

**STANDING COMMITTEE ON
COMMUNICATIONS AND
INFORMATION TECHNOLOGY
(2024-25)**

EIGHTEENTH LOK SABHA

**MINISTRY OF COMMUNICATIONS
(DEPARTMENT OF POSTS)**

**DEMANDS FOR GRANTS
(2025-26)**

TENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March 2025/ Phalguna, 1946 (Saka)

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(DEPARTMENT OF POSTS)**

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(2025-26)**

Presented to Lok Sabha on 21.03.2025

Laid in Rajya Sabha on 20.03.2025



**LOK SABHA SECRETARIAT
NEW DELHI**

March 2025/ Phalguna, 1946 (Saka)

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**Composition of the Standing Committee on Communications and
Information Technology (2024-25)****

Dr. Nishikant Dubey - Chairperson

Lok Sabha

2. Shri C.N. Annadurai
3. Shri Anil Baluni
4. Dr. Rabindra Narayan Behera
5. Shri Anup Sanjay Dhotre
6. Shri Gurmeet Singh Meet Hayer
7. Shri Sanjay Haribhau Jadhav
8. Shri S. Supongmeren Jamir
9. Shri Appalanaidu Kalisetti
10. Smt. Poonamben Hematbhai Maadam
11. Ms. Mahua Moitra
12. Shri G. Kumar Naik
13. Shri Shafi Parambil
14. Dr. M.K. Vishnu Prasad
15. Ms. Kangna Ranaut
16. Shri Radheshyam Rathiya
17. Shri Ramasahayam Raghuram Reddy
18. Shri Arun Kumar Sagar
19. Shri Devesh Shakya
20. Shri Vishnu Datt Sharma
21. Shri Rajesh Verma

Rajya Sabha

22. Shri Saket Gokhale*
23. Smt. Priyanka Chaturvedi
24. Shri Ilaiyaraaja
25. Shri Amar Pal Maurya
26. Dr. Sasmit Patra
27. Shri V. Vijayendra Prasad
28. Shri S. Niranjana Reddy
29. Shri Kartikeya Sharma
30. Shri Lahar Singh Siroya
31. Shri K.T.S. Tulsi

SECRETARIAT

- | | | | |
|----|---------------------|---|-----------------------------|
| 1. | Shri Y.M. Kandpal | — | Additional Secretary |
| 2. | Smt. A. Jyothirmayi | — | Director |
| 3. | Shri Amrith Kumar | — | Deputy Secretary |
| 4. | Ms. Divya Rai | — | Assistant Executive Officer |

***Committee constituted w.e.f. 26th September, 2024 vide Para No.833 of Bulletin Part-II dated 26th September, 2024.*

**Shri Saket Gokhale has been nominated vide Para No. 853 of Bulletin Part –II dated 03rd October, 2024.*

INTRODUCTION

I, the Chairperson, Standing Committee on Information Technology (2024-25), having been authorized by the Committee to submit the Report on their behalf, present this Tenth Report on Demands for Grants (2025-26) of the Ministry of Communications (Department of Posts).

2. The Standing Committee on Communications and Information Technology (2024-25) was constituted on 26th September, 2024. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, is to consider the Demands for Grants of the Ministry concerned and make a Report on the same to the Houses.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Communications (Department of Posts) for the year 2025-26 which were laid on the Table of the House on 11th February, 2025. The Committee took evidence of the representatives of the Ministry of Communications (Department of Posts) on 13th February, 2025.

4. The Report was considered and adopted by the Committee at their Sitting held on 18th March, 2025.

5. The Committee wish to express their thanks to the officers of the Ministry of Communications (Department of Posts) for appearing before the Committee and furnishing the information that the Committee desired in connection with the examination of the Demands for Grants.

6. The Committee would also like to place on record their appreciation for the assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, Observations/Recommendations of the Committee have been printed in bold letters in Part-II of the Report.

**New Delhi;
18 March, 2025
27 Phalgun, 1946 (Saka)**

**DR. NISHIKANT DUBEY,
Chairperson,
Standing Committee on
Communications and Information Technology.**

PART - I

CHAPTER – I

BUDGETARY OVERVIEW

I. INTRODUCTION

- 1.1. The Department of Posts is a part of the Ministry of Communications and with its postal network of 1,64,987 Post Offices as on 31st March, 2024, is the largest Postal network in the world. While the core activity of the Department is processing, transmission and delivery of mail and money remittances across the Country, there are various other services undertaken by the Department for more than a century, which include banking and insurance services. Ever since the promulgation of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), the Department has been undertaking the disbursement of Direct Benefit Transfer (DBT) benefits under various social security schemes launched by the Central and State Governments, even in remote rural and inaccessible areas in the country. Apart from delivering social security services, the Department of Posts also enables last mile connectivity as a Government of India platform.
- 1.2. The Department of Posts implements Four (4) Central Sector Schemes namely:
- i) **Postal Operations** for enhancing the efficiency and speed of postal services & marketing,
 - ii) **Human Resource Management** for focusing on training and capacity-building initiatives for employees,
 - iii) **Estates Management** for optimizing the use of postal properties and facilities, and

- iv) **IT Induction & Modernization 2.0** for integrating advanced IT solutions for better customer service and streamlined processes.

All these Schemes are specifically designed to improve postal services and infrastructure across the country and are implemented through its 23 Postal Circles in all States/UTs and North Eastern States. For the fiscal year 2025-26, no new Scheme / programs have been launched by the Department of Posts. However, the India Post Payments Bank Scheme concludes its tenure in Financial Year 2024-25.

II. IMPLEMENTATION STATUS OF RECOMMENDATIONS OF THE COMMITTEE CONTAINED IN THE SECOND REPORT ON DEMANDS FOR GRANTS (2024-25)

The Second Report of the Committee (2024-25) on the 'Demands for Grants' (2024-25) relating to the Ministry of Communications (Department of Posts) was presented to the Lok Sabha / laid in the Rajya Sabha on 18th December, 2024. The Action Taken by the Government on the Second Report will be due by 18th March, 2025.

- 1.3. Under the Constitution of India [Article 113 (2)], estimates of expenditure are submitted to Lok Sabha in the form of Demands for Grants. The Demands for Grants of the Ministry of Communications (Department of Posts) – Demand No. 12, was presented on 11th February, 2025.
- 1.4. The Departmentally Related Parliamentary Standing Committee on Communications and Information Technology (2024-25) held a detailed discussion with the Representatives of the Ministry of Communications (Department of Posts) in their Twelfth Sitting held on the 13th February, 2025 regarding examination of Demands for Grants 2025-26 (Demand No. 12) pertaining to the Department of Posts. In this Chapter, the Standing Committee

undertakes an evaluation of the performance of the Department of Posts up to the year 2024-25 and also analyses the budgetary allocations made towards the Department for the year 2025-26 under Demand No. 12.

III. **SUMMARY OF DEMANDS**

- 1.5. The Department of Posts has been allocated Rs. 41086.97 crore (gross expenditure) at BE Stage for the financial year 2025-26 under Demand No.12. Allocation of Funds to the Department under Revenue and Capital Sections is as follows :-

(Rs. in crore)			
	Charged	Voted	Total
Revenue	2.04	40126.58	40128.62
Capital	0	958.35	958.35
Total	2.04	41084.93	41086.97

- 1.6. The total BE stage allocation (gross expenditure revenue and capital sections) of the Department for the year 2024-25 was Rs. 38,917.24 crore which was further increased to Rs. 39,399.65 crore at the RE stage. Therefore, the gross BE stage allocation of Rs. 41086.97 crore during the year 2025-26 shows an increase of 5.57% over gross BE and of 4.28% over gross RE for the year 2024-25.
- 1.7. A brief summary of Demands for Grants 2025-26 pertaining to the Department of Posts (Demand no. 12) has been given in the table below.

Brief Summary of the Demands for Grants 2025-26 in respect of the Ministry of Communications
(Department of Posts) :

Particulars	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	BE 2024- 25	RE 2024- 25	BE 2025- 26	2024-25 % change RE vs BE (+ / -)	% change BE 2025-26 vs RE 2024-25 (+ / -)
1	2	3	4	5	6	7	8	9	10
REVENUE SECTION									
Gross expenditure	29261.46	30924.06	32595.57	35645.52	37654.64	38160.73	40128.62	1.34	5.16
Deduct Recoveries	933.87	1202.63	1139.24	1255.88	1300.00	1400.00	1500.00	7.69	7.14
Net expenditure	28327.59	29721.43	31456.33	34389.64	36354.64	36760.73	38628.62	1.12	5.08
Postal Receipts	10632.50	10860.80	10917.89	11321.35	12238.77	12207.01	12487.11	-0.26	2.29
Net expenditure*	17695.09	18860.63	20538.44	23068.29	24115.87	24553.72	26141.51	1.82	6.47
CAPITAL SECTION									
Gross expenditure	730.56	897.41	885.55	1386.89	1262.60	1238.92	958.35	-1.88	-22.65
Deduct Recoveries									
Net expenditure	730.56	897.41	885.55	1386.89	1262.60	1238.92	958.35	-1.88	-22.65
Net Allocation	18425.65	19758.04	21423.99	24455.18	25378.47	25792.64	27099.86	1.63	5.07

*Revenue Deficit

IV. ANALYSIS OF DEMANDS

1.8. Year-wise figures for proposed allocations, Budget Estimates (BE), Revised Estimates (RE) and Actual Expenditure (AE) of the Department of Posts (DoP) are as follows :

(Rs. in crore)					
Year	Proposed by the Department	Allocation at BE stage	Allocation at RE stage	Actual Expenditure (AE)	Expenditure as % of RE
2020-21	38181.15	35188.43	33100.88	30158.87	91.1
2021-22	39273.74	35173.27	33180.21	31809.61	95.8
2022-23	41614.74	36395.89	37086.85	34072.24	91.8
2023-24	42373.29	40553.38	36997.24	37032.41	100.09
2024-25	42836.35	38917.24	39399.65	34306.18*	87.07*
2025-26	42522.50	41086.97	-	-	-

*till January 2025

1.9. When asked about the reasons behind the variations in allocations proposed for each year from 2020-21 up to 2025-26, the Department submitted that :

“Total Budgetary Estimates of the Department of Posts are proposed primarily on the basis of allocations to Establishment Expenditure, which constitutes approximately 95% of the total budget. The Gross Revenue Expenditure mainly comprises Salaries, Allowances, and Pensionary Charges, which see an annual increase due to salary increments, dearness allowance/dearness relief adjustments, and new recruitments. Consequently, variations in yearly budget allocations are driven by these committed liabilities.

In addition to establishment expenditures, the Department operates five Central Sector Schemes:

1. Postal Operations (2021-22 to 2025-26)
2. Human Resource Management (2021-22 to 2025-26)
3. Estates Management (2021-22 to 2025-26)
4. India Post Payments Bank (from 2016-17 to 2024-25;concluded in 2024-25)
5. IT Modernization (2022-23 to 2029-30)

From a budgetary perspective, the allocation for these schemes fluctuates based on factors such as physical and financial targets, EFC/SFC-approved outlays, and the scheme implementation period. These variations are necessary to ensure that financial planning aligns with the Department’s strategic objectives and operational priorities”.

1.10. The Committee note a trend of considerable downward reduction of funds allocated to the Department at the RE Stage as against proposed allocations sought during each of the years from 2020-21 up to 2024-25. During the year 2024-25, the proposed allocation of the Department was to the tune of Rs. 42836.35 crore against which an allocation of only Rs. 39399.65 crore was made at the RE Stage. However, on being asked about financial constraints faced by

the Department in discharging its responsibilities / functions due to such reductions during the year 2024-25, the Department submitted that the budgetary provisions are as per the requirement within approved Schemes / programmes.

- 1.11. The Committee note that a major chunk of the budget is spent on establishment expenditures majorly comprising Pensionary Charges, Salaries and Allowances. Regarding prioritization of proposed allocations to reduce drastic cuts at subsequent stages, the Department informed that :

“...Apart from establishment expenditures, the Department also allocates funds for various Central Sector Schemes. These allocations are determined based on physical and financial targets set for the year, as well as the financial outlay approved by the Expenditure Finance Committee (EFC) and the Standing Finance Committee (SFC)”.

- 1.12. On the issue of constantly increasing Gross Expenditure, the Department informed the Committee that committed liabilities account for a major chunk of the total gross expenditure and thus, keeping the universal social obligation at the core of its values, the Department is undertaking various initiatives to transition from a cost center to a profit center (excluding the pension component). The Department also stated that the focus is on increasing revenue from the business verticals, supported by technology induction, with a focus on optimizing manpower and increasing productivity with increase in revenue per office and this will be supported by capacity building of the employees through use of classroom learning and e-learning.

- 1.13. Elaborating on the monitoring mechanism used to allocate funds and implement Schemes, the Department submitted :

“The budgetary outlay of the Department of Posts (DoP) is predominantly allocated to the non-scheme segment, which accounts for approximately 95% of the total budget. A significant portion of this allocation—87.69% of the Revised Estimates (RE)

2024-25—is directed towards committed liabilities, including Salaries, Allowances, and Pensionary charges.

The fund allocated under the non-scheme segment, as per Ministry of Finance's Ceiling, is distributed among 23 Postal Circles and 17 Postal Units. This distribution is determined based on several factors, including:

- a) Projected demands from the Circles
- b) Past expenditure patterns and utilization trends
- c) Availability of funds within the overall budgetary ceiling

Once the budget is allocated to Postal Circles, these Circles further distribute funds to their subordinate units. The Circle Offices, in collaboration with Circle Postal Accounts Offices, play a crucial role in monitoring expenditure to ensure that funds are utilized effectively and within the approved limits. To maintain financial discipline and accountability, review meetings are regularly held at Directorate-level and with Circles to assess budget utilization and to address financial bottlenecks.

In contrast to the non-scheme segment, the Scheme segment focuses on the developmental and infrastructural growth of the postal network. The budgetary outlay under this segment is determined by Scheme Implementing Divisions, which estimate the required funds based on:

- a) Strategic goals/physical & Financial targets outlined under the Scheme;
- b) Approval limits set by Expenditure Finance Committee (EFC) or Standing Finance Committee (SFC);
- c) Past implementation efficiency and scope of ongoing projects.

Once the allocations are finalized, funds are disbursed to Postal Circles and Units for scheme implementation. Given the importance of this segment in driving modernization and service improvements, regular performance reviews are held to monitor the progress of scheme implementation. These reviews ensure that funds are effectively utilized, project timelines are met, and the intended operational and service delivery enhancements are achieved”.

1.14. Further, elucidating on the approach adopted towards utilization of available resources, the Department informed that :

“The Department of Posts follows a structured and disciplined financial framework to ensure the efficient allocation and utilization of funds across both the Non-Scheme and Scheme segments. While the non-scheme segment primarily caters to operational expenses, the Scheme segment drives innovation, infrastructure development, and service expansion. Through continuous monitoring, periodic reviews, and strategic fund allocation, the Department ensures that its financial resources are effectively managed to support both day-to-day operations and long-term growth objectives.”

V. OVERALL FINANCIAL PERFORMANCE OF THE DEPARTMENT

1.15. The financial performance of the Department during the last five years is as follows :

(Rs. in crore)

Particulars	Actual Expenditure	Actual Expenditure	Actual Expenditure	Actual Expenditure	BE	RE	Actuals (December, 2024)	Proposed	BE
	2020-21	2021-22	2022-23	2023-24	2024-25	2024-25	2024-25	2025-26	2025-26
Revenue Section									
Gross Expenditure	29261.46	30924.06	32595.57	35645.52	37654.64	38160.73	30554.54	41437.37	40128.62
Deduct-Recoveries	933.87	1202.63	1139.24	1255.88	1300.00	1400.00	950.90	1500.00	1500.00
Net Expenditure	28327.59	29721.43	31456.33	34389.64	36354.64	36760.73	29603.64	39937.37	38628.62
Postal Receipts	10632.5	10860.8	10917.89	11321.35	12238.77	12207.01	8039.01	12500	12487.11
Deficit	17695.09	18860.63	20538.44	23068.29	24115.87	24553.72	21564.63	27437.37	26141.51
Capital Section									
Gross Expenditure	897.41	885.55	1476.67	1386.89	1262.60	1238.92	573.84	1085.13	958.35
Deduct-Recoveries									
Net Expenditure	897.41	885.55	1476.67	1386.89	1262.60	1238.92	573.84	1085.13	958.35

1.16. When asked about the achievement of physical and financial targets for the year 2024-25, the Department in its written reply stated that :

“Targets are continuously monitored, and it is anticipated that all targets will be successfully achieved by the end of FY 2024-25. However achievement of financial targets of the Department is not even throughout the year, due to the time taken for approvals, procurements/constructions and larger bulked payments under some major schemes/activities. A significant increase in expenditure booked is typically observed at the last quarter of financial year. Consequently, quarterly assessments may not fully capture the ongoing operational activity.”

