Contents

		Page
	Preface	v
	Acknowledgements	vi
Chapter		
_	Postal Tariffs	
	1. Introduction	1
	2. Aggregate Issues	2
	3. Micro Issues	4
	4. Conclusion	8
	2. A Critique of Current Practices for Fixing	
	Postal Tariffs in India	
	1. Introduction	9
	2. Problems of Setting Postal Rates	9
	3. Problems of Costing	10
	4. Problems of Deficit	11
	5. Problems of Capacity Expansion	12
	6. Problems of Data	12
	3. Summary and Recommendations	
	1. Introduction	13
	2. Pricing of Individual Postal Services	13
	3. Deficits of Indian Postal Department	18
-	4. Financing of Indian Postal Department	18
	5. Revision of Tariffs by IPD	-19
	6. Conclusions	20
	4. Efficiency of Indian Postal Services	
	1. Concept of Efficiency and Data for its	·
	Estimation	22
	2. Estimates of Efficiency Index	32
	3. Conclusions	34

	5.	Pricing Rules for Postal Services	
		1. Cross-Subsidy-Free/First Best Prices for	
		Postal Services	36
		2. Distributional Equity and Prices for	
		Indian Postal Services	44
		3. Conclusions	53
	6.	Block Pricing for Indian Postal Services	
		1. Introduction	55
		2. Block Prices for Letter	56
		3. Block Prices for Parcel Services	60
		a Block Prices for Money Orders	62
		5. Conclusions	63
	7.	Approaches to Public Utility Pricing	
		1. Introduction	64
		2. Subsidy-Free Prices	65
		3. Computation of Subsidy-Free Prices	68
		4. Cross-Subsidisation with Balanced Budget	
		for a Welfare Maximising Public Utility	74
		5. Aumann-Shapley Prices for a Multi-Product	
		Public Utility and Price Subsidies from	
		General Revenue	76
		6. Conclusions	.79
APPENDIX	I	Appendix Tables	81
Appendix	II	Notes on Tables presented in the Report	91
Reference	s		97