Speed Post cover on which the Service Tax and the Educational Cess were realised by meters. Rs. 4 was realised to cover taxes in addition to Speed Post tariff of Rs 30 for the 1st slab of up to 200gm weight for a town destination between 201 to 1000km. The precise amount of tax due was Rs 3.60. Dated 27-7-2006, from Kolkata to Patna



Fig. 8: Speed Post cover with Service Tax and Educational Cess charged by manuscript endorsement '+ 4'.

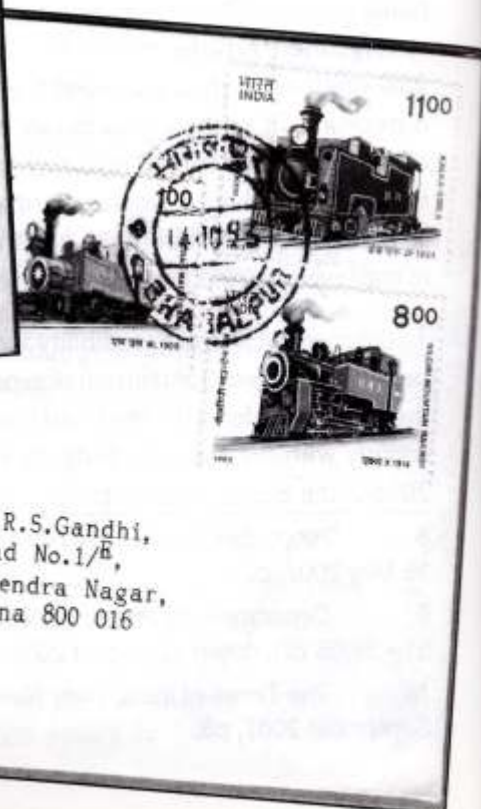
The additional Rs 4 was levied as taxes on top of the Speed Post tariff of Rs 30 for the 1st weight slab. Cover dated 8-8-2006 from NSPC, Jabalpur, to Patna.

Fig. 9: Inaugural Speed Post Booking Centre Rajendra Nagar P. O. 800 016.

Special cover dated 14-10-1993.



Fig. 10: Inauguration of the inter city Point-to-Point Speed Post Service Bhagalpur-Patna, Bihar Postal Circle  
SP Cover dated 14-10-93





# WHAT'S NEW IN INDIA

## Point-To-Point Speed Post Service

Under the direction of the DoP, all Postal Circles are running intra-circle Point-to-Point Speed Post Services at cheaper rates within their jurisdictions to popularise these premier products. Thus, Bihar Postal Circle commenced Point-to-Point Speed Service between Patna and Muzaffarpur, and Patna and Bhagalpur on 14 October 1993 and later extended to other booking centre locations in its postal area. It also inaugurated additional booking centres at Mahendru PO, Patna-800 006 and Rajendra Nagar PO, Patna-800 016 on 14 October 1993. Figs. 9-10. Likewise each Postal Circle is operating this service between its respective speed post centres.

## Speed Post Gold Service

To spruce up its image and to offer a wider mix of services, in July 2005 a Steering Group under the DoP prepared a note to introduce a highly time-sensitive communication channel 'Premium Post' between a few limited business districts of Delhi and Mumbai. The Group agreed that for inter-city transmission and mail delivery, only areas where delivery could be ensured in the desired time would be identified. However, the initial price recommended for the service was Rs 100 though a graded discount could be offered, as long as the price is at least 10% more than the cost.<sup>11</sup> The service was originally called Premium Post, but has now been redesignated 'Speed Post Gold' to leverage the brand goodwill of Speed Post.<sup>12</sup> The target for introducing Speed Post Gold between the business districts of six cities, Delhi, Kolkata, Chennai, Hyderabad, Bangalore and Mumbai, was stipulated to be not later

11 Department of Posts; BD Dte., New Delhi, Minutes of the Steering Group Meeting dated 12 July 2005; Memo No. 42 - 7/2005 - BDD; pp1-2