1.17. Allocation towards Gross Revenue Expenditure at RE Stage during 2024-25 amounts to Rs. 38160.73 crore out of which Rs. 30554.54 crore, which is almost 80%, have been spent till December, 2024. However, out of Gross Capital Expenditure of Rs. 1238.92 crore at RE Stage during 2024-25, the Department has utilized only Rs. 573.84 crore, that is 46.31% till December, 2024.

1.18. The utilization pattern of the Department for the year 2024-25 (till January 2025), along with anticipated percentage utilization for the year is as follows :

Particulars	2023-24			2024-25					
	RE	Actuals	% utilization w.r.t. RE	BE	RE	Actuals upto 01/2025	% utilization on up to 01/2025	Anticipated Expenditure 2024-25	Anticipated % utilization w.r.t. RE
Gross Revenue Expenditure	35416.54	35645.52	100.64	37654.64	38160.73	33694.04	88.29	37052.00	97.09
Gross Capital Expenditure	1580.7	1386.89	87.73	1262.60	1238.92	612.14	49.40	1200.00	96.85
Total	36,997.24	37032.41	100.09	38917.24	39399.65	34306.18	87.07	38252.00	97.08

1.19. As opposed to the utilization of 100.64% of the Gross Revenue Expenditure during the year 2023-24, the Department has utilized 88.29% of the allocation under the same head during the year 2024-25, until January, 2025 and has anticipated a total of 97.09% utilization of RE Stage Gross Revenue Expenditure

during 2024-25. However, the utilization of Gross Capital Expenditure of the Department during the year 2023-24 amounted to only 87.73% as opposed to the anticipated utilization of 96.85% during the year 2024-25.

- 1.20. Further, during 2024-25, the utilization percentage of Gross Capital Expenditure has gone up from 49.40% until January, 2025 to an anticipated 96.85% by the end of the financial year, showing an abrupt rise in utilization during the last quarter of the financial year.

Revenue Section -

- 1.21. The Department informed that its gross expenditure includes pensions, salaries, wages, allowances and other administrative expenses like Office Expenses, Professional Services, Domestic Travel Expenditure, Minor Works, Repairs and Maintenance, Medical, etc. Further, it also stated that the increase in BE 2025-26 over BE 2024-25 is primarily due to increase in the allocation for the components of Salaries, Allowances and Pensionary Charges in BE 2025-26 as these three items constitute 91.16% of the Department's revenue expenditure and cannot be reduced.
- 1.22. Apprising the Committee about the reasons for upward trend in Gross Expenditure from 2020-21 up to 2025-26, the Department submitted :

“The upward trend in Gross Revenue Expenditure is primarily driven by a substantial increase in committed liabilities, particularly in the areas of salaries, allowances, and pensionary charges and that these expenditures are essential, recurring, and obligatory in nature, constituting a significant portion of the Department's budget.

Given their obligatory nature, these expenditures are classified as non-discretionary liabilities, necessitating their inclusion in the budget irrespective of other financial considerations”.

Capital Section -

- 1.23. The Department submitted that the capital expenditure is focused on several key areas, including Mail Operations, Estates Management, and the IT Induction & Modernization 2.0 initiative. Regarding the difference between the amount proposed and that allocated at BE 2025-26, the Department, in its written reply stated that :

“The BE 2025-26 for Capital Segment were proposed to the tune of Rs. 1085.13 crore, whereas, the BE 2025-26 allotted to the Department is Rs. 958.35 crore. There is decrease in funds to the tune of Rs. 126.78 crore, majorly, due to aligning the Schemes funds with reference to Expenditure Finance Committee (EFC) approved outlay for the activities under Postal Operations and Estates Management. The XV FC Cycle is coming to an end in FY 2025-26”.

- 1.24. Regarding the need for capital investment to augment revenue generation, the representative of the Department, during the oral evidence for examination of Demands for Grants (2025-26) held on 13th February, 2025, submitted before the Committee that :

“...आज अगर हम रेवेन्यू के तौर पर साढ़े 12 हजार करोड़ रुपये कमाते हैं तो हमें कैपिटल इनवेस्टमेंट चाहिए होगा, जो हमने वित्त मंत्रालय से मांगा है।

अगर उसके लिए एनाउंसमेंट हुआ है तो हमें उम्मीद है कि वह हमें मिलने वाला है। पार्सल सेक्टर में बहुत ज्यादा बिजनेस है और डॉक्यूमेंट सेक्टर में, इंटरनेशनल ट्रेक पैकेट्स में बहुत ग्रोथ है और उन सब बिजनेस को लेते हुए हमारी जिस तरह से ग्रोथ होनी है, उससे हम अपने रेवेन्यू को डबल कर सकते हैं।...”

Revenue Receipts

1.25. Data regarding Revenue Receipts is as furnished below :

	(Rs. in crore)					
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	19283.29	14830.05	15000.00	16379.00	12483.43	12500.00
BE	18710.05	17710.05	14725.87	13439.38	12238.77	12487.11
RE	12330.05	13398.34	12230.41	11408.04	12207.01	NA
Actuals	10632.50	10860.80	10917.89	11321.35	8039.01*	NA

*upto December, 2024

1.26. Though the amount of revenue receipts achieved by the Department has grown in absolute terms from the year 2020-21 up to 2023-24, there has been constant under-achievement of the targets set under Revenue Receipts for the said duration. For the year 2024-25, only 65.85% of the target set under Revenue Receipts has been achieved by the Department so far, until December, 2024.

1.27. Details of Revenue Receipts achieved by the Department under various heads during the last five years have been placed at **Annexure – I**.

1.28. On being asked about the initiatives undertaken to increase Revenue Receipts in the ensuing financial year, the Department submitted a detailed reply elaborating on measures being adopted to augment revenue generation from Mail, Parcel & E-commerce Services; Financial Services; other services being provided on behalf of other wings of the Government; and general measures. Details regarding such initiatives being planned by the Department have been furnished at **Annexure – II**.

Recoveries

1.29. Data regarding Revenue Receipts is as furnished below :

	(Rs. in crore)					
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	953.00	935.00	850.00	1300.00	1200.00	1500
BE	953.00	935.00	850.00	1300.00	1300.00	1500
RE	820.00	815.00	1200.00	1200.00	1400.00	NA
Actuals	933.87	1202.63	1139.24	1255.88	950.90*	NA

*tentative upto December, 2024

1.30. When asked about there being any shortfall in achievement of set targets for Recoveries during the year 2024-25, the Department replied that as per trends, there would be no shortfall in achievements of set targets.

1.31. However, as per data submitted by the Department, only 67.9% of the target set under Recoveries has been achieved till the end of the third quarter of the year 2024-25.

1.32. The Department also informed the Committee that major recoveries are received mainly from Postal Life Insurance, Customs duties, and Input Tax credit from GST and that proactive efforts are being made from the PLI Directorate to expand the business and increase revenue.

1.33. Regarding the status of the outstanding dues that were recovered during the year 2024-25, the Department, in its written reply submitted :

I. **“Post Office Passport Seva Kendra:** An amount of Rs. 146Crore which was pending with Ministry of External Affairs for transactions done by Post Office Passport Seva Kendra during the period July-2022 to December-2022 and April 2023 to June 24 was recovered in July-August 2024 through persistent efforts.

II. **Aadhaar Centres:** An amount of Rs 14.78 Crore which was pending with UIDAI in lieu of pending payments from September 2023 to August 2024 was received in July 2024 & December 2024 due to earnest efforts.

III. **Ministry of New and Renewable Energy:** An amount of Rs. 14.99 Crore was recovered in January 2025 from Ministry of New and Renewable Energy for PM Surya Ghar Yojana registrations done by India Post in February and March 2024.”

1.34. An amount of Rs. 175.77 crore has been recovered by the Department during the year 2024-25.

1.35. Regarding the status of dues still outstanding from different Ministries / Departments, the Department informed the Committee that :

I. **“POPSK:** Payment of approximately Rs. 77 Crores is pending from MEA for POPSK transactions performed from July 24 to Dec 24 and arrears arising due to increase in transaction charges.

II. **Aadhaar:** Payment of approximately Rs. 7 Crores is yet to be received from UIDAI for Aadhaar transactions carried out from September 2024 to January 2025..

III. **MNRE:** Payment of approximately Rs. 2.37 Crores is pending from MNRE for PM Surya Ghar registrations done by India Post.

IV. **Others :** Payments worth 11.32 Crores are also pending from UTI, SUUTI and KVIC.”

1.36. Therefore, amounts of Rs. 97.69 crore worth outstanding dues are still to be recovered by the Department during the year 2024-25.

Rate of Remuneration

1.37. Data regarding rates of remuneration in force for different types of services provided by the Department has been furnished as follows :

Item/Category	Rate per unit (Rs.)	Remuneration received (Rs.in Crore)		No. of accounts
		Year	Amount	
	2019-20	2020-21	7055.79	29,03,87,767
Savings Deposits	219.23	2021-22	6114.47	25,11,50,131
Savings Certificates (NSC, KVP)	73.92	2022-23	6186.71	25,83,42,137
Indira Vikas Patra	19.59	2023-24	6427.08	26,84,32,547
Silent Accounts	35.61	2024-25*	5085.33	27,90,11,172

*tentative upto December, 2024

1.38. On the issue of revision of rates for remuneration the Department submitted that:

“The remuneration is being received year-wise through book adjustments. But the rate of remuneration has not changed since 2019. The final outcome/implementation of the recommendations of the Expert Group Committee formed by Ministry of Finance is awaited and the same would be apprised to the Standing Committee as and when the same is received by the Department”.

1.39. When asked about measures being adopted to reduce operating cost the Department submitted that :

“Department of Posts does not maintain savings schemes wise record for loss vis-à-vis operating cost. The cost is worked out based on appropriate costing methodology with absorption of time and traffic factors which is across schemes. Department of Posts has successfully implemented various digital initiatives to reduce operational costs and enhance customer experience. These initiatives include the adoption of Core Banking Solution, online line/mobile banking, NEFT/RTGS/ECS fund transfer facilities, e-Passbook, Automatic Teller Machine (ATM), UPI through IPPB-

POSA Linkage, and Integrated CTS Cheque facilities. These advancements have streamlined operations, reduced manpower requirements, and improved overall customer satisfaction. The department's commitment to digital transformation demonstrates its proactive approach to ensuring efficient and effective services”.

- 1.40. As per data regarding unit cost of operation, the Department has accrued significant losses in maintaining accounts under savings schemes, as substantiated through the data furnished below :

Unit cost of Operation			
Type	Cost per unit (in Rs)	Revenue per Unit (in Rs)	Margin
Live accounts	456.58	219.23	-51.98%
Silent Account	78.86	35.61	-54.84%
Savings Certificates	194.90	73.92	-62.07%

Revenue Deficit -

- 1.41. Data regarding Revenue Deficit is as furnished below :

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Proposed	16494.32	21942.59	23903.41	29584.73	28117.31	27437.37
BE	14394.17	15618.13	19931.4	24417.05	24115.87	26141.51
RE	19089.12	18034.54	22162.42	22808.5	24553.72	NA
Actuals	17695.09	18860.63	20538.44	23068.29	21564.63*	NA

*up to December, 2024

- 1.42. The figures mentioned under Recoveries amount to the revenue of the Department by way of services rendered to the other Ministries / Departments. Conversely, Revenue Receipts / Postal Receipts amount to revenue generated by the Department on account of its Postal Operations as well as remunerations on Savings Bank Business.
- 1.43. Recoveries and Receipts when deducted from the Gross Expenditure amount to the Deficit of the Department for the respective financial year.

- 1.44. The Actual Gross Expenditure of the Department has shown an increasing trend from the year 2020-21 up to 2023-24. Further, Gross Expenditure allocations for BE and RE stages for the year 2024-25 as well as during BE 2025-26 have all shown a rising trend. Similarly, respective figures for Actual Recoveries as well as Actual Postal Receipts of the Department have more or less shown a rising trend from the year 2020-21 up to 2023-24 and also for BE and RE Stage allocations during 2024-25 as well as for BE 2025-26.
- 1.45. However, despite there being a rise in the allocations as well as recoveries and receipts of the Department during the said years, the Revenue Deficit of the Department has also risen sharply from Rs. 17695.09 crore (Actual) during the year 2020-21 to Rs. 26141.51 crore (BE) during 2025-26.
- 1.46. Elaborating on the reasons for the sharp rise in the revenue deficit faced by the Department, the Representative of the Department of Posts, during the oral evidence, submitted that :

“...मोटे तौर पर मैं आपको बताना चाहती हूँ कि पार्सल सेवा लाभ की सेवा है। इंटरनेशनल मेल भी फायदे की सेवा है, ट्रैकड पैकेट्स में। मेल में स्पीड पोस्ट अच्छा है, लेकिन बाकी में हमें लॉस हो रहा है।... पोस्ट ऑफिस सेविंग्स बैंक में बड़ी परेशानी है, क्योंकि हमने इकोनॉमिक अफेयर्स से टेकअप किया हुआ है।... 40 परसेंट लॉस हमारा इस पर हो रहा है जो कि करीब सात हजार करोड़ रुपये के ऊपर अमाउंट है, जो सेविंग्स बैंक का डेफिसिट में दिखता है। असल में हमें फुल रेम्योनरेशन नहीं मिल रहा है। इसे हमने टेकअप किया हुआ है। यदि वह मिलेगा तो हमारा डेफिसिट बुरा नहीं दिखेगा, जो सेवाएं हैं, उसके लिए पूरा मुआवजा भी नहीं मिल रहा है। पोस्टल लाइफ इश्योरेंस हमारी अपनी चीज है और उसके लिए अलग से बजट नहीं है। जो पीएलआई इनवेस्ट करता है, वह प्रोफिट में जा रहा है और वह कुछ पैसा डिपार्टमेंट को ट्रांसफर करता है जो रेवेन्यू में आता है। जो हमारी सिटिजन सेंट्रिक सेवाएं हैं, जैसे कि हम आधार का काम करते हैं, उसमें मुआवजे को बढ़ाने के लिए हम और बैंक्स बोल रहे हैं। जो पासपोर्ट केन्द्र हैं, उसमें विदेश मंत्रालय ने अभी हमारे रेट बढ़ाए हैं।...

...अगर हम सेवाओं पर ध्यान दें तो मेल और पार्सल डिलीवरी है। मेल डिलीवर, चिट्ठी तथा स्पीड पोस्ट का कार्य हम करते हैं। स्पीड पोस्ट हमारी प्रीमियम सर्विस है। इसके अलावा बाकी जो रजिस्टर्ड हैं, चिट्ठियां हैं, इसमें हमारा लॉस होता है, क्योंकि टैरिफ बहुत सालों से बदला नहीं गया है। ...”

1.47. Further, during the oral evidence, the representative of the Department also informed the Committee that as per their projections, the schemes under the Department of Posts are expected to run into surplus by the year 2028-29.

1.48. Regarding steps taken to contain Revenue Deficit during the year 2025-26, the Department, in its written replies informed about steps envisaged with respect to Mails, Parcels and E-commerce; Financial Services; Other Services; and General measures. Detailed measures regarding each of these services have been placed at Annexure – II referenced previously in Para 1.28.

VI. SHARE OF THE DEPARTMENT IN THE TOTAL CENTRAL OUTLAY

1.49. The share of the Department of Posts vis-à-vis the Total Central Outlay of the Government of India has been analyzed herein. The proportion (in % terms) of Budgetary Allocation at BE Stage made in favour of the Department out of the total Budget of the Government of India since the year 2020-21 is as given below:-

(Rs. in Crore)			
Year	Total Central Outlay (BE)	Funds allocated to DoP at BE Stage	% of the Total Outlay (BE)
2020-21	3042230	35188.43	1.15
2021-22	3483236	35173.27	1.00
2022-23	3944909	36395.89	0.92
2023-24	4503097	40553.38	0.10
2024-25	4820512	38917.24	0.90
2025-26	5065345*	41086.97	0.81

*estimated BE figure

1.50. In its submissions, the Department has informed the Committee that the budget of Central Government comprises eight components, out of which Department of Posts has only two components in Central Outlay, namely – (i) Central Sector Schemes / Projects; and (ii) Establishment Expenditure of the Centre.

