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An Analysis of Financial Services using Technology moderisation of Indian Post with Refer to Pondicherry Postal Division

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Abstract: *This paper gives a bird eye view of India Post and brief introduction of Pondicherry Postal Division. It discusses in length about the organization. This paper discusses the Postal scenario prevailing today and the Financial Services using technology moderisation and it gives a brief idea of various financial services rendered by the Pondicherry Division of India like Post office savings schemes, Postal Life Insurance, Money Remittance Service, Instant Money Remittance Service, Mobile Money Transfer, WorldNet Express, and National Pension Scheme. It also highlights the other technology driven services provided by the Pondicherry Postal Division to the urban and rural people of Pondicherry, Cuddalore and Villupuram Districts like Collection of Data for Consumer Price Index, Booking of Railway tickets, Booking of SRM ticket, Payment of Money gram, Western Union Money transfer, Payment of Instant money remittance etc.*

Keywords: *Indian Post, about Pondicherry Postal Division, financial Services.*

I. INTRODUCTION

The Department of Posts, trading as India Post, is a government operated postal system in India. It is generally referred to within India as “the post office”. As of 31 March 2011, the Indian Postal Service had 1,54,866 post offices, of which 1.39,040 (89.78 percent) were in rural areas and 15,826 (10.22 percent) in urban areas. It had 25,464 Departmental Post Offices and 1,29,402 Extra-Departmental Branch Post Offices. At the time of independence there were 23,344 post offices, primarily in urban areas. The network has registered a six fold growth since independence, with the expansion’s focus primarily in rural areas. On average, a post office serves an area of 21.23 Sq Kilometers and a population of 7,114. It is most widely distributed postal system in the world. The large number is a result of a tradition of disparate postal systems, which were unified in the Indian Union after independence. Because of this far-flung reach and its presence in remote areas, the Indian postal service is also involved in other services such as small-savings banking and financial services. The postal service is under the Department of Posts, which is part of the Ministry of Communications and Information Technology of the Government of India. The apex body of the department is the Postal Service Board, consisting of a chair and six members. The six board members govern personnel, operations, technology, postal life insurance, human-resource development (HRD) and planning. The joint secretary and financial adviser is also a permanent invitee. India has been divided into 22 postal circles, each circle headed by a Chief Postmaster General. Each circle is divided into regions, there are 37 regions, headed by a Postmaster General and comprising 442 field units known as divisions headed by SSPOs and SPOs.

II. INDIAN POST: FACT FILE

- 1,55,035 Post Offices: The largest Postal network in the world.
- Over 89% Post Offices in rural areas: Unbeatable reach and connectivity.

- 4.94 lakh employees- 0.86% officers: Second largest employer after Railways.
- Over 1 lakh employees trained to use Computer.
- Over 750 Crores of mail articles handled per annum.
- Over 9.1 Crores of Money Orders worth Rs.8363 Crores handled per annum.
- Number of Saving Accounts handled Over 170 Millions, having amount worth over Rs.3454000 Millions.
- 313 Finance Mart: one stop shop for all financial products and services.Over 40 Million Postal Life Insurance Policies with sum assured worth Rs.68296.90 millions.
- Over 120 Million Rural Postal Life Insurance Policies with sum assured worth Rs.113094.90 millions.
- Tie up with Western Union Money Transfer in more than 205 countries and having facilities at more than 8500 post offices in India.
- Tie up with BSNL for Mobile Money Transfer around India.

III. PONDICHERRY POSTAL DIVISION

Geographical Features: Pondicherry Division was formed on 1.1.1968, carved out of the erstwhile South Arcot Postal Division. The headquarters of the division is at Pondicherry U.T and the jurisdiction of this division covers Pondicherry region of the Union Territory, Gingee, Tindivanam, Vanur, Villupuram Taluks and a part of Cuddalore Taluk of Tamilnadu State. This Division serves an area of 3821.83 Sq.Kms with a population of over 22 million.