12 Department of Posts; BD Dte., New Delhi; D. O. Letter No. 42 - 7/2005 - BDD, dated 22-12-2005.

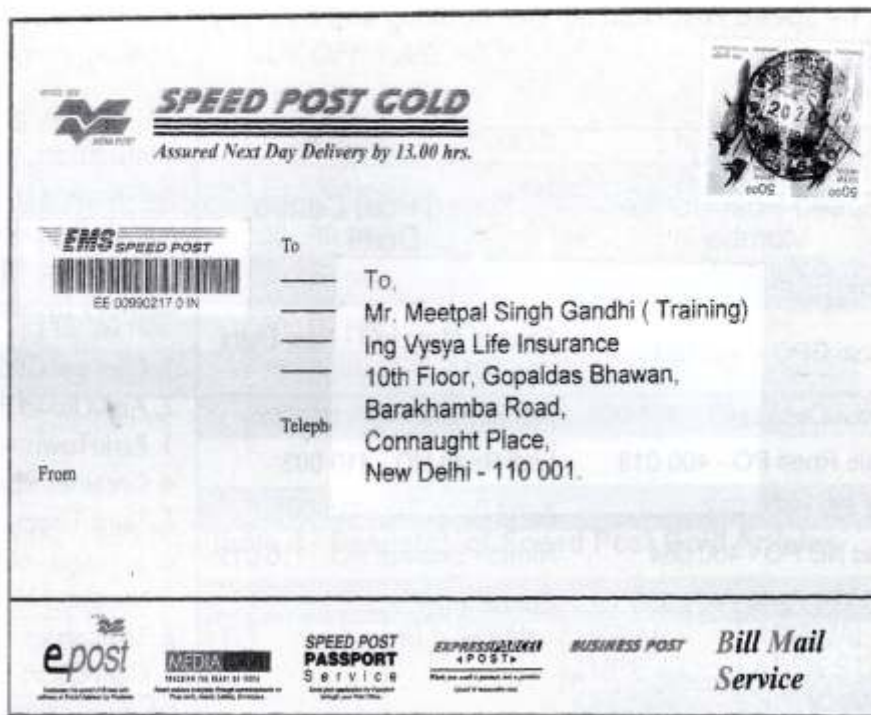


Fig. 11: Speed Post Gold cover weighing 12gm posted from Mumbai on 20 February 2006 charged Rs 100 and delivered at Delhi by 1 o'clock the next day.



Fig. 12: Speed Post Gold customer receipt dated 20-2-2006

than 15 January 2006. The Speed Post Gold service between Delhi and Mumbai was launched on 1 February 2006.<sup>13</sup> Distinctive stationery, with a special logo printed on the envelopes (which come in three sizes), labels, tags, bags etc. have been prepared for the service. See Figs. 11-12. The Book Now Pay Later facility and proof of delivery at extra cost of

13 Department of Posts; BD Dte., New Delhi; Operational Procedure For Speed Post Gold Service, pp1- 7

Rs10 are extended to the Speed Post Gold service. The service, with maximum weight limit of 2 Kg., ensures a next day forenoon (before 1 o'clock) delivery at identified delivery zones in Delhi and Mumbai. The tariff structure is Rs 100 for up to 200gm, Rs120 for 201 to 500gm and Rs 40 for each additional 500gm or part thereof. The cut off time for booking is 18:00 hours and designated booking and delivery outlets are shown in Table 1:



# WHAT'S NEW IN INDIA

**Table 1 – Speed Post Gold Service Booking and Delivery Outlets**

<b>MUMBAI</b> Speed Post Centre, Mumbai	<b>DELHI</b> Speed Post Centre, Delhi
<b>Booking</b>	
Mumbai GPO – 400 001	Sansad Marg HO - New Delhi - 110 001
Mumbai Cenral HO – 400 008	Indraprasath HO - 110 002
Delisle Road PO - 400 013	Lodi Road HO - 110 003
Parel PO - 400 012	Karol Bagh PO - 110 005
Malad ND PO - 400 064	Nirman Bhawan PO - 110 011
DMC Vile Parle - 400 056	Connaught Place
<b>Delivery</b>	
Mumbai GPO - 400 001	New Delhi - 110 001
Kalbadevi HO - 400 002	Indraprasatha HO - 110 002
Girgaon HO - 400 004	Lodi Road HO - 110 003
Colaba - 400 005	Karol Bag PO - 110 005
Marine Lines - 400 020	Nirman Bhawan PO - 110 011
Nariman Point – 400 021	
Mantralaya - 400 032	