1.51. Therefore, though there is a visible decline in the BE percentage share of the Department of Posts in the Total Central Outlay from 1.15% in the year 2020-21

to 0.81% in the year 2025-26, a comparative analysis of the Total Central Outlay vis-à-vis BE stage allocation to the Department of Posts (DoP) against the aforementioned two components, depicts a different picture :

(Rs in Crore)

Year	Total Central Outlay BE	Funds allocated to DoP at BE stage	% of the total outlay
2020-2021	1441409.85	15525.38	1.08
2021-2022	1660717.52	16528.22	1.00
2022-2023	1873298.40	20820.02	1.11
2023-2024	2212219.22	25814.00	1.17
2024-2025	2299793.83	25378.47	1.10
2025-2026	2489994.90	27099.86	1.09

1.52. The Department has further informed that :

“The analysis of the Total Central Outlay and the funds allocated to the Department of Posts (DoP) at the Budget Estimates (BE) stage from 2020-21 to 2025-26 indicates a consistent allocation pattern, with the department receiving between 1.00% and 1.17% of the total budget. While the absolute allocation to DoP has grown from Rs. 15,525.38 crore in 2020-21 to Rs. 27,099.86 crore in 2025-26, reflecting an average annual growth of 11.67%, its percentage share in the total central budget has remained stable, with minor fluctuations. The highest share was observed in 2023-24 (1.17%), while the lowest was in 2021-22 (1.00%). The slight dip in share for 2024-25 (1.10%) and 2025-26 (1.09%) is not due to a reduction in DoP's budget but rather due to a faster increase in the Total Central Outlay, which grew by approximately 72.8% over six years. This stability in allocation indicates that the government continues to prioritize postal operations, ensuring that the department's financial needs are met without any major reductions. The growth in absolute allocation further highlights the department's increasing role in public service delivery, supporting infrastructure development, and digital transformation initiatives. Overall, the data confirms that DoP's budgetary share remains stable and well-

supported, aligning with the government's broader fiscal policies and approved Schemes”.

1.53. The Department also informed that the budgetary provisions are as per the requirement within the total approved outlay for all the Schemes.

1.54. Comparative Statement of allocation (in terms of RE) of the Department of Posts (DoP) vis-à-vis Total Central Outlay (RE) :

Year	Total Central Outlay (RE)	Funds allocated to DoP at RE Stage	(Rs. in Crore)
			% of the Total Outlay (RE)
2020-21	3450305	33100.88	0.95
2021-22	3770000	33180.21	0.88
2022-23	4187232	37086.85	0.88
2023-24	4490486	36997.24	0.82
2024-25	4716487*	39399.65	0.83

*estimated RE figure

1.55. When asked about the reasons behind the reduction in the RE Stage percentage share of the Department of Posts, the Department, in its written replies submitted that on a comparative analysis of the Total Central Outlay vis-à-vis RE stage allocation to the Department of Posts (DoP) against the two components of Central Sector Schemes and Establishment Expenditure of the Centre, the percentage share of the Department of Posts in the Total Central Outlay at the RE stage has remained stable, fluctuating marginally around 1.00% to 1.10% and hence, there is no declining trend in the share of allocation indicating that the financial support to the Department has remained proportionate to the overall budget expansion.

1.56. This is substantiated through the table given below :

(Rs. in crore)

Year	Total Central Outlay RE	Funds allocated to DoP at RE stage	% of the total outlay
2020-2021	1862361.60	19950.83	1.07
2021-2022	1895618.59	18966.87	1.00
2022-2023	2146347.65	23656.44	1.10
2023-2024	2227926.00	24389.20	1.09
2024-2025	2354582.12	25792.64	1.10

VII. FUNDS SURRENDERED

1.57. Data regarding Supplementary Grants and Excess / Savings of Grants presented to the House by the Department of Posts during the year 2023-24 :

Particulars	3201/3465 Revenue Section		5201/5465 Capital Section	
	Voted	Charged	Voted	Charged
Original Grant	39155.26	1.17	1396.95	0
Supplementary	0.01	0	183.75	0
Total	39155.27	1.17	1580.70	0
Exp. During the Year	35645.33	0.19	1386.89	0
Excess (+)/Savings(-)	-3509.94	-0.98	-193.81	0

1.58. The Department informed the Committee that:

“During the year 2023-24, the original grant under 3201-Working Exp (Voted) was for Rs.39155.26 Crore (Voted) and Rs.1.17 Crore (Charged) respectively. The original grant was augmented vide token supplementary grant of Rs 0.01 Crore (Voted). Against this expenditure has been incurred for Rs. 35645.33 Crore under voted and Rs. 0.19 Crore under charged segment. The grant under the head 5201-Capital Outlay was Rs 1396.95 Crore (Voted). There was no outlay for the charged segment. The Original Grant was augmented vide technical supplementary grant of Rs. 183.75 Crore (Voted). Against this, voted expenditure was Rs.1386.89 Crore and Rs. 0.00 Crore under charged segment. Savings of Rs.3509.94

Crore and Rs.0.98 Crore occurred under voted and charged category respectively of Revenue Segment with respect to BE. Similarly, savings of Rs. 193.81 Crore occurred under Capital Outlay (Voted) during the year 2023-24.”

- 1.59. Further, the Department informed that during the year 2023-24, out of savings of Rs. 3510.92 crore and Rs. 193.81 crore under the Revenue and Capital heads, respectively, the Department surrendered Rs. 883.19 crore to the Ministry of Finance. However, no explanation was furnished by the Department regarding the reasons behind surrendering such significant quantum of allocated funds.

CHAPTER – II

SCHEMATIC ANALYSIS

A. OVERVIEW OF THE SCHEMES OF THE DEPARTMENT :

2.1 The Department of Posts implements Four (4) Central Sector Schemes namely :

- i. Postal Operations
- ii. Human Resource Management
- iii. Estates Management
- iv. IT Induction & Modernization 2.0

2.2 The financial progress made under the Central Sector Schemes of the Department from the year 2020-21 up to 2024-25 (till January, 2025) is tabulated as follows :

(Rs. in crore)

S. No.	Plan Schemes/Activities (with frequent scheme duration)	2020-21		2021-22		2022-23		2023-24		2024-25	
		RE	Actuals	RE	Actuals	RE	Actuals	RE	Actuals	RE	Actuals till Jan, 25
1	Postal Operations (2021-22 to 2025-26)										
i	RB	16.65	12.07	28.50	23.64	18.66	18.42	30.03	27.01	19.92	13.25
ii	Mail Operations	81.62	78.84	171.62	107.21	135.75	133.75	165.76	145.21	106.31	64.03
lii	POSB	4.00	4.71	8.00	3.32	-	-	-	-	-	-
lv	PLI	1.20	1.23	1.50	1.11	-	-	-	-	-	-
v	Marketing	13.00	12.78	15.00	11.17	15.00	14.51	19.35	19.54	41.28	27.88
vi	Philately	2.80	1.98	4.00	3.11	4.00	3.61	4.90	5.00	6.63	2.31
vii	Quality of Services	0.70	0.52	0.50	0.47	0.35	0.35	0.64	0.62	0.86	0.24
	Scheme Total	119.97	112.13	229.12	150.03	173.76	170.64	220.68	197.38	175.00	107.71
2	Human Resource Management (2021-22 to 2025-26)	16.04	16.35	17.43	19.22	29.08	22.56	37.47	35.74	34.00	21.98
3	Estates Management (2021-22 to 2025-26)	40.00	44.01	70.00	56.73	70.10	64.02	115.00	117.39	120.25	63.86
4	India Post Payments Bank (2016-17 to 2024-25)	220.00	220.00	200.00	200.00	400.00	400.00	250.00	250.00	250.00	250.00
	IT Induction and Modernization (2021-22 to 2025-26)	819.14	877.47	720.42	761.30	1095.97	1073.94	1096.19	921.54	783.67	261.14
	Grand Total	1215.15	1269.96	1236.97	1187.28	1768.91	1731.16	1719.34	1522.05	1362.92	704.69

2.3 Details regarding financial achievements of the Schemes of the Department are placed at **Annexure – III**.

2.4 The Department submitted that the Capital expenditure is focused on several key areas including Mail Operations, Estates Management and the IT Induction & Modernization 2.0 initiative. The Capital expenditure under Schemes for the year 2024-25 (up to December, 2024) is as follows :

S. No.	Scheme	BE 24-25	RE 24-25	Expenditure till Dec. 24	%age exp w.r.t RE
1	Postal Operations	85.59	51.75	16.46	31.83%
2	Human Resource Management	6	2.5	0.47	18.80%
3	Estates Management	133	119.8	54.1	45.18%
4	India Post Payments Bank	250	250	250	100.00%
5	IT Project 2.0	748	783.7	240.77	30.72%
	TOTAL	1223	1208	561.81	46.52%

2.5 Details of the total expenditure (Revenue and Capital) incurred under the Schemes of the Department during the year 2024-25 and allocations made for the year 2025-26 are as placed below :

(Rs. in crore)

S. No.	Plan Schemes/Activities	2024-25			2025-26	
		BE	RE	Actuals till Dec 24	Proposed BE 25-26	BE 2025-26
1	Postal Operations					
i	RB	19.92	19.92	10.47	18.96	15
ii	Mail Operations	158.05	106.31	54.61	145.8	130.34
iii	Marketing	41.08	41.28	25.12	47.35	10
iv	Philately	6.08	6.63	1.6	27.35	21
v	Quality of Services	0.86	0.86	0.25	0.86	0.66
	Scheme Total	225.99	175.00	92.06	240.32	177.00
2	Resource Management	42.00	34.00	18.91	38.87	38.87
3	Management	133.50	120.25	54.1	145.5	120.5
4	India Post Payments Bank	250.00	250.00	250.00	0	0
5	IT Induction and Modernization	748.02	783.67	240.77	729.00	729.00
Grand Total		1399.50	1362.92	655.85	1153.69	1065.37

2.6 When asked about the reasons for shortfall in achieving targets during 2024-25, the Department submitted that :

“The pace of expenditure is not proportional, as many schemes involve procurement or construction activities, resulting in a higher outflow of funds towards the last quarter of the financial year. However, the allotted amount is expected to be fully utilized by the end of the FY.”

2.7 With respect to the Schemes where there had been persistent under-utilization of funds during the last five years and the steps taken to ensure better performance of the schemes, the Department submitted as under :

Financial Year	%Utilization w.r.t. BE	%Utilization w.r.t. RE
2019-20	72.42%	99.00%
2020-21	79.76%	105.00%
2021-22	94.68%	96.00%
2022-23	137.88%	97.90%
2023-24	99.59%	88.00%
2024-25 (utilization till Dec 24)	46.86%	48.12%

2.8 Regarding percentage utilization of allocated funds for the respective years, the Department submitted that :

“The data on fund utilization over the past five years reveals that there has generally been consistent usage, with the following percentages with respect to Revised Estimates: 95% in 2018-19, 99% in 2019-20, and 105% in 2020-21. In 2021-22, utilization was at 96%, and in 2022-23, it was 97.9%. However, in 2023-24, the funds utilization with respect to Revised Estimates stood at 88% while it was 98.19% with funds at the Final Grants stage. In 2024-25, the fund utilization till the month of Dec 24 stands at 48.12% with respect to Revised Estimates 24-25. The pace of expenditure is not proportional, as many schemes involve procurement or construction activities, resulting in a higher outflow of funds towards the last quarter of the financial year. However, the allotted amount is expected to be fully utilized by the end of the FY”.

2.9 The Department, in its written submissions to the Committee, further informed that the percentage utilization for the year 2024-25 till the month of January 2025 stands at 51.70%.

2.10 Dwelling upon the Schemes that had been prioritized for the year 2025-26, the Department submitted as under:-

“In view of the fact that the Department of Posts is giving thrust to IT modernization for the purpose of not only making its operations more efficient but also to enhance customer satisfaction and revenues, almost **53.45%** of the total scheme allocation for FY 2024-25 has been earmarked for IT modernization. Next in line is the India Post Payments Bank (IPPB) which has enabled the Department to offer DBT and Banking Facilities including AePS, Dak pay and door-step services to both existing as well as new customers. The Postal operations scheme is also being monitored closely for better and efficient delivery of mail, parcels and international articles, and also focuses on increased customer satisfaction. It is expected that these steps will help the department to increase the revenue.

As noted above, the monitoring mechanism for review of physical and financial targets under schemes has been further strengthened. A well defined mechanism of senior officer meeting with programme divisions within the Postal Directorate and meeting with various Postal Circle Heads implementing the schemes has been set up.”

2.11 On being asked about the reasons behind under-utilization of funds below 50% of RE estimates of 2024-25 in many Postal Operations like Marketing and in important Schemes such as Estates Management and IT induction and modernization and about measures adopted for efficient utilization of allocated funds, the Department submitted that :

“Due to the Vote on Account period covering the first five months of the financial year, full funds were allocated in September 2024 after

approval of regular budget for FY 2024-25. To ensure the efficient utilization of these funds, Department holds regular review meetings between Scheme Implementing Divisions and Circles heads. The entire funds are expected to be spent in 2024-25”.

I. POSTAL OPERATIONS

2.12 Elaborating on the Postal Operations, the Department submitted that Postal Operations was an Umbrella Scheme with the following components:-

- i. Rural Business and Access to Postal Network
- ii. Mail and Parcel Network Optimization
- iii. Marketing Functions of the Department
- iv. Philately Operations
- v. Quality of Service.

2.13 Detailing the financial allocations and utilizations under Postal Operations, (Proposed, BE, RE and Actuals) for the last five years and the BE for the year 2024-25 the Department furnished the following:-

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Proposed BE	681.94	621.14	366.23	217.31	226.00	240.32
BE	420.10	246.50	249.35	215.64	225.99	170.00
RE	119.97	229.12	173.76	220.68	175.00	NA
Actuals	111.93	150.03	170.63	197.37	92.06*	NA
% expenditure w.r.t. RE	93%	65%	98%	89%	52.60%	NA

2.14 The Department submitted the following details regarding allocations among components of Postal Operations Scheme in BE 24-25 & RE 24-25 :

	(Rs. in crore)				
Plan Schemes/Activities	BE 2024-25	RE 2024-25	Actuals upto Dec 2024	% expenditure w.r.t. RE	Variation (RE-BE)
Postal Operations					
RB	19.92	19.92	10.47	52.56	0
Mail Operations	158.05	106.31	54.61	51.37	-51.74*
Marketing	41.08	41.28	25.12	60.85	0.20
Philately	6.08	6.63	1.6	24.13	0.55
Quality of Services	0.86	0.86	0.25	29.07	0.00
Scheme Total	225.99	175	92.05	52.60	-50.99

*Variation between the funds at BE and RE 2024-25 stage is significant with regards to the sub scheme Mail Operations under the scheme Postal Operations. However, the funds available under the approved scheme and its sub schemes will be spent during the financial year 2025-26.

2.15 On being asked about the Schemes that have been prioritized under Postal Operations during 2024-25, the Department replied as under:-

“Recognizing the importance of optimizing its Mail and Parcel Network, the Department of Posts is focusing on enhancing both operational efficiency and customer satisfaction while also aiming to increase revenue. As a result of this, approximately 69.94% of the total allocation for Postal Operations in the fiscal year 2024-25 has been specifically set aside for the Mail Operations Sub-Scheme. This substantial investment has underscored the department's commitment to improving service delivery and adapting to the evolving needs of customers in an increasingly digital age. By prioritizing these enhancements, the Department of Posts has aimed to streamline its operations, reduce delivery times, and ultimately provide a better experience for its users.”

2.16 Elaborating on steps taken to enhance operational efficiency in Postal Operations, the representative of the Department, during the oral evidence, submitted that :

“...As I have mentioned, mechanisation of beats is a major focus area. We have actually mechanised a very large number of beats in the last five months or so. Fifty per cent mechanisation of beats has been done and we are wanting to do more. That is another reason why we need more money. If we do it cleanly, we assure you that we will be standing among the top players. We are already standing face to-face with the big players but they have a much larger share of the market...”

II. IT INDUCTION AND MODERNIZATION

2.17 The details of the financial allocations and utilizations for IT induction and Modernization (Proposed, BE, RE and Actuals) for the year 2024-25 (upto Dec 2024) and the Proposed and allocated BE for the year 2025-26 as submitted by the Department are as under :

S. No	Particulars of Scheme/ Activity	Proposed 2024-25	BE 2024-25	RE 2024-25	Actual 2024-25 upto Dec 2024	Proposed 2025-26	BE 2025-26
1.	IT Induction and Modernization	748.00	748.02	783.67	240.77	729.00	729.00

2.18 The Department submitted data regarding component-wise details of the Scheme as follows :

(Rs. in crore)

Scheme - IT Induction and Modernization Project 2.0		
Activity	Activity-wise allotment during 2024-25 (Target)	Fund utilised during 2024-25 (Achievement upto Jan 25)
Postal & Logistics	75.10	50.35
IT Infra	221.00	140.56
Network	191.66	8.30
Network-NE	66.34	2.07
DC & DR Facility	9	6.01
Security	5	0
Field Infra	69.44	31.69
Field Infra-NE	9.46	1.44
EFRM	3	0
SDA	0	0
Governance	20	8.06
Common System	78	60.82
TOTAL	748	309.33

2.19 Regarding major impediments encountered during implementation and measures adopted to address the issues, the Department submitted that :

“As there are several stake holders involved in the Project such as IPPB, Centre for Excellence in Postal Technologies, NIC, BSNL and Functional Divisions etc, coordination issues among these stake holders are encountered from time to time. To resolve these issues, regular meetings among stake holders is being ensured. Towards this a Project Monitoring Group (PMG) at the level of Secretary (Posts) has been formed and is monitoring the progress on weekly basis”.