About Pondicherry Postal Division: The Pondicherry Postal Division came into existence in 1968 after the French left Pondicherry and with them the French Postal Service. Over the decades the Pondicherry Postal Division grew leaps and bounces and earned the distinction of one of the largest postal division of Tamil Nadu Postal Circle. After the Nationalization of Banks in 1969, the Central Government of India took policy decision that the rural areas not covered by even one branch of a Nationalised Bank should have a post office to cater the needs of the rural people not only for communication purpose but also to provide them a safe avenue to save and transfer their money. The Pondicherry Postal Division took advantage of this policy decision and opened many branch post offices and sub-post offices in many villages big and small in Pondicherry and its neighboring districts of Tamil Nadu namely Villupuram and Cuddalore. Thus Pondicherry Postal Division covers three districts five Taluks, eleven Blocks and 507 Gram Panchayats. Thus the Pondicherry Postal Division covers 3821 Sq.Kms at an average of one Post office per 12.5 Sq.Kms. Each post office in Pondicherry Postal Division serves around 15,238 people. Thus the Pondicherry Postal Division cater to more than 50 lakhs people in these three districts. Pondicherry Division consists of three Head Post Offices, one MDG (Mukhya Dak Gar) and 76 Sub Post Offices under Pondicherry and Villupuram District and the Branch Post Offices exists in 364 villages, thus there is one Post office for ever five village in Pondicherry Postal Division.

Category wise Post Office of Pondicherry Postal Division

	Urban	Rural	Total
Head Post Offices	3	---	3
Mukhya Dak Gar	---	1	1
Sub Post Offices	30	46	76
Branch Post Offices	12	315	329
	45	364	409

Financial Services:

The financial services rendered by the Pondicherry Division of India are like Post office savings schemes, Postal Life Insurance, Money Remittance Service, Mobile Money Transfer, WorldNet Express and National Pension Scheme etc

Post office savings schemes:**A. Post office Savings Account:**

Interest payable, Rates, Periodicity etc: 4.0% per annum on individual/ joint accounts.

Minimum Amount for opening of account and maximum balance that can be retained: Minimum INR 20/- for opening.

Salient features including Tax Rebate: Account can be opened by cash only.

Minimum balance to be maintained in a non-cheque facility account is INR 50/-.

Cheque facility available if an account is opened with INR 500/- and for this purpose minimum balance of INR 500/- in an account is to be maintained.

Cheque facility can be taken in an existing account also.

Interest earned is Tax Free up to INR 3500/- per year in single and INR 7000/- in Joint account up to 2011-12 and up to INR 10,000/- per year either in single or joint account for 2012-13.

Nomination facility is available at the time of opening and also after opening of account.

Account can be transferred from one post office to another. One account can be opened in one post office. Account can be opened in the name of minor & a minor of 10 years & above age can open and operate the account. Joint account can be opened by two or three adults.

At least one transaction of deposit or withdrawal in three financial years is necessary to keep the account active.

Single account can be converted into Joint and Vice Versa.

Minor after attaining majority has to apply for conversion of the account in his name. Deposits and withdrawals can be done through any electronic mode in CBS Post offices. Inter Post office transactions can be done between CBS post offices ATM/Debit Cards can be issued to Savings Account holders(having prescribed minimum balance on the day of issue of card) of CBS Post offices.

B. 5-Year Post Office Recurring Deposit Account:

Interest payable, Rates, Periodicity etc: From 1.4.2014, interest rates are as follows:-

8.4% per annum (quarterly compounded), On maturity INR 10/- account fetches INR746.53. Can be continued for another 5 years on year to year basis.

Minimum Amount for opening of account and maximum balance that can be retained: Minimum INR 10/- per month or any amount in multiples of INR 5/-. No maximum limit.

Salient features including Tax Rebate: Account can be opened by cash/cheque and in case of cheque the date of deposit shall be date of presentation of cheque.

Nomination facility is available at the time of opening and also after opening of account.

Account can be transferred from one post office to another.

Any number of accounts can be opened in any post office.

Account can be opened in the name of minor & a minor of 10 years & above age can open and operate the account

Joint account can be opened by two adults.

Subsequent deposit can be made up to 15th day of next month if account is opened up to 15th of a calendar month and up to last working day of next month if account is opened between 16th day and last working day of a calendar month.

If subsequent deposit is not made up to the prescribed day, a default fee is charged for each default, default fee @ 5 paisa for every 5 rupee shall be charged. After 4 regular defaults, the account becomes discontinued and can be revived in two months but if the same is not revived within this period, no further deposit can be made.

If in any RD account, there is monthly default(s) the depositor has to first pay the defaulted monthly deposit with default fee and then pay the current month deposit. This will be applicable for both CBS and non CBS Post offices.

There is rebate on advance deposit of at least 6 installments.

Single account can be converted into Joint and Vice Versa.

Minor after attaining majority has to apply for conversion of the account in his name.

One withdrawal upto 50% of the balance allowed after one year.

Full maturity value allowed on R.D. Accounts restricted to that of INR. 50/- denomination in case of death of depositor subject to fulfilment of certain conditions. In case of deposits made in RD accounts by Cheque, date of credit of Cheque into Government accounts shall be treated as date of deposit.