Apart from these offices, booking is accepted through outsourcing agents, either at booking offices or at the premises of the customers.<sup>14</sup> Speed Post Gold bags closed for identified POs for inter-city transmission are sent by the Blue Dart flight and in case of disruption then by the earliest Indian Airline flight to the Speed Post Concentration Centres (SPCC) at New Delhi and Mumbai.<sup>15</sup> The opening of this super-fast service between Delhi and Mumbai was belatedly publicised in the national press on 30 March 2006.<sup>16</sup> To the regret of the philatelic fraternity, none amongst the postal historians or exhibitors could use the service on the day of its launch for posterity. Hardly two or three members of the public, by chance, sent their letters from Parliament Street HO, New Delhi and those too were in ordinary covers because there were no specially printed envelopes ready yet for the Scheme. Neither a separate booking counter was earmarked, as envisaged, nor was there

any official available to guide at either the Delhi or the Mumbai booking centres.

To fill the gap being exploited by the private courier competitors, the BD Directorate introduced Speed Post Gold Service on a trial basis between Chennai and five other Metros, namely Bangalore, Delhi, Hyderabad, Kolkata and Mumbai with effect from 1 June 2006, subject to a restricted promise of delivery by noon to just nine of the Chennai delivery zones.<sup>17</sup>

1. Chennai GPO – 600 001,
2. Anna Road HO – 600 002.
3. Park Town – 600 003.
4. Greames Road – 600 006.
5. Saint Thomas Mount – 600 016.
6. T. Nagar – 600 017
7. Nungambakkam – 600 034
8. Sowcarpet – 600 079
9. High Court Bldgs. – 600 104.

Likewise, operational restrictions on the service to some specific delivery zones in other metros are:

4 zones in case of Bangalore — 560 001, 560 012, 560 025, 560 095;

5 in Delhi – 110 001, 110 002, 110 003, 110 005 and 110 011;

seven delivery zones each in  
Hyderabad – 500 001, 500 003, 500 004, 500 016, 500 034, 500 082 and 560 095;

Kolkata – 700 001, 700 006, 700 012, 700 016, 700 028, 700 029 and 700 064;

Mumbai – 400 001, 400 002, 400 004, 400 005, 400 020, 400 021 and 400 032, and the nine zones in Chennai as listed above. For Booking the Speed Post articles, see Table 2.

All articles booked by the designated centre only for the identified PIN code of the destination metro city and up to the prescribed cut off time, closed in special bag superscribed 'Speed Post Gold', and tied with the specified Speed Post barcode label and mail list are to be despatched to SPCC, Chennai – 600 006 through the existing schedule (Table 3):

## Tariff

Up to 200gm Rs 100  
beyond 200gm as under:

The rate for basic Speed Post + (Rs.100 - rate for basic Speed Post up to 200gm)

For example: the rate for an article weighing 400gm from Chennai to New Delhi would be Rs 60 + (Rs. 100 - Rs. 50) i.e. Rs 110 at pre 21-8-2006 speed post tariff rates. Schedule postal rates from 21-8-2006 were revised to Rs 68 + (Rs. 100 - Rs. 57)

17 Department of Posts; Speed Post Business Office, Greames Road, Chennai - 600 006; Memo No. SP/5 - 221/06, dated 02 06 - 2006