2.20 Regarding specific budgetary allocations made towards R&D and innovation in AI based technologies for bringing in efficiency, improvement and cost cutting in public governance and e-governance, the Department denied having received any such specific allocations and submitted that in-house developed IT 2.0 applications are striving to provide best industry standard and State of Art Application Programming Interface (API) besides including AI based technology for bringing in efficiency, improvement and cost cutting in public governance and e-governance.

2.21 On the issue of budgetary allocations regarding creation of infrastructure for ensuring Cyber Security and Data Security for users, the Department submitted that :

“Rs 5 Cr. has been provisioned for Cyber Security for the year 2024-2025 towards -

- A. End Point Protection (Anti-Virus solution) to ensure safety and security of end points
- B. SIEM solution (Security information and event management) to monitor security aspects of DoP's infrastructure
- C. IDAM (Identity and access management) tools to manage access and roles
- D. Network security including firewall/IPS (Intrusion Prevention Systems)

E. Ensuring VAPT (Vulnerability and performance testing) audit of applications/portals related to postal operations, banking and insurance

F. Running Network Operations Centre (NOC) and Security operations centre (SOC) for 24*7 real-time monitoring of security incidents and resolution.

In addition to the above, National Informatics Centre (NIC) has deputed a dedicated team of Cyber Security Professionals to assist CISO for continuous monitoring to ensuring Cyber Security of the online applications/ portal /operations; and Data security of users database especially with respect to Postal Life Savings Bank and Insurance Operations. A RFP to onboard a security auditor for the IT 2.0 applications is floated to ensure that IT 2.0 application is compliant with security standards prescribed by Govt. of India”.

2.22 However, against a quarterly target of upgrading network hardware in 500 Departmental Post Offices for continuous network access, nil achievements were recorded and against a target of 50000 post offices for rolling out eKYC solutions, only 14 were achieved so far.

2.23 Elaborating on the present day status of IT modernization in Postal Operations, the representative of the Department, during the oral evidence, submitted that :

“...डाक विभाग का रूप बदला है। लोग अब उतनी चिट्ठियां नहीं लिखते हैं। डाक विभाग के जरिए पार्सल्स की संख्या को बढ़ाना है। स्पीड पोस्ट अच्छी तरह से डेलिवर होती हैं। हाँ, जो त्रुटियां होती हैं, उसके लिए बैक-एंड पर हमारा जो आई.टी. प्रोजेक्ट है, वह आधे रास्ते आ चुका है। इस वर्ष के अन्त में ट्रैकिंग के बाद मेजर इम्प्रूवमेंट होगा। वैसे अभी भी ट्रैकिंग होती है, लेकिन यह एण्ड-टू-एण्ड नहीं है। इसका रेशनलाइजेशन चल रहा है। उसमें एक-एक व्यक्ति की मूवमेंट मैप्ड होंगी। आज डाकिया अपने हाथ में डिवाइस लेकर चल रहा है। वह न केवल डाक बांट रहा है, बल्कि लोगों की फेसियल रिकग्निशन करके उन्हें पेन्शन भी बांट रहा है।...”

III. ESTATES MANAGEMENT

2.24 Details regarding fund allocation and utilization under this Scheme are as follows:

S. No	Particulars of Scheme/ Activity	Proposed 2024-25	BE 2024-25	RE 2024-25	Actual 2024-25	Proposed 2025-26	BE 2025-26
1.	Estates Management Scheme	133.50	133.50	120.25	54.10 (till Dec, 2024)	145.50	120.50

2.25 Elaborating on the objectives of the Scheme on Estates Management the Department stated that:

“The objective of the Estates Management Scheme is to build suitable Postal buildings and allied infrastructure, to restore and renovate the existing old Postal buildings for efficient postal operations with optimal utilization of the asset, and to achieve sustainable development goals in the Department of Posts.”

2.26 The physical targets set and achieved thus far (till December 2024) in the year 2024-25 and the targets set for the year 2025-26 are as follows :

Activity	Target (2024-25)	Achieved (Till 31.12.2024)	Target (2025-26)
Construction of new post office buildings	40	38	45
Renovation of postal buildings	40	76	45
Construction of Rain Water Harvesting Structures	25	15	25
Construction of Ramps & Rails	50	46	50
Construction of ladies toilet	35	24	35
Construction of feeding rooms	20	12	20
Installation of Solar Power Packs	150	21	150
Installation of Braille Signages	500	638	500

2.27 When asked about the major challenges being encountered in the implementation of the Scheme, the Department submitted as under:

“The major challenges being encountered in the implementation of the projects include:

- a) Not getting timely approval from Municipal Corporations and other State Government authorities for starting construction
- b) Cancellation of tendering process due to single/high bidding
- c) Depleting man power strength of Civil Wing due to Group A cadre of the Civil Wing being declared Dying Cadre and

consequent stopping of induction of new man power in Civil Wing.

Department actively liaises with municipal/state government authorities for getting necessary approvals. Department has also issued instructions to the Circles for getting new buildings constructed with the help of CPWD, if so required to avoid delay”.

2.28 The Indian Institute of Public Administration (IIPA), New Delhi performed a third party evaluation of the Central Sector Schemes of Department of Posts and submitted an ‘Evaluation Study Report of Postal Operations, Estate Management and India Post Payment Banks’. After assessing the data collected by the study team on the performance of the schemes of the Department, the Report stated that as per the response of the users of the Postal Department, the scheme on Estate Management was ranked the least performing scheme with a rating of 2.82 out of 5 and as per the employees, this Scheme was ranked the second worst performing scheme with a rating of 3.09 out of 5. The Report proposed detailed recommendations for the three Schemes of the Department.

2.29 The Evaluation Study Report of IIPA has been placed at **Annexure – IV**.

2.30 When asked about the response of the Department regarding the performance of the Scheme on Estates Management as highlighted by the Study Report of IIPA, the representative of the Department, while deposing before the Committee, submitted that :

“...Estates मैनेजमेंट के लिए आपने कहा कि लोग बिल्कुल खुश नहीं है तो हम बताना चाहते हैं कि हम खुद भी खुश नहीं हैं। आपने बिल्कुल सही मुद्दा उठाया है। हमें बहुत कम पैसे मिलते हैं। हमारे पास मेंटेनेंस तक के लिए पैसे नहीं है। अभी स्टाफ क्वार्टर्स की भी हालत बहुत खराब है। हमें उम्मीद है, वित्त मंत्रालय से बातचीत के बाद हमें लगा है कि कुछ अच्छा होगा।...”

2.31 Regarding details of budgetary support sought by the Department for use in the coming financial year, the Representative, during the oral evidence, apprised the Committee as follows :

“...सर, एक्चुअली स्कीम्स का आखिरी साल वर्ष **2025-26** है। वे लोग इसे फाइनेंस कमीशन के साथ मैच करते हैं। यह अगले पांच सालों का बजट है। हम इस साल के लिए कोशिश कर रहे हैं कि हमें आरई स्टेज पर फंड मिल जाए। उन्होंने कहा है कि आप जब स्कीम बनाएंगे तो हम उसको नॉर्मली वर्ष **2026-27** में अप्रूव करेंगे। हमने रिक्वेस्ट की है कि वे इस साल दे दें। अब उसके लिए मेमो जाएगा। हमारा जो मेजर रिव्यू था, चूँकि मार्केट का एनालिसिस करके हम मेमो भेज रहे हैं। इसके अंदर प्रोसेसिंग सेंटर्स में करीब **3** हजार करोड़ रुपये हैं और Estates मैनेजमेंट के लिए पांच साल में **9** हजार करोड़ रुपये हैं। हमारी यह रिक्वायरमेंट है। हमें उसके लिए उम्मीद है। अगर बुरी हालत में बिल्डिंग चलेगी तो भी काम नहीं हो पाएगा। यह हमारी रिक्वायरमेंट्स हैं। ...”

2.32 On the issue of exploiting the potential for commercial usage of Post Office Estates, the Representative of the Department stated that :

“...सर, उसके लिए भी पैरेलल हमारी एक्सरसाइज शुरू हो चुकी है। हमारे पास सारे प्लॉट्स का डेटा, जिनमें हमारा म्यूटेशन है, उनका आ गया है और जिनमें नहीं है, उनमें हमें लेना है। हम लेटर लिख रहे हैं और वे स्टेट गवर्नमेंट्स को कल या परसो तक पहुंच जाएंगे कि हमें इन-इन प्लॉट्स पर हेल्प चाहिए। हमारी लिस्टिंग कंप्लीट है। हर एक सिंगल प्लॉट का हमें स्टेट्स पता है। हम कमर्शियल यूटिलाइजेशन करके एफ एआर का डेटा भी कलेक्ट कर रहे हैं। अभी हमने अपनी मांग तो रखी है, लेकिन हम पैरेलल में इस एक्सरसाइज को कर रहे हैं, क्योंकि इतनी बड़ी मांग सरकार के लिए भी संभव नहीं है। ...

... मार्केट वैल्युएशन अभी नहीं हुई है, लेकिन हम एक कंसलटेंट ले रहे हैं, क्योंकि हमारे लिए एक-एक वैल्युएशन करना पॉसिबल नहीं है। कंसलटेंट एक से डेढ़ महीने में ऑनबोर्ड हो जाएंगे। वे हमारे लिए इस काम को करेंगे।...

...हमारा लैंड रेलवेज जितना नहीं है, उससे काफी कम है और डिसपर्स्ड प्लॉट्स हैं। हमने उस पर स्टडी की है कि क्या हम एक कंपनी बनाएं जो इस तरह के काम करेगी, जैसे रेलवेज में लैंड डेवलपमेंट कॉर्पोरेशन है। हमारे लिए वह संभव नहीं है, लेकिन हम आपके द्वारा बताए गए दूसरी बात पर चल रहे हैं कि उसे कॉमर्शियलाइज करें। ...

...सर, इस तरह के डिसपर्स्ड प्लॉट्स के लिए अभी एक-एक प्लॉट की एनालाइसिस चल रही है। फिलहाल, हम गवर्नमेंट से पैसे मांग रहे हैं, जब तक डिसकशन होगी, तब तक हमारी रिपोर्ट भी आ जाएगी कि यह कैसे करना है। हम पैरालेल दोनों रास्ते चला रहे हैं, क्योंकि हालात ऐसे हैं। हम पूरा काम करेंगे।...”

2.33 During the course of examination of the witnesses the Committee raised the issue of monetization of viable assets held by the Department of Posts for curbing its rising revenue deficit. To this, the representative of the Department assured the Committee that a proposal would be forwarded to the Government within the next two months, soon after the completion of the detailed Report of the Department containing quantum and value of Estates presently held along with the assessment and analysis of all dispersed plots of land.

- 2.34 The Department also informed the Committee that no separate allocation had been made under Estates Management Scheme for GIS Survey & GIS Mapping in Estate Management. However, against a quarterly physical target of 01 under the parameter 'number of heritage buildings to be preserved', nil achievements were made during the third quarter of the year 2024-25.

IV. INDIA POST PAYMENTS BANK (IPPB)

- 2.35 On being asked about the aims and objectives sought to be achieved through the Scheme on India Post Payments Bank (IPPB), the Department in its written reply submitted that :

“India Post Payments Bank (IPPB) has been set up with the vision to build the most accessible, affordable, and trusted bank for the common man in India, leveraging the last-mile reach and penetration of the postal network. IPPB has enabled more than 1.64 lakh Post Offices (including 1.3 lakh in rural areas) to provide banking services at the counters. IPPB has also equipped nearly 1.89 lakh Postmen and Grameen Dak Sevaks with smart phones and biometric devices to provide doorstep banking services.

IPPB has established an interoperable banking infrastructure for the public good, contributing towards changing the financial inclusion landscape in India. IPPB addresses the last-mile needs of the banking industry at large to provide doorstep services to the customers of ANY BANK through the Postmen and Grameen Dak Sevaks, leading to an increase in rural banking infrastructure by almost 2.5 times. **The bank has a customer base of 11+ crore customers of which 77% are in rural areas and 48% of the customers are women.**

Powered by Aadhaar-based eKYC, this has ensured instant account opening with no manual intervention, especially for the rural population who may not possess the required documents prescribed by the banking ecosystem to become part of the formal financial system.

The IPPB-DoP combine has created a Phygital Platform for Rural India, enabled to provide Universal Services that have embedded Financial Services with Government Services through collaboration between the Government and institutions in the banking ecosystem, thus providing a multitude of citizen-relevant services at the last mile.

The vision of IPPB is to achieve the national objective of financial inclusion in a cost-effective way and to remove barriers to accessing basic financial services for the common man, especially in unbanked and under banked areas.”

2.36 Details regarding budgetary allocation and expenditure for the IPPB Scheme during the year 2024-25 are as follows :

(Rs. in crore)						
Particulars of Scheme/ Activity	Proposed 2024-25	BE 2024-25	RE 2024-25	Actual 2024-25	Proposed 2025-26	BE 2025-26
India Post Payments Bank	250	250	250	250	0	0

2.37 Details of physical targets set and achieved during the year 2024-25 and those set for the year 2025-26 as submitted by the Department are as follows :

Year	FY 2024 - 25		FY 2025-26
Parameters	Target	Achievement till Dec-2024	Target
Accounts Opened (Numbers)	1.5 Cr	1.71 Cr	1.8 Crore
Number of UPI transactions	250 Cr	310.8 Cr	350 Crore
AEPS value (Amount)	₹ 3000 Cr	₹ 1594.5 Cr	₹ 3000 Cr
Volume of digital transaction through various services in FY (Numbers)	300 Cr	331.2 Cr	400 Crore

2.38 The Department has submitted the following measures that were being adopted to achieve set targets during the year 2024-25 :

- i. Partnerships with Govt. institutions and financial institutions to provide account opening for DBT beneficiaries, G2C service and Loan/Credit referral services.

- ii. Focus on Aadhaar seeding of new on-boarding customers as well as non-Aadhaar seeded existing customer accounts.
- iii. Focus on Merchant acquisitions to build a digital transactional ecosystem.

2.39 Regarding targets set for the year 2025-26, the Department in its written replies submitted that :

“The main focus, being on the furtherance of the Financial Inclusion agenda, particularly in the unbanked and under banked remotest corners of the country, IPPB is geared up for expanding its banking services availability to all the villages and thereby providing them FI coverage within a 5 km radius.

IPPB has focused on acquiring customers who are DBT beneficiaries to ensure that the government's benefits are directly credited to the beneficiary's bank account. The service delivery of IPPB through the network of the Department of Posts has increased accessibility and affordability to the accounts, and customers can reach out to any post office or postman to access their accounts.”

2.40 When asked about the extent of financial outreach of this Scheme in terms of the number of DBT beneficiaries and also the extent of nation-wide coverage of such banks during the year 2024-25, the Department submitted that :

“Since its inception, IPPB has progressively increased its outreach to DBT beneficiaries and the number of DBT beneficiaries is as under: -

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (till 31.12.24)
No of DBT beneficiaries (in Crore)	0.0003	0.06	0.36	0.6	1.7	2.3	3.6
DBT amount disbursed (in Rs. Crore)	0.87	295.54	2,168.08	3,490	7,200	21,441	31,132

The scheme support to IPPB has concluded in 2024-25. The services of the India Post Payments Bank are delivered nation-wide

covering 5.85 lakh villages in the country through 1.65 lakh IPPB Access Points, including 1.5 Lakh in rural areas. There are a total of over 11 crore saving accounts in IPPB at present, with about 1/3 rd of these being used for DBT.”

- 2.41 Sharing details on the nationwide extent and coverage of the India Post Payments Bank (IPPB), the Department informed that :

“The Department of Posts launched India Post Payments Bank (IPPB) on a nationwide launch on Sep 1, 2018. India Post Payments Bank (IPPB) has enabled 1.64 lakh Post Offices to provide Banking services and has equipped nearly 1.89 lakh Postmen and Grameen Dak Sevaks with a smart phone and biometric device to provide doorstep banking services.”

- 2.42 Apprising the Committee regarding impediments encountered during the implementation of the IPPB Scheme, the Department has also submitted that :

“The Payment Bank business model provides limited avenues for revenue generation. To overcome this, IPPB has identified alternate revenue streams like G2C services to balance the revenue mix. There has been a consistent increase in the Bank’s revenue and the Bank turned profitable in the 4th year of its operations.”