C. Post Office Time Deposit Account:

Interest payable, Rates, Periodicity etc:	Interest payable annually but calculated quarterly.
From 1.4.2014, interest rates are as follows:-	
Period	Rate
1yr.A/c	8.40%
2yr.A/c	8.40%
3yr.A/c	8.40%
5yr.A/c	8.50%

Minimum Amount for opening of account and maximum balance that can be retained: Minimum INR 200/- and in multiple thereof. No maximum limit.

Salient features including Tax Rebate: Account may be opened by individual.

Account can be opened by cash/cheque and in case of cheque the date of realization of cheque in Govt. account shall be date of opening of account.

Nomination facility is available at the time of opening and also after opening of account.

Account can be transferred from one post office to another.

Any number of accounts can be opened in any post office.

Account can be opened in the name of minor & a minor of 10 years & above age can open and operate the account

Joint account can be opened by two adults.

Single account can be converted into Joint and Vice Versa.

Minor after attaining majority has to apply for conversion of the account in his name.

In CBS Post offices, when any TD account is matured, the same TD account will be automatically renewed for the period for which the account was initially opened e.g 2 Years TD account will be automatically renewed for 2 Years. Interest rate applicable on the day of maturity will be applied.

Lock up period of 6 months for premature closer of TD accounts has been removed and as and when any TD accounts is closed before one Year, interest @ savings account applicable from time to time shall be payable. This will be applied for both CBS

and non CBS Post offices.

The investment under 5 Years TD qualifies for the benefit of Section 80C of the Income Tax Act, 1961 from 1.4.2007.

d) Post Office Monthly Income Account Scheme:

Interest payable, Rates, Periodicity etc: From 1.4.2014, interest rates are as follows:-

8.40% per annum payable monthly.

Minimum Amount for opening of account and maximum balance that can be retained: In multiples of INR 1500/-

Maximum investment limit is INR 4.5 lakhs in single account and INR 9 lakhs in joint account.

An individual can invest maximum INR 4.5 lakh in MIS (including his share in joint accounts)

For calculation of share of an individual in joint account, each joint holder have equal share in each joint account.

Salient features including Tax Rebate: Account may be opened by individual.

Account can be opened by cash/cheque and in case of cheque the date of realization of cheque in Govt. account shall be date of opening of account.

Nomination facility is available at the time of opening and also after opening of account.

Account can be transferred from one post office to another.

Any number of accounts can be opened in any post office subject to maximum investment limit by adding balance in all accounts.

Account can be opened in the name of minor & a minor of 10 years & above age can open and operate the account

Joint account can be opened by two or three adults.

All joint account holders have equal share in each joint account.

Single account can be converted into Joint and Vice Versa.

Minor after attaining majority has to apply for conversion of the account in his name.

Maturity period is 5 years from 1.12.2011.

Interest can be drawn through auto credit into savings account standing at same post office, through PDCs or ECS./In case of MIS accounts standing at CBS Post offices, monthly interest can be credited into savings account standing at any CBS Post offices.

Can be prematurely en-cashed after one year but before 3 years at the discount of 2% of the deposit and after 3 years at the discount of 1% of the deposit. (Discount means deduction from the deposit.)

A bonus of 5% on principal amount is admissible on maturity in respect of MIS accounts opened on or after 8.12.07 and up to 30.11.2011. No bonus is payable on the deposits made on or after 1.12.2011.

e) Senior Citizen Savings Scheme

Interest payable, Rates, Periodicity etc: From 1.4.2014, interest rates are as follows:- 9.20% per annum, payable from the date of deposit of 31st March/30th Sept/31st December in the first instance & thereafter, interest shall be payable on 1st working day of April, July, October, & January.

Minimum Amount for opening of account and maximum balance that can be retained: There shall be only one deposit in the account in multiple of INR.1000/- maximum not exceeding INR 15 lakh.

Salient features including Tax Rebate: An individual of the Age of 60 years or more may open the account.

An individual of the age of 55 years or more but less than 60 years who has retired on superannuation or under VRS can also open account subject to the condition that the account is opened within one month of receipt of retirement benefits and amount should not exceed the amount of retirement benefits.

Maturity period is 5 years.

A depositor may operate more than one account in individual capacity or jointly with spouse (husband/wife).

Account can be opened by cash for the amount below INR 1 lakh and for INR 1 Lakh and above by cheque only.

In case of cheque, the date of realization of cheque in Govt. account shall be date of opening of account.

Nomination facility is available at the time of opening and also after opening of account.