14 Department of Posts; BD Dte., New Delhi; Operational Procedure For Speed Post Gold Service, pp1- 7

15 Department of Posts; BD Dte., New Delhi; Operational Procedure For Speed Post Gold Service, pp1- 7

16 *Times of India*; (daily newspaper), New Delhi edition; 30 March 2006



# WHAT'S NEW IN INDIA

Table 2 – Booking of Speed Post Gold Articles

BOOKING OFFICE (Name & PIN code)	CUT OFF TIME FOR				
	Bangalore	Delhi	Hyderabad	Kolkata	Mumbai
Chennai GPO – 600 001	20 : 00 Hrs	17: 00 Hrs	20 : 00 Hrs	17 : 00 Hrs	17 : 00 Hrs
Anna Road HO – 600 002	20 : 00 Hrs	17: 15 Hrs	20 : 00 Hrs	17 : 15 Hrs	17 : 15 Hrs
T. Nagar – 600 017	20 : 00 Hrs	17: 45 Hrs	20 : 00 Hrs	17 : 45 Hrs	17 : 45 Hrs
Greames Road – 600 006	20 : 00 Hrs	15: 30 Hrs	20 : 00 Hrs	15 : 30 Hrs	15 : 30 Hrs
Guindy – 600 032	20 : 00 Hrs	18: 15 Hrs	20 : 00 Hrs	18 : 15 Hrs	18 : 15 Hrs
SPCC, Chennai - 600 016	03 : 30 Hrs	20: 00 Hrs	03 : 30 Hrs	20 : 00 Hrs	20 : 00 Hrs

Table 3 - Despatches to SPCC from Chennai – 600 06 through the existing schedule :

OFFICE	SCHEDULE No.	ARRIVAL	DEPARTURE
Greames Road	2018	15 : 40	15 : 45
Chennai GPO	2018	17 : 10	17 : 15
Anna Road	2018	17 : 30	17 : 35
T. Nagar	2018	18 : 00	18 : 05
Guindy I. E	2009	18 : 20	18 : 25

Table 4 - Despatch of Speed Post Gold Articles

TO	FLIGHT No.	DEPARTURE AT CHENNAI	ARRIVAL AT DESTINATION
Mumbai	BD 102	22 : 55	02 : 00
Delhi	BD 102	22 : 55	04 : 45
Kolkata	9W 843	05 : 50	07 : 50
Hyderabad	9W 493	06 : 55	07 : 25
Bangalore	M – 34 Out / 9W 802	22 : 30 / 06 : 20	05 : 30 / 07 : 05

plus Rs 14 towards the Service Tax including the Educational Cess component that has been levied since 18-4-2006, making a total of Rs 125. See Table 4.

If bags cannot be despatched by the prescribed mode, then provision is that they are sent by next immediate available outlet and all concerned are informed.<sup>18</sup>

Ostensibly to mark the 20th Anniversary of Speed Post and after the overwhelming response to the Speed Post Gold test introduced from 1 June 2006 between the six metros of Bangalore, Chennai, Delhi, Hyderabad, Kolkata and Mumbai, the heads of the respective Postal Circles were asked to formally launch Speed Post Gold Service with effect from 1 August 2006.<sup>19</sup> The service has surpassed the claims of its proponents and has the unambiguous edge over the national private couriers. See Figs. 13-15.

## One India-One Speed Post Rate

In a move to gain edge over its market share, the BD Dte restructured Speed Post tariff on 10 September 2001 and during 2005-6 this gave a new momentum to the express business. The Speed Post revenue crossed Rs 4080 million.<sup>20</sup> As a part of Speed Post 20th Anniversary in 2006, the DoP has launched 'One India One Rate' Speed Post scheme from 21 August 2006.<sup>21,22</sup> The highlights of the scheme are as follows:

- ♦ A new weight slab of 'up to 50 grams' was introduced.
- ♦ Speed Post tariff for this first weight slab of up to 50 grams fixed at Rs 25, irrespective of distance.
- ♦ The new Speed Post rate of Rs 25 includes service tax and the educational Cess.