- 2.43 Further, the Department has also informed that no new Schemes have been launched for the year 2025-26 and the Scheme on India Post Payments Bank is concluding its tenure in the year 2024-25.

- 2.44 Describing India Post as a catalyst for rural economy, Hon'ble Finance Minister, in her Budget Speech 2025-26 had announced that India Post with 1.5 lakh rural post offices, complemented by the India Post Payments Bank and a vast network of 2.4 lakh Dak Sevaks, will be repositioned to act as a catalyst for the rural economy. The Budget Speech 2025-26 also included announcements regarding deepening and expansion of the services of India Post Payments Bank in rural areas.

- 2.45 When asked about the plans to implement the Scheme on IPPB in the light of the Budget announcements, the Department submitted that :
- “As the IPPB is now functioning on a self-sustaining basis, at present no scheme to support IPPB in 2025-26 is planned. To ensure expansion and deepening of the IPPB services in rural areas, IPPB will strengthen its Access points and End users with more products and services. It will enhance its range of collaboration with Government Departments, Banking & Insurance Organizations etc. to enhance the scope of services being offered through its digital network. It will also target development of merchant ecosystem under Pradhan Mantri Vishwakarma. IPPB will continue to target opening of Aadhaar seeded, paperless bank accounts to ensure seamless DBT disbursement. Emphasis will also be on training and capacity building of its End users. All access points will be enabled with key Banking services such as, Cash deposit- Cash withdrawal services for any bank through AePS (Aadhaar enabled Payment System), Bill Payments, DBT payments, Digital Life certificate, Insurance, Loan referrals, EMI pickups, Investment services etc. The services shall also be offered at customer door steps through Hand Held Micro ATMs & Biometric devices.”
- 2.46 Regarding adoption of a single structure in IPPB in adherence to Cabinet directions, the Department submitted that :
- “The bank is a fully digital/paperless bank on a single App. The department has ensured effective utilization of Post Office Saving Bank account with other IPPB account on the IPPB app for sweep in and sweep out of funds. Further Postal Life Insurance payments can also be made for customers through the IPPB App. Therefore a single structure has been addressed through the IPPB App.”
- 2.47 However, during the oral evidence, the representative of the Department apprised the Committee about the practical difficulties in merging the services

offered under the IPPB with those of the Post Office Savings Bank (POSB) and submitted as under :

“...इंडिया पोस्ट पेमेंट्स बैंक और पोस्ट ऑफिस सेविंग्स बैंक एक करने करने का कैबिनेट का मत था। मैं इसमें थोड़ा बताना चाहूंगी कि इसमें उनकी क्या नियति थी। वे चाह रहे थे कि अगर हो सके तो जो तकनीक है, वह एक प्लेटफार्म पर आ जाए और जो सेवाएं हैं, वे अभी मर्ज नहीं हो पाएंगी, क्योंकि पोस्ट ऑफिस सेविंग्स बैंक में वित्तमंत्रालय की ओर से कई प्रकार के खाते होते हैं। उसमें केवल नॉर्मल बचत खाता नहीं है, उसमें रिकरिंग डिपॉजिट है, मंथली इनकम स्कीम है। यह सब आपको पता ही है। इसमें पब्लिक प्रोविडेंट फंड है, सुकन्या योजना है। जो पेमेंट्स बैंक है, उसको रिज़र्व बैंक से परमिटेड है और केवल सेविंग्स के खाते हैं।...”

V. QUALITY OF SERVICE

2.48 Allocation and expenditure details under the Sub-Scheme of Postal Operations is as follows :

S. No	Particulars of Scheme/ Activity	BE 2024-25	RE 2024-25	Actual 2024-25 (upto Dec 2024)	Proposed 2025-26	BE 2025-26
01	Quality of Service/ Service delivery Excellence	0.86	0.86	0.25	0.42	0.42

2.49 Regarding the aims and objectives of the Scheme, the Department submitted that :

“The sub scheme ‘Quality of Service’ primarily involves certification of quality of service of post offices. The main activities of this Sub-scheme are as follows:

- (i) Improve quality of Delivery of all Postal Products and Services against standards defined.
- (ii) Implementation of Service Delivery Excellence and standards viz Citizen’s Charter, Public Grievance Redress and Service Delivery Capability.

(iii) Implementation of Dynamic Queue Management System (DQMS) in Post Offices to reduce queuing and service time to citizens.”

2.50 Furnishing the objectives of the Scheme, the Department further elaborated as under :

“Implementation of Service Delivery Excellence has been adopted as a policy measure by the Department of Posts. The objective of the initiative is to develop a standard using which we can over a period of time, improve the delivery of our service and reach a level where the quality of these services can be evaluated objectively by an outside agency. Operationally, the Service Delivery Excellence entails implementation of three modules viz. Citizens’ Charter, Public Grievances Redressal and Service Delivery Capability. Based on the insights gained from implementation of the scheme, the Department is to take steps for standardisation of its services across the post office network.”

2.51 Data regarding physical targets set and achieved for the year 2024-25 and targets set for the year 2025-26 under the Scheme is as follows:

Physical Target (2024-25)			Achieved (2024-25)			Physical Target (2025-26)	
New Certification	Renewal	Total	New Certification	Renewal	Total	New Certification	Renewal (as per new approach)
04	45	49	Nil *	Nil*	Nil *	Nil	23

*Department has re- assessed the certification methodology and use of newer IT technology to be brought into the auditing system and quality measurements which will enable implementation of the standards across the post office network. Based on research about organizations that can help Department to achieve its target of Sevottam and Service Delivery Excellence implementation across the network, the Quality Council of India (QCI) has been engaged to devise a new approach for ensuring “Service Delivery Excellence” across the network of 1.65 lakh post offices. The targets for the current year will be achieved by end of financial year.

2.52 About the major impediments being encountered in the implementation of the project and measures taken to address the same, the Department submitted that:

“New Sevottam Certification in Circles due to lack of capacity on the part of BIS is proving difficult. It takes a lot of efforts to organize surveillance audit as new system for quality standards are gaining prominence.

Department has taken an alternative approach to Standardization and Service Delivery Excellence and Quality Council of India was approached for Standardization of process, infrastructure & service delivery and Development of a self-evaluating system which will enable adherence to service standards across the network over a period of time. The approach for the years 2025-26 onwards would be adopted as per the new methodology being devised currently.”

- 2.53 According to the Department, the performance of the sub-Scheme on Quality of Service was assessed under the Evaluation Study Report of IIPA and it was observed that :

“As per the responses shared by the users, the scheme 'Quality of Service' was the best performer, with a ranking of 3.88 out of 5. The beneficiaries/users seem to be satisfied with the quality of services that are being provided and also with the mail operations.”

B. DAK GHAR NIRYAT KENDRA

- 2.54 Recognizing the relevance of e-commerce exports, the Foreign Trade Policy (FTP) 2023 has laid down provisions for fostering cross-border digital trade and promoting e-commerce and other emerging export channels. One such scheme for promoting e-commerce exports through Postal route is the ‘Dak Niryat Kendra’.

- 2.55 The Sub-scheme on Mail Operations under the Scheme on Postal Operations has a provision for international relations and global business under which the following activities are included :

- (a) Setting Up Dak Ghar Niryat Kendras

- (b) Establishment/ upgradation of International Business Centres
- (c) Upgradation of Foreign Post Offices (FPOs) / Sub Foreign Post Offices (SFPOs).

2.56 The aims and objectives of the Sub-Scheme are as follows:

- (a) Strengthen and upgrade the infrastructure, and operational set up at Foreign Post Offices/ Offices of exchange to increase the handling capacity of International Mails and ensure quality service to meet customer expectations.
- (b) To establish Dak Ghar Niryat Kendras in every district of the country to help MSME/artisan/other industry to facilitate export through postal channel.
- (c) To realize the vision for Atmanirbhar Bharat and develop India as export hub.
- (d) To enhance the booking volume of International Articles and to increase revenue from export through postal channel.
- (e) To promote cross border e-commerce.
- (f) To provide funds for maintenance of the created infrastructure in the past
- (g) To replace existing hardware and accessories to support upgraded version of software developed by UPU for present and upcoming services.
- (h) To streamline the execution of project, skill development of staff for operational excellence, planning, monitoring & execution

2.57 Regarding the structure, functions and mandates of Dak Niryat Kendra, the Department submitted that :

“Dak Ghar Niryat Kendras (DNKs) have been established for the promotion of commercial export through postal channel. DNKs facilitate online filing of postal bill of export, which is mandatory for commercial export and self-booking of commercial items, with

generation of labels with dynamic barcode and invoice. The staff of Dak Ghar Niryat Kendras handholds the exporters and guides in documentation, packaging, prohibitions, restrictions, and other requirements for export. Exporters, artisans, traders, women, self-help groups etc. from small towns and villages are using DNK services to export their products globally. Department of Posts has identified 1013 DNKs up to district level across the country.

International Business Centres are dedicated access points which provide international mail services to customers to send and receive their international consignments. These centers serve as a single window as far as documentation, customs clearances and evaluation etc. are concerned. As of now the IBCs are functional in major cities including New Delhi, Mumbai, Bengaluru, Chennai and Kolkata”.

2.58 Budgetary allocations in respect of Dak Niryat Kendras from 2022-23 up to 2024-25, are as follows :

(Rs. in crore)

	2022-23		2023-24		2024-25
Account Head	RE	Utilization	RE	Utilization	RE
For Estt./Upgradation of IBCs/DNKs	4.5	2.68	6.2	7.406	5.4
For Estt./Upgradation of IBCs/DNKs – NE	0.70	0.25	0.6	0.8	0.6
Total	5.20	2.93	8.315	8.206	6.0

IBC = International Business Centre, DNK = Dak Niryat Kendras

2.59 Details of Physical and Financial Targets set and achieved with respect to Dak Niryat Kendras from the year 2021-22 onwards are as follows :

(Physical target is in nos.)
(Financial target is Rs. In crore)

Components	2021-22		2022-23		2023-24		2024-25		2025-26		Total	
	Phy.	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.	Fin.	Phy.	Fin.
Setting up of Dak Ghar Niryat Kendra	0	0	100	1	300	3	300	3	300	3	1000	10
Upgradation of IBC	4	4	7	7	0	0	0	0	0	0	11	11
Upgradation of Existing FPOs/SFPO	4	4	5	5	6	6	7	7	7	7	29	29
TOTAL	8	8	112	13	306	9	307	10	307	10	1040	50

FPOs = Foreign Post Office; SFPO = Sub-foreign Post Office

2.60 The Department submitted that for the third quarter of the year 2024-25, the physical target for number of operational DNKs in 2024-25 was 25, against which only 2 were made operational. Further, against a target of upgrading 2 FPOs / SFPOs, none were upgraded in the said quarter.

2.61 Department of Posts has authorized 1013 Dak Ghar Niryat Kendras (DNKs) up to district level across the country by 31st October, 2024. Further, in its recent submission, the Department has informed that Committee that Dak Ghar Niryat Kendras (DNKs) have been established in 750 districts across the country.

2.62 When asked about the timeline envisaged for establishing Dak Ghar Niryat Kendra in every district of the country, the Department informed that any proposal received from Postal Circles on the basis of requirement expressed by exporters for setting up DNKs will be duly processed.

2.63 Around 2.26 lakh shipments with value of around Rs. 55.43 crores have been exported in the financial year 2024-25 as on 31st October, 2024.

C. GENDER BUDGET UNDER DEMAND NO. 12

2.64 The purpose of Gender Budgeting is to monitor planning and policies from a gender perspective, as means to mainstream women's concerns.

2.65 The Statement of the Government on Gender Budget indicates, in three parts, budget provisions under different schemes for the benefit of women and girls. Part A reflects schemes with 100% provision for women, Part B reflects schemes with 30-99% allocations for women, and Part C reflects schemes with allocations for women up to 30% of the provision.

2.66 Data regarding Gender Budgeting under various Schemes of the Department from the year 2020-21 up to 2025-26, is as follows :

Year	Scheme	BE	RE	Actual
2020-21	-	-	-	-
2021-22	Estates Management	0.15	0.15	0.15
2022-23	Estates Management	1.00	1.00	1.00
2023-24	Estates Management	1.00	1.50	1.44
2024-25	Estates Management	1.00	1.00	*
2024-25	Marketing Function	0.00	2.50	*
2024-25	HRM [#] (Training)	0.00	10.20	*
2025-26	Estates Management	1.00	**	**
2025-26	Marketing Function	0.50	**	**
2025-26	HRM (Training)	10.20	**	**
Total		11.70	**	**

[#] Human Resource Management

*-The actuals for 2024-25 will be available only after the end of financial year.

** - The RE and actuals for the financial year 2025-26 will be available in the next financial year only.

2.67 A total of Rs. 11.70 crore have been allocated under gender budgeting towards the Schemes of the Department on Estates Management and Human Resource Management (Training). However, no allocations have been made towards Gender Budget during the year 2020-21.

2.68 The Department informed that there have been no instances of 'nil' expenditure under gender budget during the above mentioned years.

2.69 On being asked about the ways in which the Department plans expenditure so allocated to target and benefit women beneficiaries and the girl-child, the Department submitted that :

“Department of Posts is sensitive to the needs of its women employees and customers. In order to provide a caring environment at the work place to them, the Department under its estates management scheme is constructing separate ladies toilet and feeding rooms in various offices in across India. This benefits thousands of female employees of the Department and its female customers. Under the estates management scheme, since 2021-22, 146 ladies toilets and 41 feeding rooms have been constructed”.

2.70 Details regarding physical performance of the Scheme on Estates Management under the Gender Budget component from the year 2020-21 onwards, is as follows :

Year	No of ladies toilets constructed	No of feeding rooms constructed
2020-21	0	0
2021-22	6	0
2022-23	57	0
2023-24	59	29
2024-25 (up to 12/2024)	24	12
Total (up to 12/2024)	146	41

2.71 However, from the year 2020-21 up to December, 2024, the Department has been able to construct only 146 ladies toilets and 41 feeding rooms in post offices across the country.

2.72 Details regarding physical performance of the Scheme on Human Resource Management (Training) under the Gender Budget component from the year 2020-21 onwards, is as follows :

(Figures in actual)

No of Official/Officer Trained	2020-21	2021-22	2022-23	2023-24	2024-25(till December 24)
	12642	25215	63447	63758	34442

2.73 However, the number of female officials trained under this Scheme has not been specified.

2.74 On being asked about the impact of carving out a separate Gender Budget Component on the female workforce in the Postal Sector, the Department apprised the Committee as under :

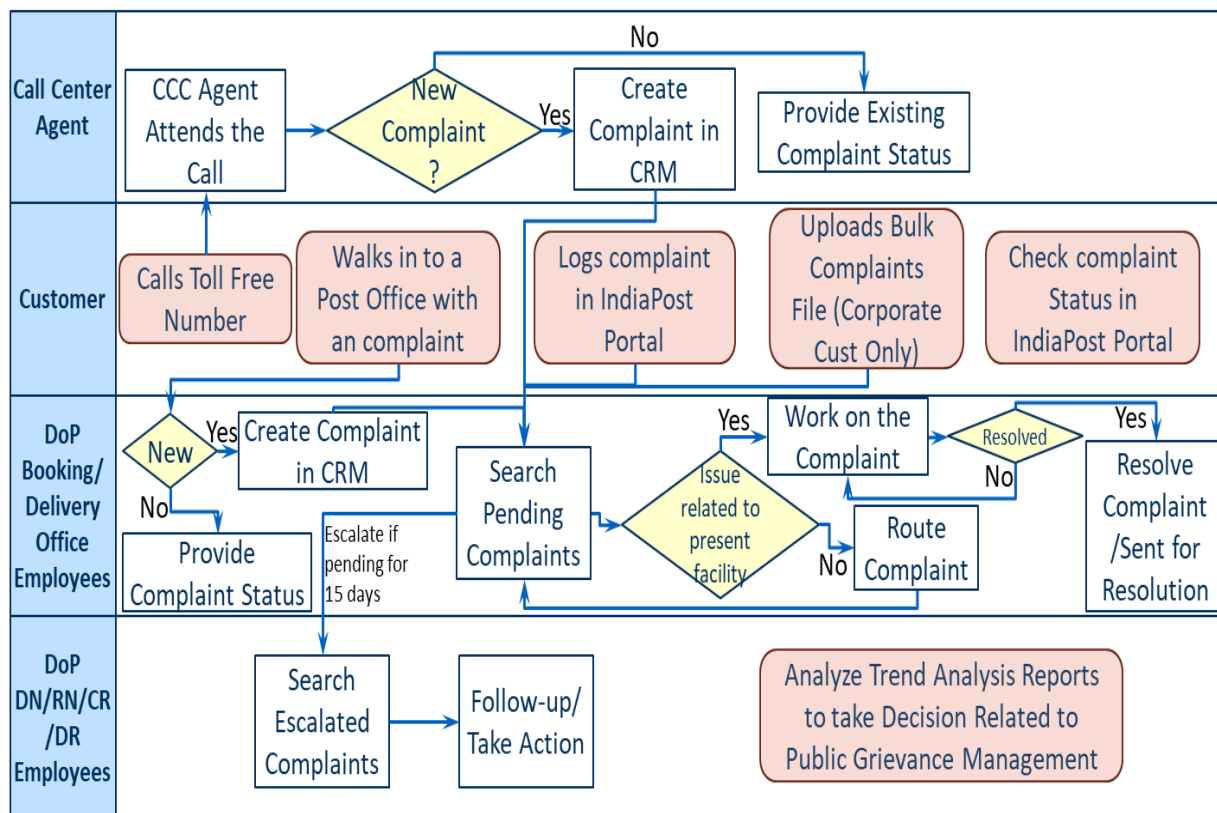
“Carving out a separate Gender Budget Component (GBC) in the Postal Sector has helped the Department in providing a congenial and welcoming environment to its female workforce. It has enabled young mothers to attend office.