Account can be transferred from one post office to another

Any number of accounts can be opened in any post office subject to maximum investment limit by adding balance in all accounts.

Joint account can be opened with spouse only and first depositor in Joint account is the investor.

Interest can be drawn through auto credit into savings account standing at same PO, through PDCs or Money Order.

Quarterly interest of SCSS accounts standing at CBS Post offices can be credited in any savings account standing at any other CBS post offices.

Premature closure is allowed after one year on deduction of 1.5% interest & after 2 years 1% interest (Discount means deduction from the deposit.).

After maturity, the account can be extended for further three years within one year of the maturity by giving application in prescribed format. In such cases, account can be closed at any time after expiry of one year of extension without any deduction.

TDS is deducted at source on interest if the interest amount is more than INR 10,000/- p.a.

Investment under this scheme qualifies for the benefit of Section 80C of the Income Tax Act, 1961 from 1.4.2007.

f) 15 year Public Provident Fund Account:

Interest payable, Rates, Periodicity etc: From 1.4.2014, interest rates are as follows:-

8.70% per annum (compounded yearly).

Minimum Amount for opening of account and maximum balance that can be retained: Minimum INR. 500/- Maximum INR. 1,00,000/- in a financial year.

Deposits can be made

in lump-sum or in 12

installments.

Salient features including Tax Rebate:

An individual can open account with INR 100/- but has to deposit minimum of INR 500/- in a financial year and maximum INR 1,00,000/-

Joint account cannot be opened.

Account can be opened by cash/cheque and In case of cheque, the date of realization of cheque in Govt. account shall be date of opening of account.

Nomination facility is available at the time of opening and also after opening of account. Account can be transferred from one post office to another.

The subscriber can open another account in the name of minors but subject to maximum investment limit by adding balance in all accounts.

Maturity period is 15 years but the same can be extended within one year of maturity for further 5 years and so on.

Maturity value can be retained without extension and without further deposits also.

Premature closure is not allowed before 15 years.

Deposits qualify for deduction from income under Sec. 80C of IT Act.

Interest is completely tax-free.

Withdrawal is permissible every year from 7th financial year from the year of opening account.

Loan facility available from 3rd financial year.

No attachment under court decree order.

g) Kisan Vikas Patra: Discontinued from 01.12.2011

h) National Savings Certificates (NSC):

1) 5 Years National Savings Certificate (VIII Issue) :

Interest payable, Rates, Periodicity etc: 8.5% compounded six monthly but payable at maturity. INR. 100/- grows to INR 151.62 after 5 years.

2) 10 Years National Savings Certificate (IX Issue):

Interest payable, Rates, Periodicity etc: monthly but payable at maturity. INR 100/- grows to INR 236.60 after 10 years.

Minimum Amount for opening of account and maximum balance that can be retained: Minimum INR. 100/- No maximum limit available in denominations of INR. 100/-, 500/-, 1000/-, 5000/- & INR. 10,000/-.

Salient features including Tax Rebate: A single holder type certificate can be purchased by, an adult for himself or on behalf of a minor or by a minor.

Deposits qualify for tax rebate under Sec. 80C of IT Act.

The interest accruing annually but deemed to be reinvested under Section 80C of IT Act.

In case of NSC VIII and IX issue, transfer of certificates from one person to another can be done only once from date of issue to date of maturity.

At the time of transfer of Certificates from one person to another, old certificates will not be discharged. Name of old holder shall be rounded and name of new holder shall be written on the old certificate and on the purchase application (in case of non CBS Post offices) under dated signatures of the authorized Postmaster along with his designation stamp and date stamp of Post office. rule relating to conversion of one denomination of certificate to other denomination is deleted.

Monthly Review Report of Pondicherry Postal Division for the month August 2014

Name of the Division	Category of Post Offices	No of post Offices	Live A/cs as on the last date of the month under report (Rs in Crores)	Revenue accrued as on the last date of the month under report (Rs in crores)	No of a/cs opened for the month under report	No of a/cs opened for the year 2014-15 (from 01.04.2014 to the month under report)
1	2	3	4	5	6	7
Pondicherry	BO	327	152630	26780460	2493	7365
	SO	67	595986	104571703.6	890	5899
	HO	3	117783	20666205	1326	7454
TOTAL			866399	152018368.6	4709	20718

Postal Life Insurance

Postal Life Insurance is 124 years young. It was started on February 1, 1884 as a welfare measure for the employees of Posts & Telegraphs Department under Government of India dispatch No. 299 dated 18-10-1882 to the Secretary of State. Due to popularity of its schemes, various departments of Central and State Governments were extended its benefits. Now Postal Life Insurance is open for employees of all Central and State Government Departments, Nationalized Banks, Public Sector Undertakings, Financial Institutions, Local Bodies like Municipalities and Zila Parishads, Educational Institutions aided by the Government etc.