18 Department of Posts; Speed Post Business Office, Greames Road, Chennai-600 006; Memo No. SP/5-221/06, dated 02-06-2006

19 Department of Posts; BD Dte., New Delhi; D. O. Letter No.42-07/2005-BD & MD, dated 19-07-2006.

20 Department of Posts; BD Dte., New Delhi; Letter No. 51-39/06 BD, dated 18 August 2006

21 Department of Posts; BD Dte., New Delhi; Letter No. 51-39/06 BD, dated 18 August 2006

22 *Hindustan Times*; Daily Newspaper, Kolkata edition; Monday, 4th September 2006, pp.14



# WHAT'S NEW IN INDIA

**Table 5 Weight - Distance Rates for Speed Post with effect from 21-8-2006**

	WEIGHT	RATE Rs.		
Local	From 1 gram to 500 gms.	22.44	i. e. 23.00	
	For every additional 500 gms. and part thereof.	5.612	i.e. 6.00	
All over India except local.	From 1 gms. to 50 gms.	24.692	i.e. 25.00	
	Up to 200 KM.	From 51 gms. to 200 gms.	28.06	i.e. 29.00
		From 201 gms. to 500 gms.	44.896	i.e. 45.00
		For every additional 500 gms and part thereof.	8.418	i.e. 9.00
	201 - 1000 KM.	From 51 gms. to 200 gms.	33.672	i.e. 34.00
		From 201 gms. to 500 gms.	50.508	i.e. 51.00
For every additional 500 gms. and part thereof.		11.224	i.e. 12.00	
Above 1000 KM	From 51 gms. to 200 gms.	56.12	i.e. 57.00	
	From 201 gms. to 500 gms.	67.344	i.e. 68.00	
	For every additional 500 gms. and part thereof.	20.448	i.e. 21.00	
From 1001 - 2000 KM.	For every additional 500 gms. and part thereof.	28.06	i.e. 29.00	

**Table 6 Weight - Distance Rates, inclusive of Service tax and educational cess, for Local Speed Post with effect from 11-6-2007**

	WEIGHT	RATE Rs.
Local	Up to 50 gms.	12 = 00*
	From 51 gms. to 200 gms.	20 = 00
	From 201 gms. to 500 gms.	20 = 00
	Addition 500 gms. or part thereof.	5 = 00
Up to 200 KM.	Up to 50 gms.	25 = 00*
	From 51 gms. to 200 gms.	25 = 00
	From 201 gms. to 500 gms.	40 = 00
	Addition 500 gms. or part thereof.	7 = 50
From 201 to 1000 KM.	Up to 50 gms.	25 = 00*
	From 51 gms. to 200 gms.	30 = 00
	From 201 gms. to 500 gms.	45 = 00
	Addition 500 gms. or part thereof.	15 = 00
From 1001 to 2000 KM.	Up to 50 gms.	25 = 00*
	From 51 gms. to 200 gms.	50 = 00
	From 201 gms. to 500 gms.	70 = 00
	Addition 500 gms. or part thereof.	30 = 00
Above 2000 KM.	Up to 50 gms.	25 = 00*
	From 51 gms. to 200 gms.	60 = 00
	From 201 gms. to 500 gms.	80 = 00
	Addition 500 gms. or part thereof.	40 = 00

NOTE : Rates in each Table are inclusive of service tax and educational cess. The amount after rounding of fraction in next higher Rupees as per rule.



# WHAT'S NEW IN INDIA

**SPEED POST GOLD FROM INDIA POST**

"India Post will be  
A Socially Committed,  
Technology - Driven,  
Entrepreneurially Managed,  
Self Supporting Institution"

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Tel : 2269 6714, 2264 4848 Fax: 2262 3382  
Nagpur Tel: 2531-307, 2537 595 Pune : 2612 1528 Goa: 2231938 Aurangabad: 237 2559  
e-mail : [apngbomh@yahoo.co.in](mailto:apngbomh@yahoo.co.in)

**Fig. 13: Taxes on Speed Post Gold Service paid in the form of postage stamps.**

This 1st weight slab Speed Post Gold cover was sent from Mumbai 24 July 2006 to Kolkata paying SP Gold tariff @ Rs 100 plus a Proof of Delivery charge of Rs 10 and Rs 13 towards the Service Tax including the Educational Cess component making a total of Rs 123. The cover was delivered in Kolkata, 25 July 2006.