The Human Resource Management Scheme includes expenditure on various training activities, which have also benefited the female workforce in the postal department. Moreover, the Dak Karmayogi Portal and the online training content created by the Department hosted on Dak Karmayogi Portal and iGoT are being utilized by all employees, including female employees for up-skilling and re-skilling without the problem of travelling to training centres frequently for training”.

D. MISCELLANEOUS

a) Grievance Redressal Mechanism

2.75 Elucidating on the process of grievance redressal, the Department furnished the following flow chart :



2.76 The Circle-wise status of grievances received, resolved and pending during the year 2023-24 has been placed at **Annexure – V**.

2.77 Regarding efforts being made to expedite the resolution of pending grievances, the Department, in its written reply submitted that :

“Complaints resolution time norms for different types of complaints were analyzed and revised time norms have been defined for greater responsiveness and efficiency in complaint resolution. Stringent internal targets for grievance redressal have been set with most of the complaints to be resolved, with the consent of the customer, within 3-7 days. The Department is currently aligning its system and people to adhere to the revised norms and resolution of complaints.

For expeditious settlement of customer grievances and quality resolution, Department has scheduled fortnightly review of grievances, quality of resolution and appeals by senior officers in the Circles. The review is taken up at the level of the Postal Services Board at regular intervals.

Department have been making continuous efforts to tighten the process for resolution of public grievances across all Channels.”

2.78 However, the Department has informed that out of a total of 1,410,147 complaints received during the year 2023-24, a total number of 24,596 complaints are still pending for resolution.

2.79 On being asked about guidelines for redressal of grievances of Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) customers, the Department, in its written reply informed :

“Grievances of Postal Life Insurance and Rural Postal Life Insurance customers are settled at Central Processing Centres in all Head Post Offices across the country, in Divisional Offices at District Level and in Regional/Circle Offices at State Level. A Call Centre has been established for grievance redressal and servicing of policies, wherein Postal Life Insurance/Rural Postal Life Insurance policyholders can call the toll-free number to seek information about status of Postal Life Insurance/Rural Postal Life Insurance policies, lodge complaints, enquire about status of complaint, submit servicing requests including updation of mobile no./ e-mail id and obtain details of agent.

Postal Life Insurance Services are also available on CRM (Customer Relationship Management) Portal, wherein all types of grievances related to Postal Life Insurance / Rural Postal Life Insurance services can be lodged by customers. Customer Relationship Management portal is centrally monitored at Circle and Directorate level for settlement of complaints in a time bound manner.”

2.80 When asked to provide information regarding ombudsman relating to PLI and RPLI, the Department, however, submitted that since PLI/RPLI does not come

under the purview of Insurance Regulatory and Development Authority of India (IRDAI), there is no provision of insurance Ombudsman in postal circles.

b) Universal Service Obligation of the Department of Posts

2.81 The Department of Posts informed the Committee that it has been fulfilling its Universal Service Obligation (USO) through two of its Schemes :

i. Sub-Scheme on Rural Business and Access to Postal Network

under the Scheme on Postal Operations – The main objective of the sub scheme is to ensure easy access to the postal network, keeping in view the Universal Service Obligation (USO) of the Department of Posts and infrastructure development of post offices to provide satisfactory and reliable services to customers.

ii. Scheme on Estates Management – The objective of this scheme is to fulfill the Universal Service Obligation (USO) by providing a congenial environment for customer transactions and also providing a good working atmosphere to the employees. As a part of fulfilling the objective of service conditions, staff quarters are also being constructed in far-flung areas for residential purpose of employees posted in these areas.

2.82 Elaborating on the role taken on by the Department under USO, the Representative of the Department, during the oral evidence submitted that :

“...सर, मैं इसमें एक बात स्पष्ट करना चाहूंगी कि हमारे 90 प्रतिशत डाक खाने गांवों में हैं, ग्रामीण इलाके में हैं। वे बहुत बड़े हैं। पिछले चार सालों में करीब 11,000 डाकखाने और खोले गए हैं और उन डाकखानों को लॉस में सरकार सोच-समझकर खोलती है। हम यह फैसला अकेले नहीं करते हैं। इसे वित्त मंत्रालय देखता है कि ये सेवाएं कैसे पहुंचाएं। एक सामान्य ग्रामीण इलाकों में जो खर्च है, सरकार वहां 100 में से 33 रुपये कमाने के इरादे से खोलती है, यह जानते हुए कि वहां इतनी बिजनेस नहीं है। पहाड़ों पर यह 100 रुपये में 15 प्रतिशत कमाने की बात है। वह जो डेफिसिट दिख रहा है, उसमें से 6,000 करोड़ रुपये डेफिसिट इसलिए दिखता है क्योंकि हम यूनीवर्सल सर्विस ऑब्लिगेशन दे रहे हैं। उस जगह पहुंच कर, जैसा कि आपने कहा कि हमारा जो कॉमर्शियल वाला रोल है, वही हम अगले चार

सालों में करने की कोशिश कर रहे हैं। पार्सल बढ़ाने से, ई-कॉमर्स को सपोर्ट देने से हमारी बैकबोन मजबूत होगी। हम फाइनेंशियल इन्क्लूजन के रास्ते जा रहे हैं। इंडिया पोस्ट पेमेंट्स बैंक में असल में वर्ष 2018 से काम शुरू हुआ है। उसमें 11 करोड़ खाते हैं। 80,000 खाते रोज़ खुल रहे हैं। इससे यह स्पष्ट है कि हमारी जरूरत है।...

2.83 Further, the Evaluation Study Report of IIPA has also remarked that :

“One of the major strengths of the DoP is its presence in the Rural India, where not many competitors are present. Therefore, it should be considered as a strategic step towards expanding its services. Secondly, even if DoP has competitors, the competitive pricing of the services and the gamut of the services that are available makes it popular amongst the customers”.

PART – II

OBSERVATIONS / RECOMMENDATIONS

ANALYSIS OF DEMANDS

1. Budgetary Allocations proposed by the Department from the Financial year 2020-21 up to FY 2025-26 are Rs. 38181.15 crore, Rs. 39273.74 crore, Rs. 41614.74 crore, Rs. 42373.29 crore, Rs. 42836.35 crore and Rs. 42522.50 crore, respectively. Against amounts proposed, the allocations made at the BE Stage from the Financial year 2020-21 to FY 2025-26 are Rs. 35188.43 crore, Rs. 35173.27 crore, Rs. 36395.89 crore, Rs. 40553.38 crore, Rs. 38917.24 crore and Rs. 41086.97 crore, respectively. The Committee note that the actual allocations at BE Stage have always been on the lower side as compared to the amount proposed by the Department from the Financial year 2020-21 to FY 2025-26. Further, the Committee note downward reduction of funds allocated to the Department at the RE Stage as against proposed allocations for each of the years from FY 2020-21 to FY 2024-25. During the year 2024-25, the proposed allocation of the Department was to the tune of Rs. 42836.35 crore against which an allocation of only Rs. 39399.65 crore was made at RE Stage. However, on being asked about financial constraints faced by the Department in discharging its responsibilities / functions due to such reductions during the year 2024-25, the Department submitted that the budgetary provisions have been as per the requirement within approved Schemes / programmes.

The Committee also note that while a large chunk of the budget allocated to the Department is spent on establishment expenditures comprising Pensionary Charges, Salaries and Allowances; the Department submitted that initiatives are being taken to optimize resources allocated towards implementation of Central Sector Schemes by creating a robust monitoring mechanism for expenditure on

Schemes and their implementation. The Committee opine that with the rising expenditure towards committed liabilities, the Department needs to focus on maximizing revenue generation through proper implementation of its Schemes. While appreciating the efforts made by the Department towards optimal fund utilization and capacity building initiatives of available manpower, the Committee urge the Department to make concerted efforts to achieve the set physical and financial targets under Schemes so that realistic allocations can be proposed without having drastic cuts during actual allocations at the BE and RE Stages, respectively.

FINANCIAL PERFORMANCE OF THE DEPARTMENT – REVENUE & CAPITAL SECTION

2. The Gross Revenue Expenditure at the RE Stage for the Financial year 2023-24 and FY 2024-25 was Rs. 35416.54 crore and Rs. 38160.73 crore, respectively; while the Gross Capital Expenditure at the RE Stage for the Financial year 2023-24 and FY 2024-25 was Rs. 1580.7 crore and Rs. 1238.92 crore, respectively. The Committee note that while there has been an upward trend in Gross Revenue Expenditure from FY 2020-21 to FY 2025-26, the allocations towards Gross Capital Expenditure of Rs. 1580.7 crore at RE 2023-24, Rs. 1238.92 crore RE 2024-25, Rs. 1085.13 proposed at BE 2025-26 and Rs. 958.35 crore actually allocated at BE Stage during FY 2025-26 show a trend of constant downward revision. The Committee also comprehend that while the upward trend in Gross Revenue Expenditure has been driven due to a substantial increase in committed liabilities including salaries, pensions and allowances; the reduction in Gross Capital Expenditure indicates reduced allocations towards several key areas of the Department such as Mail Operations, Estates Management and the IT

Induction & Modernization 2.0 initiative. Further, regarding Gross Capital Expenditure during the year 2024-25, against allocation of Rs. 1238.92 crore at RE stage, only Rs. 612.14 crore was utilized till January, 2025 which is only 49.40% of the allocation. The Committee also observe that the utilization percentage of Gross Capital Expenditure is expected to go up from 49.40% in January, 2025 to an anticipated 96.85% by the end of the financial year, showing an abrupt rise in utilization during the last quarter of the financial year.

Observing that a large chunk of the Revenue Expenditure is of obligatory nature, the Committee feel that expenditure incurred under the Capital Section is absolutely essential as an investment for the Department to augment revenue generation and supplement efforts to bridge revenue deficit through business activities undertaken in the Document Sector, Parcel Sector, International Track Packets etc. However, impediments such as delays in administrative approvals lead to uneven expenditure throughout the year, thus resulting in under-achievement of physical and financial targets. The Committee, urge the Department to take necessary steps to involve all stakeholders while formulating execution plans for Schemes so that the tendency of abrupt utilization of funds at the fag-end of the Financial Year can be avoided and a steady flow of budget for capital investments is ensured. The Committee would like to be apprised of the action taken in this regard.

FINANCIAL PERFORMANCE OF THE DEPARTMENT – RECEIPTS, RECOVERIES, RATE OF REMUNERATIONS & REVENUE DEFICIT

3. The Committee note that Mail, Parcel & E-commerce services and Financial Services being provided on behalf of other wings of the Government etc. form the

key sources for augmenting revenue generation of the Department. Further, the figures for targets and achievements under Revenue Receipts at RE Stage for the financial years 2020-21 to 2024-25 are Rs. 10632.50 crore out of Rs. 12330.05 crore; Rs. 10860.80 crore out of Rs. 13398.34 crore; Rs. 10917.89 crore out of Rs. 12230.41; Rs. 11321.35 crore out of Rs. 11408.04 crore; and Rs.8039.01 crore (till December, 2024) out of Rs. 12207.01 crore. The Committee observe that though the amount of revenue receipts achieved by the Department has grown in absolute terms from financial year 2020-21 to FY 2023-24, there has been constant under-achievement of the set targets under Revenue Receipts for the said duration. Furthermore, during financial year 2024-25, only 65.85% of the target set under Revenue Receipts has been achieved by the Department so far, till December, 2024.

The Committee understand that major Recoveries of the Department are mainly from Postal Life Insurance (PLI), Customs duties, and Input Tax credit from GST and that a total amount of Rs. 97.69 crore worth outstanding dues from other Government Departments have still not been recovered by the Department during the year financial 2024-25.

Regarding remuneration on Savings Bank Business, the Department informed that the rate of remuneration has not changed since the year 2019. The Committee note that the Department has accrued significant losses in maintaining accounts under Savings schemes with the percentage losses under the unit cost of operations being 51.98% under Live accounts; 54.84% under Silent accounts; and 62.07% under Savings Certificate. The Committee further understand that despite there being a rise in the allocations as well as recoveries and receipts of the Department from the financial year 2020-21, the Revenue

Deficit of the Department has also risen sharply from Rs. 17695.09 crore (Actual) during the financial year 2020-21 to Rs. 26141.51 crore (BE) during FY 2025-26.

While noting that the rising revenue deficit is an outcome of under-achievement of Revenue Receipts, outstanding payments under Recoveries and losses accrued under Remuneration, the Committee are of the view that the increasing revenue deficit is definitely a cause of concern as it nullifies the progress made in revenue generated from services offered under the Department of Posts. The Committee, therefore, recommend the Department to adopt sound business principles and prudent commercial practices for improving their performance in from Mail, Parcel, E-commerce services and to vigorously pursue with the concerned Ministries for recovery of outstanding dues pending with them. The Committee call upon the Department to eagerly pursue with the Ministry of Finance for obtaining final outcome of the recommendations of the Expert Group Committee of the Ministry which was constituted to revise the 2019 rate of remuneration offered on services related to Savings Bank Business. The Committee would like to be apprised of the progress made in this regard.

SHARE OF THE DEPARTMENT IN THE TOTAL CENTRAL OUTLAY

4. The share of the Department in the Total Central Outlay at the BE stage, in absolute terms, has risen from Rs. 35188.43 crore in financial year 2020-21 to Rs. 41086.97 crore in FY 2025-26. However, the percentage share of the Department for the same duration has declined from 1.15% to 0.81%. The Committee note that the Department received allocation in the Central Outlay under two components namely - Central Sector Schemes / Projects; and Establishment Expenditure of the Centre. Though there is a visible decline in the BE percentage share of the

Department of Posts in the Total Central Outlay from 1.15% in FY 2020-21 to 0.81% in FY 2025-26, a comparative analysis of the Total Central Outlay vis-à-vis BE stage allocation to the Department of Posts against the afore mentioned two components, indicates a consistent allocation pattern with the Department receiving between 1% to 1.17% of the total budget. The Department has informed that this stability in allocation indicates that the Government continues to prioritize postal operations, ensuring that the financial needs of the Department are met without any major reductions.

Further, a similar trend was observed in the RE Stage allocation to the Department in the Total Central Outlay, wherein, the percentage share of the Department went from 0.95% in FY 2020-21 to 0.83% in FY 2024-25. The Department submitted that against the two components of Central Sector Schemes and Establishment Expenditure of the Centre, the percentage share of the Department of Posts in the Total Central Outlay at the RE stage has remained stable, fluctuating marginally around 1.00% to 1.10% in FY 2020-21 to FY 2024-25. The Committee, while appreciating the performance of the Department for a steady and continuous growth, urge the Department to make all out efforts for increasing its revenue generation that would help bridge the gap between revenue and deficit.

FUNDS SURRENDERED

5. The Committee note that during Financial Year 2023-24, out of savings of Rs. 3510.92 crore and Rs. 193.81 crore under the Revenue and Capital heads, respectively, the Department surrendered Rs. 883.19 crore to the Ministry of Finance. However, no explanation was furnished by the Department about the reasons for surrendering such significant quantum of allocated funds. The

Committee observe that while the percentage utilization of RE Stage allocation for FY 2023-24 under the Revenue head was 100.64%, the RE Stage funds allocated towards the Capital head were under-utilized with the percentage utilization being only 87.73%. The Committee further note that against a proposed allocation of Rs. 42373.29 crore during the year 2023-24 the Department was allocated only Rs. 36997.24 crore at the RE Stage. The Committee, therefore, recommend the Department to aim at complete utilization of allocated funds under both the Revenue and Capital heads and to refrain from the tendency of surrendering funds so that adequate allocations are made to the Department in future and Scheme implementation does not suffer for want of funds. Further the Committee observe that such precious funds could have been gainfully utilized by any other Ministry/Department had realistic assessments been made by the Department of Posts.