Schemes: Santhosh (Endowment Assurance), Suraksha (Whole Life Assurance), Suvidha (Convertible Whole Life Assurance), Sumangal (Anticipated Endowment Assurance), Yugalsuraksha (Joint Life Endowment Assurance), Children Policy

Eligibility: Age between 19 and 50 years as on next birth date of the proponent

Employees of Central and State Governments, Defence Services, Government aided Educational Institutions, Universities established by Government Local bodies like Municipalities, All nationalized banks, RBI and SBI Subsidiaries

State and Central Government Undertakings, Corporations, Boards, Financial institutions like UTI, IDBI, etc., Railway Employees, Employees State Insurance Corporation, Provident Fund Organisation.

Rural Postal Life Insurance

On 24th March, 1995, the benefits of Postal Life Insurance were extended to rural populace of the country under the banner of Rural Postal Life Insurance.

Schemes: Gram Santosh (Endowment Assurance), Gram Suraksha (Whole Life Assurance), Gram Suvidha (Convertible Whole Life Assurance), Gram Sumangal (Anticipated Endowment Assurance), Gram Priya (10 Years RPLI), Children Policy

Eligibility : Age between 19 and 50 years as on next birth date of the proponent

Any public resident in Rural areas

Benefits in the both schemes : 100% security by Government of India, Income Tax Rebate under Sec. 88.

Low Premium, High Bonus, Options for Loan, Assignment, Surrender, Conversion and Paid Up Value, Repayment of Loan is optional. However interest is payable every 6 months, Easy transfer to any place in India free of cost.

Pass book facility for payment of premia & other payments like loan, interest through any Departmental Post Office.

Pay recovery facility for Institutions and Organizations having more than 20 policies.

Facility for payment of premia monthly, half yearly and annually on any working day of the month for which it is due.

Rebate @ 1% for payment of 6 months premia in advance.

Rebate @ 2% for payment of 12 months premia in advance.

Nomination facility. Facility for revival of policies lapsed due to non-payment of premium.

Payment of policy money through any Post Office, anywhere in India.

Centralized accounting for quick and easy settlement of claims through fully computerized office management.

Facility of payment of premium by cheque when the amount is Rs.20/- or more.

The PLI/RPLI Monthly Premium Income for the month of August-2014 of Pondicherry Postal Division

1. PLI Premium-Rs.28,23,734/-

2. RPLI Premium-Rs.56,23,067/-

Money Remittance Services

Remittances are a growing and an important area for India Post. India Post offers various remittance services to meet the demands of various sections of the society. The remittance services of India Post are available for both domestic and international locations. They are Money Order, Electronic Money Order, Instant Money Order, MO Videsh, International Money Transfer Service, Electronic Clearance Services (ECS), Money gram International Money Transfer are the remittance services offered by India Post. India Post has introduced web-enabled remittances to offer faster services.

1. Money Order: This is a domestic money transfer facility through post office. Money send through money order is paid at the door-step of the payee and this service is available in all post offices . Maximum amount which can be remitted through a single money order is Rs.5000/-. Remitter can pay the amount in cash or cheque at the booking office and the charges for the service is 5% of the value of money to be transmitted. Remitter gets acknowledgement signed by the payee.there is a provision for sending short communication also along with the money order.

Total Money order Issued at Pondicherry Division for August 2014

Month	No.of MOs issued	Value of MOs issued in Rupees	Commission realized in Rupees
Aug 2014	1242	1040406	48120

2. Electronic Money Order (eMO): Introduced on 10.10.2008. eMO system aims to simplify the transmission process of money orders by ensuring quick and secure electronic transmission. Time taken for Transmission is very less & amount is paid within a day of booking . the amount of money order is paid in cash at the door step of the payee. Facility for remitting money from one to one, one to many and many to one is available under this service. eMO can be booked at authorized PO's, but paid through all delivery POs in the country. commission for eMO is same as applicable to money order. The eMOs can be tracked through Indiapost website.

Total EMOs issues at Pondicherry Division for August 2014

Month	No.of MOs issued	Value of MOs issued in Rupees	Commission realized in Rupees
Aug 2014	36904	46277511	2290635

3. Instant Money Order (iMO): India Post provides instant Money Order service, which is Instant, Safe, Reliable & Convenient. Amount from Rs.1000/- to Rs.50000/- can be remitted through designated iMO Post Offices. It is an instant web based money transfer service. Remitter has to fill-up prescribed form & should produce valid photo identity. Money Order Commission varies based on the amount of remittance. There are 33 standard messages for selection by the remitter. Payee has to visit the post office, fill up the prescribed form and produce the identity proof to receive the money. Amount recieved can also be credited to the savings bank account of the payee.