◆ The current 'Local' Speed Post rate structure to remain unchanged. See Fig. 16.

All speed post booking centres were advised to configure the revised rates in the Meghdoot software as in Table 5:<sup>23</sup>

## Revised Local Speed Post Rates

Prior to 11 June 2007, the registration charge was Rs 22 (Rs. 17 registration fee plus 5 postage) for article not exceeding 20 grams and local speed post tariff remained unchanged for a longer period at Rs 20 per article of 200 grams weight slab. Local speed post rate were revised to Rs 23 for up to 500gm on 21-08-2006 to mark 20th Anniversary of Speed Post at the time of 'One India One Rate' scheme. To compete with private courier in cities and towns and to widen the customer net, on one fine morning of 11 June 2007,<sup>24,25</sup> the DoP reduced the local Speed Post Tariff to Rs 12 inclusive of Service Tax for article up to 50 grams. The area designated 'Local' has been expanded beyond Delhi to cover the National Capital Region [NCR].

<sup>23</sup> Department of Posts; BD Dte., New Delhi; Letter No. 51 - 39/06 BD, dated 18 August 2006

<sup>24</sup> Department of Posts; BD Dte., New Delhi; Letter No. 51 - 39/06 - BD, dated 07 - 06 - 2007

<sup>25</sup> *Hindustan Times*; Daily Newspaper, New Delhi edition; Monday, 11th June 2007, p8

**SPEED POST GOLD CUSTOMER RECEIPT**

Serial No. 1504	Date 24/07/06
Addressed To: Dr. R. S. Gnanelli 20 Parkside, one mch 511 014, Kolkata PIN 700 012	Time 10-15 AM
Telephone	Weight 10 gms
Sent by Name: Subotee Jha 18 JSMail Apt Mtg-1, 2nd floor	Charge Rs. 100 + 10 + 13 = 123-00
Telephone No.	Received Sum of Rs. 123-00

Received Sum of Rs. 123-00 in cash on receipt of booking of ... SP Gold Article Gold articles.

Stamp: [Circular postmark from Mumbai]

Signature: [Handwritten signature]

Barcode: EE 04978828 0 IN

**Fig. 14: Speed Post Gold customer receipt dated 24-7-2006.**

**EMS SPEED POST**

819116

DECLARATION: [Handwritten text]

RECEIVED: [Handwritten text]

DATE OF DELIVERY: [Handwritten text]

TIME OF DELIVERY: [Handwritten text]

ADDRESS: [Handwritten text]

RECEIVED BY: [Handwritten text]

Signature: [Handwritten signature]

**Fig. 15: Speed Post Proof of Delivery**

Speed Post Gold article dated 24-7-2006, delivered the next day belatedly at 5.20pm because of a discrepancy in the delivery zone PIN code.