POSTAL OPERATIONS

6. The Committee note that the proposed allocations towards the Scheme on Postal Operations saw a constant decline from Rs. 681.94 crore in FY 2020-21 to 240.32 crore in FY 2025-26. Further, the RE Stage allocations towards this Scheme have also shown an undulating trend for the same duration. According to the Department approximately 69.94% of the total allocation for Postal Operations during FY 2024-25 has been specifically set aside for the Mail Operations Sub-Scheme in order to streamline operations, reduce delivery times and provide a better experience for users. The Committee were enlightened that steps are being taken to enhance operational efficiency in Postal Operations by carrying out mechanization of beats. The Committee, however, note that a significant variation of Rs. 51.74 crore is seen between the BE and RE Stage allocations in during FY

2024-25 towards the Mail Operations sub-scheme and out of RE Stage allocation of Rs. 106.31 crore, only Rs. 54.61 crore have been utilized up to December 2024. Taking note of the tardy progress in utilization of fund allocated towards the prioritized sub-Scheme of Mail Operations, the Committee recommend the Department to devise a mechanism to ensure efficient utilization of allocated funds and timely achievement of set physical targets. The Committee may be apprised of the progress made therein.

IT INDUCTION AND MODERNIZATION

7. The Committee note that during FY 2024-25 against RE Stage allocation of Rs. 783.67 crore towards the Scheme on IT Induction and Modernization, the Department could not utilize even half of the amount as they spent only Rs. 240.77 crore till December, 2024. Further, the least utilization of allocation is seen under the Network and Network-NE activities of the Scheme in which the Department could spend only Rs. 8.30 crore (till January, 2025) out of Rs. 191.66 crore allocated towards Network. Similarly, the Department could incur an expenditure of only Rs. 2.07 crore (till January, 2025) against the allocation of Rs. 66.34 crore earmarked for Network-NE. Regarding hurdles faced during implementation of the Scheme, the Department informed that the involvement of several stakeholders such as IPPB, Centre for Excellence in Postal Technologies, NIC, BSNL and Functional Divisions etc., resulted in coordination issues among these stakeholders. The Department has informed that in order to resolve the problem, regular meetings among stake holders are being ensured and a Project Monitoring Group (PMG) at the level of Secretary (Posts) has been constituted to monitor the progress on weekly basis. Taking note of the efforts made by the

Department, the Committee would like to be apprised of the outcome of meetings held under the Project Monitoring Group regarding consultations with stakeholders and also about the tangible output with respect to fund utilization and realization of physical targets under the Scheme on IT Induction and Modernization. The Committee would like to be informed about the latest progress made in this direction.

8. The Committee note that the Department did not receive any specific budgetary allocation towards R&D and innovation in AI based technologies. Further, taking note of the efforts of the Department regarding implementation of IT Project to provide end-to-end tracking in delivery of postal services, the Committee recommend the Department to ensure that all stakeholders are consulted while formulating plans to implement the Scheme on IT Induction and Modernization and that the physical targets set for activities, especially the Network and Network-NE, are achieved timely.

9. The Committee note with serious concern that against a quarterly target of upgrading network hardware in 500 Departmental Post Offices for continuous network access, nil achievements were recorded. Similarly, the Committee are surprised to find that against a target of 50000 post offices for rolling out eKYC solutions, only 14 targets could be achieved by the Department so far during FY 2024-25. The Committee would like to be apprised of the reasons behind this underperformance. Moreover, recognizing the importance of a robust IT network to increase business and thereby revenue in Postal Services in Department of Posts, the Committee recommend the Department to make all out efforts to achieve its physical targets and also to ensure that budgetary allocations under the Scheme are utilized optimally. The Committee would like to be apprised of the developments in this regard.

ESTATES MANAGEMENT

10. The Committee note that the objectives of the Scheme on Estates Management are to focus on building Postal infrastructure and renovating existing infrastructure while achieving sustainable development goals. The Committee observe that the Department has been facing major hurdles in Scheme implementation in the form of delays in obtaining approval from Municipal Corporations, issues during tendering processes and depleting manpower of the Civil Wing. Regarding assets owned by the Department of Posts, the Committee has been apprised that a detailed report containing particulars of the Post Office Estates and dispersed plots of land owned by the Department is under preparation.

Further, as per report of the third party evaluation conducted by the Indian Institute of Public Administration (IIPA), the Scheme on Estates Management was ranked the least performing as per the users and as the second worst performing by the employees. Taking note of the status of implementation of the Scheme on Estates Management and of the Estates currently held by the Department of Posts, the Committee recommend the Department to explore the idea of harnessing the commercial potential of assets and to prepare a proposal for monetization of available assets in order to self-sustain and curb the rising revenue deficit being faced by the Department.

11. The Committee note that no separate allocation has been made under the Scheme on Estates Management for GIS Survey and GIS Mapping on Postal estates. Further, during the oral deposition, the Committee were also apprised about dilapidated conditions of Postal buildings and issues faced by the Department for want of funds for maintenance and repair. The Committee perceive that maintenance of heritage Postal buildings is necessary not just to

preserve the rich cultural legacy of the Postal Department but also to showcase the cultural relevance of India Post through activities such as Philatelic exhibitions, Heritage tours etc., which, in effect, could also emerge as a much-needed source of revenue generation for the Department. Emphasizing on the importance of the heritage value held by Postal assets, the Committee also believe that GIS Survey and GIS Mapping of Postal estates could enhance the prospects and popularity of heritage Postal buildings. Therefore, while urging the Ministry of Finance to factor in these critical aspects during the process of fund allocation, the Committee recommend the Department to propose for a separate allocation on GIS Survey and GIS Mapping of Postal estates while simultaneously pursuing for increasing allocations towards the scheme on Estates Management. The Committee would like to be apprised of the actions taken and progress made in this regard.

INDIA POST PAYMENTS BANK (IPPB)

12. The India Post Payment Bank has been set up with the objective of achieving financial inclusion in a cost-effective way through access to barrier-free financial services in the unbanked and underbanked areas of the Country. The Committee note that not only has the IPPB been providing accessible and affordable banking services at the last mile but it has also led to an increase in the rural banking infrastructure by almost 2.5 times. Further, the Committee also observe that while IPPB has been focusing on Merchant acquisitions for building a digital transaction ecosystem; its combination with the Department of Posts has led to the creation of a Phygital Platform for rural India wherein Financial Services have been embedded with Government Services to provide a range of services to citizens at the last mile. The Committee also appreciate the fact that

out of an IPPB customer base of over 11 crore, 77% are based in rural areas and 48% of the customer base comprises women, besides about 3.6 crore Savings accounts being held by DBT beneficiaries.

The Department also informed that a major challenge in the implementation of the IPPB Business model has been the limited availability of avenues for revenue generation but this was overcome through streams such as Government-to-Citizen services with which the IPPB turned profitable in the 4th year of its operations. Regarding adoption of a single structure in IPPB, the Department submitted that this has been addressed through the IPPB App ensuring effective utilization of Post Office Savings Bank account with other IPPB accounts. The Department, however, submitted that due to variety of services offered under the Post Office Savings Bank as compared to only Savings account services offered under IPPB, merging services of the two entities is fraught with practical difficulties.

The Committee note that Hon'ble Finance Minister, during her Budget Speech 2025-26, announced that India Post with 1.5 lakh rural post offices, complemented by the India Post Payments Bank (IPPB) and a vast network of 2.4 lakh Dak Sevaks, will be repositioned to act as a catalyst for the rural economy. The Budget Speech 2025-26 also included announcements regarding deepening and expansion of the services of India Post Payments Bank in rural areas. Taking note of the performance of the Scheme on India Post Payments Bank so far; and in the light of Budget announcements 2025-26, the Committee are hopeful that with proper planning and implementation of set targets, the Scheme on IPPB has the potential to realize the goal of financial inclusion in the remotest of areas while also generating revenue for sustaining itself. Therefore, the Committee recommend the Department to make earnest efforts towards achieving its targets

regarding expansion of its banking services availability to all the villages in order to provide financial inclusion coverage within a 5 km radius; development of merchant ecosystem under the Scheme on Pradhan Mantri Vishwakarma; training and capacity building of its end users; and providing doorstep services to customers through Hand-held Micro ATMs and Biometric devices. The Committee would like to be apprised of the proposed roadmap and progress made in this direction.

QUALITY OF SERVICE

13. The sub-Scheme on 'Quality of Service' primarily involves certification of quality of service of post offices with the main activities of this Sub-scheme being – (i) improving quality of Delivery of all Postal Products and Services against standards defined; (ii) implementation of Service Delivery Excellence and standards viz Citizen's Charter, Public Grievance Redressal and Service Delivery Capability; and (iii) implementation of Dynamic Queue Management System (DQMS) in Post Offices to reduce queuing and service time to citizens. The Department informed that the objective of the initiative is to develop a standard using which the delivery of service is improved over a period of time to reach a level where the quality of these services can be evaluated objectively by an outside agency. The Department also submitted that due to lack of capacity on the part of BIS, New Sevottam Certification in Circles is proving difficult and organizing surveillance audits is proving to be an uphill task in the light of changing systems of quality standards. Further, Department has also taken an alternative approach to Standardization and Service Delivery Excellence by approaching Quality Council of India for Standardization of process, Infrastructure & Service delivery and Development of a self-evaluating system;

which will enable adherence to service standards across the network over a period of time. The Department has submitted that the approach for the years 2025-26 onwards would be adopted as per the new methodology being devised currently.

The Committee observed that as per the report of the Indian Institute of Public Administration (IIPA) regarding third party evaluation of the performance of the Schemes of the Department, the sub-Scheme on Quality of Service was rated as the best performing Scheme by beneficiaries / users, thus showing their satisfaction with the quality of postal services being delivered. The Committee are, however, concerned to note that none of the physical targets set against the indicators of 'New Certification' and 'Renewal' under this sub-Scheme for the year 2024-25, have been achieved so far. Considering the importance of qualitative service delivery and the pressing need for regular evaluation of quality of services, the Committee recommend the Department to expedite actions related to consultations with the Quality Council of India (QCI) and ensure that individual frameworks regarding 'Standardization of process, infrastructure and service delivery' as well as for 'Self evaluating system' are in place before the end of the current financial year. The Committee would like to be apprised of actions taken in this regard and the progress made therein.

DAK GHAR NIRYAT KENDRA

14. The Economic Survey 2024-25 has stated that recognizing the relevance of e-commerce exports, the Foreign Trade Policy (FTP) 2023 laid down provisions for fostering cross-border digital trade and promoting e-commerce and other emerging export channels. One such scheme for promoting e-commerce exports through Postal route is the 'Dak Niryat Kendra'. The Department has apprised the

Committee that the Sub-scheme on Mail Operations under its Scheme on Postal Operations has a provision for international relations and global business under which activities regarding setting up of Dak Ghar Niryat Kendras; establishment / upgradation of International Business Centres; and Upgradation of Foreign Post Offices (FPOs) /Sub Foreign Post Offices (SFPOs) are included. The Committee note that the aims and objectives under the sub-Scheme on Mail Operations are all directed towards augmenting revenue from export through postal channels by strengthening and upgrading infrastructure of FPOs / SFPOs; establishing Dak Ghar Niryat Kendras (DNKs) in every district of the Country; and enhancing booking volume of International Articles by increasing handling capacity and ensuring high standard of service quality at FPOs / SFPOs.

The Department submitted that it has identified 1013 DNKs at district level across the Country. The Committee, however, note that for the third quarter of FY 2024-25, even though the physical target for number of operational DNKs in FY 2024-25 was 25, among them only 2 were made operational and against a target of upgrading 2 FPOs / SFPOs, none were upgraded in the said quarter. Further, the Committee note that Dak Ghar Niryat Kendras (DNKs) have been established in 750 districts across the Country, however, the Department has furnished no timeline for realizing the goal of establishing Dak Ghar Niryat Kendra in every district of the country. Acknowledging the potential for revenue generation and business proliferation through e-commerce exports undertaken by Dak Ghar Niryat Kendras, the Committee recommend the Department to perform, in a time bound manner, a district-wise assessment of requirements expressed by exporters for setting up DNKs and accordingly, draw a timeline for prioritizing and setting up Dak Ghar Niryat Kendras in every district of the country. The Committee would like to be informed about the actions taken and progress made

in this regard. The Committee would also like to be apprised of the status of pending proposals, if any, received by the Department from Postal Circles for setting up DNKs.

GENDER BUDGET UNDER DEMAND NO. 12

15. Gender Budgeting is an effective mechanism to monitor planning and policies of the Department from a gender perspective and it can prove beneficial in mainstreaming women's concerns and ensuring gender equality in the long run. The Committee note that allocation made under the Gender Budget towards the Scheme on Estates Management from the year 2021-22 up to 2023-24 were utilized satisfactorily. The Committee, however, note that no allocations were made under the Gender Budget during the year 2020-21. The Department informed that there have been no instances of 'nil' expenditure under gender budget from the year 2021-22. Regarding the impact of a separate Gender Budget on the female workforce of the Department and on the female customers, the Department submitted that in order to provide a caring environment at the work place to the female employees, separate ladies toilet and feeding rooms in various offices across India are being constructed under the Estates Management scheme and this benefits thousands of female employees of the Department and its female customers. Further, it was also submitted that under the Estates Management scheme, since FY 2021-22, 146 ladies toilets and 41 feeding rooms have been constructed. The Department further apprised the Committee that carving out a separate Gender Budget Component (GBC) in the Postal Sector has helped in providing a congenial and welcoming environment to its female workforce. It has also enabled young mothers to attend office.

The Committee, however, note that from FY 2020-21 up to December, 2024, the Department has been able to construct only 146 ladies toilets and only 41 feeding rooms in post offices across the Country and that the Department has failed to specify the number of female employees that were trained under the Scheme on Human Resource Management. Taking note of the importance of the Gender Budget component under the Schemes of the Department, the Committee recommend the Department to make whole hearted efforts towards achieving targets set under the designated Schemes and to ensure that the budget earmarked under the Gender Budget component is utilized for its intended purpose and the directions of the Government regarding inclusivity and gender balance to mainstream women's concerns in policies are implemented in letter and spirit. The Committee would like to be apprised of the progress made in this regard.

GRIEVANCE REDRESSAL MECHANISM

16. The Committee note that out of a total of 1,410,147 complaints received by the Department during FY 2023-24, 1,385,551 complaints were resolved whereas 24,596 complaints are still pending for resolution. The Committee were informed that stringent internal targets for grievance redressal have been set with most of the complaints to be resolved, with the consent of the customer, within 3-7 days. The Department also informed that fortnightly review of grievances, quality of resolution and appeals by senior officers in the Circles is being undertaken. Further, the Department has stated that review is being conducted at the level of the Postal Services Board at regular intervals and it is making continuous efforts to tighten the process for resolution of public grievances across all Channels.

The Committee, however, note that as per the data provided, the top 5 Circles with maximum number of pending complaints in decreasing order are Maharashtra, Delhi, Uttar Pradesh, Gujarat and Haryana, respectively. Taking note of the huge pendency of complaints from FY 2023-24, the Committee recommend the Department to ensure a strict monitoring mechanism for complaint redressal and to fix responsibility in cases of inordinate delay. The Committee would like to be apprised of the action taken for reducing the number of grievances pending with the Department of Posts and the timeline set for addressing the same.

17. Further, the Committee note that grievances of Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) customers are settled at Central Processing Centres in all Head Post Offices across the country, in Divisional Offices at District Level and in Regional/Circle Offices at State Level. The Committee, however, observe that since PLI/RPLI does not come under the purview of Insurance Regulatory and Development Authority of India (IRDAI), there is no provision of insurance Ombudsman in postal circles. Taking note of the absence of an Ombudsman, the Committee recommend the Department to formulate a mechanism to protect the interests of policy holders under PLI and RPLI. Similarly, the Committee recommend that in order to regulate, promote and ensure growth and revenue of PLI and RPLI accrued from services offered by the Department, it should ensure customer-friendly and business-like approach. The Committee would like to be apprised of the actions taken by the Department in this regard.

UNIVERSAL SERVICE OBLIGATION (USO) OF THE DEPARTMENT OF POSTS

18. The Committee note that the Department of Posts has been undertaking activities to fulfill its universal service obligation through the implementation of its Schemes on Postal Operations and Estates Management. The Committee also note that the core USO activities undertaken by the Department comprises of infrastructure development of Post Offices; satisfactory and reliable services to customers; service conditions and construction of staff quarters in far-flung areas for employees posted there; and providing a congenial environment for customer transactions.