Total No iMOs booked at Pondicherry Division during August 2014

Month	No.of iMOs issued	Value of iMOs issued in Rupees	Commission realized in Rupees
Aug 2014	2	14000	200

Total No iMO Paid at Pondicherry Division during August 2014

Month	No.of iMOs Paid	Value of iMOs Paid in Rupees
Aug 2014	17	229250

4. MO Videsh: This is an international remittance service offered by Indiapost to most foreign destinations. Outward remittance is payable to beneficiaries by crediting the payment to the bank account of beneficiaries in the destination countries. Each outward remittance shall not exceed 5000 USD & maximum 12 outward remittances are allowed in a year. This facility is available in all computerized post offices. The commission for MO Videsh vary with the amount to be transferred.

5. International Money Transfer Service: Indiapost is also offering inward international money transfer through collaboration with western union money transfer and Money gram. The service is safe, fast & reliable. It is a quick and easy way of transferring personal remittance from abroad to beneficiaries in India. Money can be received from 195 countries through identified post offices. Recipients can receive money in minutes after the remitter remits money. A maximum of 2500 USD can be received at a time. 12 transactions can be received by a single beneficiary in a calendar year. Amount upto Rs.50000/- in cash and more than that in cheque or credited to savings accounts in PO. Recipient to provide sufficient information to establish his identity and proof of residence. The facility for receipt of WUMT is available in 7212 Post Offices and money gram facility is available in 500 post offices.

The Payment of International money transfer under Pondicherry Postal Division During August 2014 are:

No.of Transactions:540	Amounts in Rs.11544388
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6. Mobile Money Transfer: DOP Mobile Money Transfer is a service that enables instant money transfer from one place to another place using mobile, through Indian post offices. The consumer just needs to have a mobile while the actual transmission of the money is initiated by the Postal Assistant, using his/her special handset. The process for money transfer is very simple to understand and follow. The remitter (sender) can submit money (Cash In) at any of the covered post office and automatically, the amount is transferred to a central position, which can be collected by recipient customer (Cash Out) from any of the covered Post offices. As soon as the Cash in happens, both the sender and the recipient get a SMS on their mobile phones. The sender gets a Transaction ID and a Six (6) digit secret code in the SMS while the Recipient only gets the Transaction ID. Recipient can claim the money from any of the covered Post Offices by showing the Transaction ID that he receives on his mobile in the SMS and the Secret code, which he gets from the sender. In order to make process smooth and convenient, a notification sms is being sent to remitter as well as to recipient regarding transaction irrespective of their telecom operator. For this initiative, India's pioneer and largest communication service provider (CSP), BSNL will provide mobile connections to DOP TMs designated officials and BSNL will bring Global technology for Mobile Money Transfer. Each Post office shall be provided with a mobile handset with pre loaded application by BSNL TMs technology partner M/s Maverick Mobile Solutions.

This service will be a boon for those sections of our society who regularly remit money to their homes at faraway places and who have no access to any other financial instrument like bank account etc. except mobile phones. In order to give benefits to customers a rationalized tariff structure has been adopted for Mobile Money Transfer Service. A remitter has to just pay ₹45 (₹40 Commission+₹5 Service Tax) for remitting amounts between ₹1000 to ₹1500; ₹79 (₹70 Commission + ₹9 Service Tax) between ₹1501 to ₹5000 and ₹112 (₹100 Commission + ₹12 Service Tax) between ₹5001 to ₹10000.

Total No MMT Booked in Pondicherry Division during August 2014 are

No.of Transactions: 11	Amounts in Rs. 44833
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7. Money Gram: The Department of Posts has entered into an International Cooperation Agreement with MoneyGram Payment Systems, Inc., USA to offer to the general public the MoneyGram International Money Transfer Service through selected Post Offices in India. This service has been launched on 29th September 2011

Salient features 1. The MoneyGram International Money Transfer Service is a fast, simple and convenient method to transfer money from one place to another.

2. In India, a person can only receive money from abroad through this service.

3. This service operates as per the guidelines of the Reserve Bank of India.

4. Only personal remittances such as remittances towards family maintenance and remittances favouring foreign tourists visiting India are permissible under this service.