**Fig. 16: 'One India One Rate'**

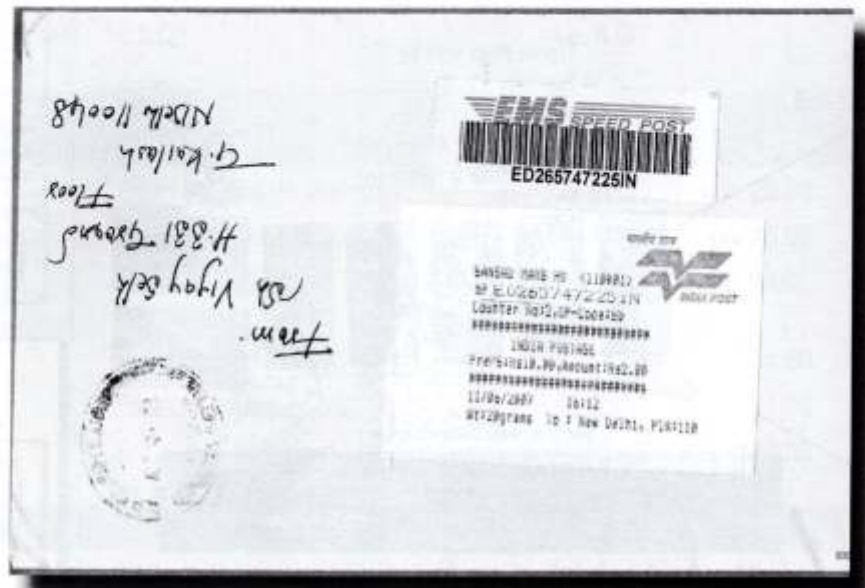
Cover despatched from National SPC Jabalpur 482 001 to Patna dated 28-8-2006 just a week after the 'One India One Rate' tariff came into force.





**Fig. 17: Local Speed Post tariff prior to 21-8-2006**

Cover dated 21-4-2006 at Delhi, weighing 10 gm, and rated at Rs 20, for local delivery.



**Fig. 18: Reduced Local Speed Post rate**

The cover, dated 11 June 2007, was for local posting, within the city of Delhi, and rated Rs 12 up to 50gm.

## WEIGHT-DISTANCE RATES FOR LOCAL SPEED POST WITH EFFECT FROM 11-6-2007

The DoP reduced the 'Local' Speed Post rates to Rs 12 for the first weight slab while the tariffs for some of the slabs above 50 grams have been increased. See Table 6. Unprecedented, though it seems, the BD Directorate could not communicate the notice in advance to all Postal Circles so G. P. O.s and only a few Head POs in metro cities, namely Chennai, Delhi, Kolkata, Mumbai and Mysore could update the software features but the rest of the booking centres across the country failed to customise their software in time. Implicitly, other Speed Post Booking Centres in the country continued to charge at the old postal tariff, i.e. Rs 23 for the first weight slab. The hollowness of those tall claims of co-ordination, supervision and quality management by the Business Development and Marketing Directorate, New Delhi is unambiguously visible. Examples of postally used local speed post covers, both at revised and unrevised rates, are numerous. (Figs. 17-18).

## 2. INTERNATIONAL SPEED POST

◇ Types of Services: The EMS-Speed Post Service is available to both Documents and 'Merchandise' items.

◇ Documents are Letters, book-packets, business, commercial and legal papers and documents including computer data carriers like magnetic tapes, computer discs and punched cards.

◇ Merchandise: Gift items, Trade Samples, Dutiable or non-dutiable items for which insurance is not compulsory can be sent.

◇ Trade Sample: should be accompanied by Export Sample Card, OGL No. and PP Form if the value exceeds Rs 2,000.

◇ Prohibitions/Restrictions: Speed Post cannot accept the following items

Coins, bank notes, currency notes or securities of any kind payable to bearer, travellers cheques, bearer cheques, platinum, gold or silver whether manufactured or not, precious and semi-precious stones, jewels or other valuable articles.

Insertion in Speed Post packet/cover of the following articles is prohibited:

- (i) Narcotics and psychotropic substances, (ii) Explosive, flammable and other dangerous substances, (iii) Perishable biological substances and radioactive substances, (iv) Obscene or immoral articles, (vi) Compressed gases, corrosive liquids, oxidizing and toxic substances and any other substances which could endanger human life or cause damage are to be considered dangerous.