5. Trade related remittances, remittances towards purchase of property, investments or credit to NRE Accounts, etc. or donations/contributions to charitable organizations are not (NOT) permitted to be routed through this service.

6. A single remittance under this service should not exceed USD 2500 or its equivalent.

7. Not more than 30 remittances are allowed to be received by a single individual beneficiary through this service in a calendar year.

8. Payments to the beneficiaries in India should be made in Indian Rupees at ongoing exchange rates.

9. All payments exceeding Rs.50,000 should be paid only by Cheque or by direct credit in the account of the recipient.

10. All KYC/AML/CFT norms/rules/regulations/instructions, as mentioned in Reserve Bank of India Master Circular No. 14/2011-12 dated 01 July 2011, as amended from time to time, and all the requirements under the provisions of the Prevention of Money Laundering Act, 2002 and the rules, regulations made there-under, are applicable to the remittances received under this service.

Total No of Money Gram Paid in Pondicherry Division during August 2014 are

No.of Transactions: 17	Amounts in Rs. 452200
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World Net Express (WNX)

WorldNet Express (WNX) is the express service launched under the partnership between India Post and Deutsche Post World Net (DPWN). WNX aims to offer the customers of India Post a truly world class shipping experience from post offices spread across every state in India. WNX deliveries will be backed by the DPWN's extensive network of 350 aircrafts, 130,000 vehicles and over 500,000 employees that form a part of the DPWN network in over 220 countries. WNX draws its strengths from the extensive network of India Post within India and the extensive global network of DPWN. The coming together of India Post and DPWN is a new initiative undertaken by the Department of Posts to bring world class express services to every nook and corner of the country. With WNX, every Indian, across the length and breadth of the country will be able to reach out to over 220 countries. The partnership forms a new chapter in the commitment on part of India Post of connecting India to the world.

Total No of WNX Booked in Pondicherry Division during August 2014 are

No.of WNX BOOKED: 44	Amounts in Rs. 77949.75
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New Pension System

The Government of India has established a Pension Fund Regulatory and Development Authority (PRFDA) for developing and regulating the pension funds under the New Pension System. Department of Posts has been identified by PFRDA as one of the Points of Presence (POP) to implement the scheme and the Head Post Offices will be POP Service Providers (POP-SP) to enrol, receive and forward deposits and grievance handling.

Objectives: To provide old age income, Reasonable market based returns over the long term, Extending old age security coverage to all citizens.

Who can Join NPS? NPS is available to all citizens of India with effect from 01.05.2009. All Central/State Govt. Servants who joined service on or after 01.01.2004 are already covered under this scheme. Any citizen of India (Resident/Non Resident) from 18 years to 55 years of Age (As on date of submission of application to POP-SP). They have to comply with Know Your Customer norms.

Documents required for opening NPS accounts : Two recent color photographs of 3.5 x 2.5 cm. Two copies of KYC documents (Proof of Identity, Proof of Address and Proof of Date of Birth) Passport/Proof of Address card issued by India Post serves as both proof of identity and address.

PRAN - Permanent Retirement Account Number: A unique Permanent Retirement Account Number will be allotted to all NPS subscribers. Subscribers can view their accounts online (<https://www.npscra.nsdl.co.in/>) using this PRAN and password allotted to them.

Types of Accounts:

1. Tier-I Pension Account :

A non withdrawable account to which the subscriber shall contribute his/her savings for building a retirement fund.

Tier I is available for all citizens within the age limit except those Govt servants already covered under NPS

Minimum amount per contribution – Rs.500/- and minimum contribution per year – Rs.6000/-, No Maximum limit for contribution. Contribution can be paid in one lumpsum also. No periodicity prescribed.

2. Tier-II Savings Accounts:

A voluntary savings facility which provides liquidity to subscribers (ie) subscribers will be free to withdraw their savings whenever they wish like Savings Bank account. Tier II is available to all citizens including Govt servants covered under NPS.

Minimum contribution at the time of opening of account – Rs.1000/-, Minimum amount per contribution – Rs.250/- Balance of Rs.2000/- to be maintained at the end of each financial year. (Penalty of Rs.100/- is levied for not maintaining the minimum account balance). No periodicity prescribed.

Please Note: Service charge of Rs.20/- + service tax per transaction will be charged by POP-SP.

Pension Fund Managers

PFRDA has appointed six Pension Fund Managers.

They are: ICICI Prudential Fund Management Company Limited, IDFC Pension Fund Management Company Limited, Kotak Mahindra Pension Fund Limited, Reliance Capital Pension Fund Limited, SBI Pension Fund Private Limited, UTI Retirement Solutions Limited.

Salient Features: World's lowest operator cost of fund manager @ 0.0009%. Highly accountable scheme

NPS offers its subscribers to choose Investment Options and Pension Fund Manager of their choice. This feature is not available in any of the Pension Funds. Subscribers can choose the percentage of investment among three asset classes.

Three assets classes are

E - Equity Market Instruments (Maximum 50% only)

C – Corporate Bonds (credit risk bearing fixed income instruments)

G – Government Securities

Two types of investment plans are available – Active Choice and Auto Choice

When a subscriber can withdraw his amount

On attaining the age of 60 years and upto 70 years of age	At exit you would be required to invest minimum 40% of your accumulated savings (pension wealth) to purchase a life annuity from any IRDA – regulated life insurance company. You may choose to purchase an annuity for an amount greater than 40%. The remaining pension wealth can either be withdrawn in one lump sum after age of 60 or in a phased manner before 70 years.
At any point of time before 60 years of age	You would be required to invest at least 80% of the pension wealth to purchase a life annuity from any IRDA – regulated life insurance company (Annuity Service Provider). Rest 20% of the pension wealth may be withdrawn as lump sum
Death due to any cause	In such unfortunate event, option will be available to the nominee to receive 100% of the NPS pension wealth in lump sum. However, if the nominee wishes to continue with the NPS, he/she shall have to subscribe to NPS individually after following due KYC procedure

India Post Selects Infosys To Transform Its Financial Services

Infosys, a global leader in consulting and technology, today announced that it has been selected by the Department of Post, Ministry of Communications and Information Technology, Government of India for a mission-critical program that will enhance India Post's financial services across 150,000 post offices in the country. This is part of the 'India Post 2012' modernization program that aims at bringing transparency, agility, flexibility and scalability to India Post's operations.

Under the agreement, Infosys and India Post will embark on a transformational initiative, which encompasses Financial Services System Integration. This project, estimated at INR 700 crores, aims to transform India Post into a technology-enabled and autonomous market leader, by revolutionizing its financial operations and end-user services.

As Financial Services System Integrator, Infosys will implement and manage its flagship Finacle™ Core Banking and McCamish™ Insurance products to help India Post transform its banking and insurance operations - covering more than 200 million banking customers across urban and rural India; including a large base of insurance customers. Infosys will be installing 1,000 ATMs for India Post as part of this program to increase the effectiveness of its delivery channel and will also implement an electronic Content Management system to manage millions of documents generated as part of India Post's financial operations.

For the project, Infosys will support India Post in the following areas:

- Complete System Integration including designing, building, supplying, installing and commissioning hardware and software

- Data migration and deployment of the platforms and solutions across all identified post offices
- Supporting multi-year managed services, application support and infrastructure operations
- Training more than 35,000 India Post employees across the country on the usage and deployment of the new platform and solutions

Speaking about this deal, Mr. A. S. Prasad, Deputy Director General, Financial Services, India Post said, "We are confident that Infosys' extensive global experience with transformational programs in the financial and systems integration space will be instrumental in rolling out this ambitious program aimed at driving technology superiority at India Post, by introducing key solutions like core banking. This transformational program is expected to enhance India Post's services, bringing us on par with the best in the banking industry; and will help us expand the reach and effectiveness of our operations through technology enablement of India Post employees."

"Infosys will be drawing upon its expertise and domain knowledge across the banking and financial sector, to transform India Post's services to empower end-consumers. This project offers us rich scope to innovate and optimize the largest financial and insurance distribution channel in the country and we look forward to deploying our strong capabilities across industries and technologies, in a role that has the potential to significantly impact millions of citizens in the country," said Mr. CN Raghupathi, VP and Head India Business, Infosys.

IV. CONCLUSION

The India Post is a very old institution, perhaps one of the oldest. But with the help of incorporating technology reforms covering all aspects. The India Post is a magic wand in the hands of the Government of India for the mammoth tasks regarding technology transformation like epost office , e PLI, CBS with the given size and population of this country. This transformation helps Government of India to reduce operating costs and again popularity among global competitor. The greater benefit goes to people of India because of its transparency, reliable, easy understanding technology concept. This transformation makes the India Post a monopoly in the market. The Indian Postal service is the only one central government service for people of India.

The Pondicherry Postal Division has done and continuing with the noble job of reducing the expenses disparities between the urban and rural people living in the three districts of Pondicherry, Villupuram, Cuddalore. The Pondicherry Postal Division brought lakhs of people from both urban and rural to use these tech savvy operations like epost office, epli, CBS, without losing its core functions of mails.

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