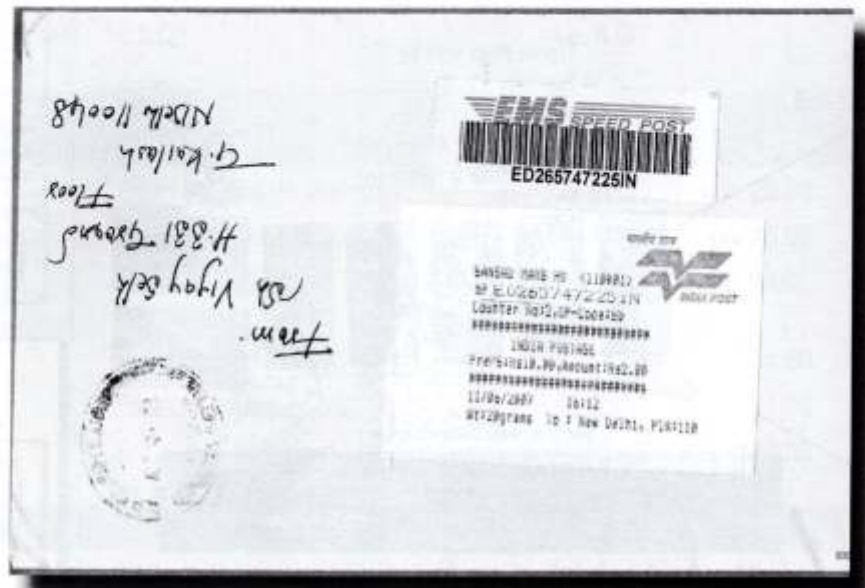
See Figs. 19-20.





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See Figs. 19-20.



# WHAT'S NEW IN INDIA



**Fig. 19: Document sent by International Speed Post from India to U.S.A.**

International Speed Post (Document) Service showing the Rs 425 rate for the weight of up to 250gm for destinations in North and South America. Dated 1-2-2006. The logo commemorates 150 Years of Indian postal services.



**Fig. 20: Service tax on Speed Post Service paid in the form of meter stamps.**

This Gold Cover dated 17-11-2006 shows the International Speed Post (Document) Service rate of Rs 425 for weight up to 250gm plus Rs 53 covering Rs 52.54 Service Tax and Educational Cess making up Rs 478 for destinations in North and South America.



**Fig. 21: Speed Post Money Order Receipt dated 29-4-2005.**

### 3. SPEED POST MONEY ORDER

Unlike traditional courier services, Speed Post permits money to be sent safely to all Speed Post town destinations. It costs just Rs 5 over and above the money order schedule charges. During 1992 an upper limit of Rs 2,000 was fixed but this now stands at Rs 5,000 which can be sent through each money order. (Fig. 21)

In the unregulated courier service sector, laymen with neither professional training nor practical knowledge or background of courier business are operating in roadside offices. Lack of necessary and effective regulations on this front has left the field open with a large number of self-styled operators trying their luck to make it big. The Government has initiated steps to amend the century-old Indian Post Office Act 1898, to enable registration of courier operators. The amendment envisages an independent Mail Regulatory and Development Authority [MRDA] and a Mail Dispute Settlement Tribunal to ensure accountability. The Draft Indian Post Office (Amendment) Bill

2006 retains for DoPs the exclusive rights to carry and deliver letters weighing up to 300gm.<sup>26</sup>

Mails weighing less than 300gm make up for nearly 30 to 35% of the Rs 600,000.0 millions revenues generated by the sector which has around 2500 players.<sup>27</sup> The draft Bill has become a hot-button issue ever since the Government proposed to levy a 10% Universal Service Obligation [USO] fee on courier companies that earn Rs 0.25 million or more. Apart from the USO levy, all courier companies would be required to register with the MRDA and pay a registration and renewal fee of Rs 25000 and Rs 10,000 respectively for small and medium couriers. The fee would rise to Rs 1.0 million for registration and Rs 0.5 million for renewal in case of large couriers operating nationally and internationally.<sup>28</sup> The USO fund would help cover the subsidy to India Post, which operates in remote areas ignored by the private players.

26 *Economic Times*, (daily financial and marketing newspaper), New Delhi edition; 21 April 2006, p13.

27 *Times of India*, (daily newspaper), New Delhi edition; 21 April 2006, p1

28 *Economic Times*, (daily financial and marketing newspaper), New Delhi edition; 21 April 2006, p13.