The Committee observe that the ability of the Department of Posts to provide last mile connectivity has helped further the reach of the social security Schemes of the Government of India aimed at providing financial inclusion. The Committee note that the Department is providing immense potential for expanding business avenues through competitive pricing and the gamut of services offered to different strata of the Society. While appreciating the earnestness of the Department of Posts in increasing outreach in the rural areas, the Committee urge the Department to take strategic steps towards expanding its customer base and strengthen its revenue generation through services such as E-commerce, Parcel delivery, international exports etc. The Committee would like to be apprised of the steps taken to achieve this objective and also the roadmap laid down for the same.

New Delhi;
18 March, 2025
27 Phalgun, 1946 (Saka)

DR. NISHIKANT DUBEY,
Chairperson,
Standing Committee on
Communications and Information Technology.

Annexure- I**Details of Revenue Receipts achieved by the Department under various heads during the last five years**

(Rs. in Crore)

DESCRIPTION	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Up to Dec 2024)
Postage Realised in cash for Ordinary Services	653.68	541.35	777.4	924.89	79.77	39.83
Speed Post	1764.09	1239.2	1461.18	1459.32	1839.71	1212.55
Business Post	134.38	68.89	68.76	61.62	55.35	37.86
Bill Mail Services	12.35	3.39	3.4	3.32	2.9	2.02
Postage realised through sale of Postage Stamps	159.16	89.83	97.23	99.23	95.23	63.74
Sale of Service Stamps	51.08	41.72	44.33	50.23	54.38	40.25
Postage Realised for National Bill Mail Service	1.42	1.12	4.71	3.7	2.84	1.03
Postage Realised for sale of Philatelic Stamps	33.73	20.25	15.85	18.1	16.36	9.43
Business Parcel	135.58	73.25	65.51	69.24	62.93	48.78
PRC through remotely managed franking machines	681.66	343.45	511.58	611.91	569.44	154.07
PRC for International Parcel	84.98	48.05	112.68	172.97	211.95	97.49
PRC for International Letters (Registered)	120.1	47.76	96.23	131.89	162.83	91.10
PRC for International App e-Packet Service	1.73	8.4	5.68	52.32	87.04	67.96
Speed Post Parcel	0	146.35	214.35	239.14	288.44	214.38
Registered Parcel	0	0	0.01	0.59	393.52	159.42
Revenue From Registered Letters	0	0	0	0	456.79	423.91
Magazine Post	0	0	0.01	0.78	5.59	3.01
Commission on EMO	218.46	192.04	116.03	82.57	71.19	46.79
MTCE, Revival & Service Charges in r/o Silent A/c	0.77	0.05	647.49	181.2	115.29	1.02
Rent & Taxes	7.31	5.18	6.97	7.45	8.74	7.69
Recoveries from other Govt. Departments for Service rendered	2.9	3.65	3.94	9.01	4.28	0.74
Registration Fee for Cable TV Operators	4	3.76	3.42	3.27	6.44	2.52
Commission realised on account of Revenue Stamps	5.82	5.44	5.41	5.58	5.36	3.75
Remuneration for workers wage Account for MGNREGA	17.48	12.18	1.04	20.11	6.84	5.74
Fee/Charges received from SB depositors/ customers for interoperable ATM transactions at DOP	20.89	21.73	16.03	4.73	27.74	8.34
Transaction Charges received from MEA for POPSK	0	31.06	14.14	65.81	51.54	136.21
Fee Received for Aadhaar Updation Work at HOs/SOs	53.02	37.89	45.69	44.69	95.24	99.03
Service Charge to be collected from UIDAI on new AADHAAR Enrollment	20.03	28.72	40.47	42.24	19.14	9.67
Revenue earned through Misc Charges on ATM Cards	0	0	0	0.01	79.51	48.44
Net Receipt from other Postal Administrations	0	27.46	24.11	6.06	28.14	0.00
Retail Post	62.54	49.64	30.98	70.06	76.23	33.31
Service Charges on e-Payment	15.13	8.61	13.6	12.07	7.79	1.72
Media Post	3.64	26.64	0	4.37	3.82	1.95
Logistic Post	12.79	11.37	8.61	11.72	13.54	8.60

Other items *	520.8	286.67	200.61	243.78	107.85	287.55
Commission /Share DOP on account of Sale of Sovereign Gold Bond	0.07	1.88	0.54	2.27	5.79	0.00
Management of SB Govt. Securities	8302.46	6838.08	6005.88	6064.07	6227.92	4917.71
Management of Savings Certificates	357.59	217.71	108.59	122.63	199.15	167.62
Deduct Net Payment to Other Postal Administration	-92.43	-67.22	-83.36	-225.66	-479.97	-416.22
Total - Postal Receipts	13558.19	10632.5	10860.79	10917.89	11321.21	8039.01
SBCC figures up to Dec-24 are tentative						
* Other Items includes postal products including e-Payment, , Sale of Sovereign Gold Bond, Sale of Waste papers, etc.						

Initiatives undertaken by the Department to increase Revenue Receipts and contain Revenue Deficit during the ensuing financial year 2025-26

The major initiatives taken by the Department during the year are listed as follows:

1) Mails, Parcels and E-Commerce:

The Department reviews its services and products keeping in view the changing market scenario, customer needs, industry benchmarks etc. and takes necessary steps/action to modify service features to improve the postal services to increase the revenue receipts of the Department.

Following are some of the measures being taken to reduce operational costs and improve the services to attract more customers subsequently leading to increase the revenue receipt in 2025-26:

(i) Department is strengthening the marketing of the Speed Post / Registered letter services to onboard new customers to improve the Speed Post /Registered letter revenue.

(ii) Department is focusing on revamping the transmission and delivery infrastructure by co locating/ merger of mail processing hubs is under process which will help the Department in reducing the operational cost by moving away from high-rent railway premises and improving the efficiency through co-location of different mail processing units. Centralized hubs make it easier to plan efficient routes for the Mail Motor Service (MMS) resulting in enhanced route optimization, reduction in transportation costs and better space utilization with flexibility for future expansion.

(iii) New age booking avenues such as Booking Kiosks & online booking of postal articles are introduced to attract new customers. Department is in process of installing 70 more kiosks during this year.

(iv) Revamped franchisee scheme has been introduced with the revised commission structure to increase the revenue of various postal products including Speed post & Registered post.

(v) In order to provide enhanced after sale service, Single Point of Contacts have been designated for corporate customers having monthly business of Rs.10 lakh and above in all the Postal Circles.

(vi) Introduce flexible delivery options such as doorstep pickups, scheduled deliveries, Non-business Hour delivery, Holidays delivery etc. for better customer convenience.

(vii) The Department is exploring the use of drones for faster and more efficient delivery of postal articles, particularly in remote and inaccessible areas. This initiative aims to reduce delivery times, enhance service reliability, and expand the reach of postal services to regions where traditional logistics face challenges. Drones will be leveraged for the delivery of Speed Post, essential documents, medical supplies, and e-commerce parcels.

(viii) Furthermore, following key measures are also being taken to increase Parcel revenue in 2025-26, driven by the growing e-commerce sector and logistical demands:

A. Modernizing Infrastructure: Investments in automation and improved parcel processing facilities to enhance speed and efficiency.

B. Expanding E-commerce Partnerships: Strengthening collaborations with e-commerce giants and SMEs to handle growing parcel volumes through tailored services and bulk pricing models.

C. Optimizing Pricing and Services: Dynamic pricing strategies and introducing value-added services.

D. Leveraging Technology: Implementing AI-driven route optimization, demand forecasting, and improving digital booking platforms for smoother customer integration.

Additionally, the Department has undertaken Mail and Parcel Optimisation Project (MPOP) to transform the overall parcel and mail network.

2. Financial Services:

DoP, with its new technology-based initiatives like ATM, E-Banking, Mobile- Banking, NEFT&RTGS, Electronic Clearing Service, CBS-GL integration, CBS-CTS integration, e-PAN validation, e-KYC etc., has improved the quality of delivery of its POSB services. To make the services available at the fingertips of the customers at any time, a facility of account opening & closure of POSB accounts has been made available through an internet banking facility.

To increase revenue in Financial Services, Department organizes special campaigns, melas and promotional camps to encourage people for investment in small savings schemes.

3. Other Services

- i. The Department also reviews its services and products keeping in view the changing market scenario, customer needs, industry benchmarks etc. and takes necessary steps/action to modify service features to improve the postal services to increase the revenue receipts of the Department.
- ii. AnMoU has been signed with Khadi Village Industries Commission (KVIC) on 20th August 2024 for physical verification of units under PM Employment Generation Program, which will bring additional revenue to the Department using the existing resources.
- iii. AnMoU was signed with SUUTI for door-to-door KYC verification of Mutual fund investors of SUUTI in April 2024. This will also generate revenue for the Department. Also, major mutual fund companies are being approached for their KYC verification through India Post. Through persistent efforts transaction charges for POPSK services have been got increased from Rs. 330 to Rs. 411 per transaction which will increase the revenue of the Department substantially.

4. General Measures.

Following are some of the measures being taken to increase the revenue receipt in 2025-26

- I. Around 1.8 lakh mobile phones are being used by delivery staff for real time updation of delivery status Speed Post, Registered Post, Money Orders etc. through postman mobile app.
- II. Application Programme Interface (API) Integration facility has been introduced for seamless exchange of booking and delivery data with customers.
- III. In order to improve delivery time and visibility, performance of Speed Post and other accountable articles is regularly monitored through a well-defined set of Key Performance Indicators (KPIs) at HQ as well as Circle/Division level.
- IV. Corporate Customer Specific MIS has been introduced wherein customers can access booking and delivery MIS reports through login id and password.
- V. 24x7 CRM for bulk customers has been put in place to upload complaints in bulk and monitor the status on CRM.
- VI. Registration process of bulk customer under BNPL and NAF with DoP has been revised wherein Time limit of 2 days and 7 days has been prescribed for customer registration under Book Now Pay Later (BNPL) and National Account Facility respectively.

Annexure III

Details regarding financial achievements of the Schemes of the Department from the year 2020-21 up to 2025-26

(Rs. in crore)																		
S. No.	Plan Schemes/Activities	2020-21			2021-22			2022-23			2023-24			2024-25			2025-26	
		BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals	Proposed BE 25-26	BE 25-26
1	Postal Operations																	
i	RB	30.00	16.65	12.07	15.00	28.50	23.64	28.50	18.66	18.42	22.35	30.03	27.01	19.92	19.92	10.47	18.96	15
ii	Mail Operations	249.00	81.62	78.84	200.00	171.62	107.21	190.00	135.75	133.75	170.65	165.76	145.21	158.05	106.31	54.61	145.8	130.34
iii	Marketing	45.00	13.00	12.78	15.00	15.00	11.17	15.00	15.00	14.51	18.00	19.35	19.54	41.08	41.28	25.12	47.35	10
iv	Philately	7.00	2.80	1.98	4.00	4.00	3.11	4.00	4.00	3.61	4.00	4.90	5.00	6.08	6.63	1.6	27.35	21
v	Quality of Services	1.10	0.70	0.52	0.50	0.50	0.47	0.35	0.35	0.35	0.64	0.64	0.62	0.86	0.86	0.25	0.86	0.66
	Scheme Total	332.10	114.77	106.19	234.50	219.62	145.60	237.85	173.76	170.63	215.64	220.68	197.37	225.99	175.00	92.05	240.32	177.00
2	Human Resource Management	47.20	16.04	16.35	25.00	17.43	19.22	25.00	29.08	22.56	34.00	37.47	35.74	42.00	34.00	18.91	38.87	38.87
3	Estates Management	120.50	40.00	44.01	55.00	70.00	56.73	65.00	70.10	64.02	100.00	115.00	117.39	133.50	120.25	54.1	145.5	120.5
4	India Post Payments Bank	220.00	220.00	220.00	200.00	200.00	200.00	200.00	400.00	400.00	250.00	250.00	250.00	250.00	250.00	250	0	0
5	IT Induction and Modernization	784.43	819.14	877.47	727.47	720.42	761.30	716.15	1095.97	1073.94	928.67	1096.19	921.54	748.02	783.67	240.77	729	729
Grand Total		1504.23	1209.95	1264.02	1241.97	1227.47	1182.85	1244.00	1768.91	1731.16	1528.31	1719.34	1522.05	1399.50	1362.92	655.83	1153.69	1065.37

Third Party Evaluation of Postal Operations, Estate Management and India Post Payment Banks - Evaluation Study Report of Indian Institute of Public Administration (IIPA)**EXECUTIVE SUMMARY**

The Indian Institute of Public Administration, New Delhi has submitted its Evaluation Study Report of Postal Operations, Estate Management and India Post Payment Banks.

The major objectives of the evaluation study were

To understand and assess the performance of the Central Sector Schemes of DoP, Department of Posts (DoP), to qualitatively and quantitatively map the intended and actual contribution of various sub components of Umbrella Scheme- Postal Operations viz Return on Investment, and to provide recommendations based on the synthesis of sub scheme level analysis, on the need to continue the schemes in their existing form, modify, scale-up, scale- down or close down the schemes

The study followed a mixed research methodology, wherein, combinations of the qualitative and quantitative approaches were adopted for the study. As a part of the qualitative approach, the team had attempted to understand the performance of the schemes using qualitative data. For the quantitative data collection, a combination of community and stakeholder surveys was used. Based on the secondary data on OOMF for the period of 2020-2021 provided by the department, the following observations were made.

S. No.	Scheme	Percentage Outcome/Output Achieved
1	Postal Operations	
1a	Rural Business	100%
1b	Mail Operations	100%
1c	Post Office Savings Bank	100%
1d	Philately	100%
1e	Marketing and Promotion	100%
1f	IT Modernization- Hardware	100%
1g	Quality of Service	100%
2	Estate Management	100%
3	IPPB	100%

As shown in the table above, no gaps were found in the achievements of the department. In addition to this, the primary data was also collected by administering the questionnaire to users and to the employees of the post offices. The questions were formulated using the 5-point Likert scale (1 being the lowest and 5 being the highest). The study team also conducted Focus Group Discussions and In-Depth Interviews with the senior officials of the Postal Department. As per the primary data collected by the study team, the performance of the schemes can be summed up as follows:

S. No.	Scheme	Average Performance of the Beneficiaries/users	Rank as per the user's response	Average Performance of the Employees	Rank as per the Employees response
1	Postal Operations				
1a	Rural Business	3.32	6	3.34	6
1b	Mail Operations	3.74	2**	3.61	3
1c	Post Office Savings Bank	3.40	7	3.75	1*
1d	Postal Life Insurance	3.27	4	3.59	4
1e	Philately	2.82	8#	3.04	10##
1f	Marketing and Promotion	3.68	3	3.48	5
1g	IT Modernization-Hardware			3.12	8
1h	Quality of Service	3.88	1*	3.31	7
2	Estate Management	2.65	9##	3.09	9#
3	IPPB	3.49	5	3.68	2**

Symbol and Explanation

* The best performance rank

** The second best performance rank

The second least performance rank

##The least performance rank

As per the responses shared by the users, the scheme 'Quality of Service' was the best performer, with a ranking of 3.88 out of 5. The beneficiaries/users seem to be satisfied with the quality of services that are being provided and also with the mail operations. One of the major strengths of the DoP is its presence in the Rural India, where not many competitors are present. Therefore, it should be considered as a strategic step towards expanding its services. Secondly, even if DoP has competitors, the competitive pricing of the services and the gamut of the services that are available makes it popular amongst the customers.

The least performing scheme, as per the responses of the users of the Postal department, was 'Estate Management' with a rating of 2.82. As per the responses of the employees of the department, the best performing scheme was Post Office Savings Bank, with a rating of 3.75 out of five, and the least performing scheme was Philately, with the ranking of 3.04. The Estate management was ranked second worst by the employees, with a score of 3.09 out of five.

A general consensus can be observed between the users/beneficiaries and the stakeholders on Estate Management and Philately. Both of them have shared their experiences on various aspects of these two services being provided by the DoP. The detailed questionnaire is annexed for the better understandings of their observations.

Also, it was to be noted that under the scheme „Quality of Service' there was a huge gap in the ratings of the employees and the beneficiaries, which stood at 0.58 rating points. It has been found that, the employees are providing services with a smile to the customers, even under the limitations they face. During the visit, it was found that the employees go out of the way to serve its customers.

An interesting trend was observed. Even though the DoP ranks the POSB as the best performing service, the users/beneficiaries ranking (rank 7 out of 9) shows its poor performance. This implies that the service needs to be aligned as per the expectation of the users. The OOMF shows a 100% achievement of all the outputs, however, there is a need to define the

outputs/outcome indicators as per the customers' needs/wants. The research output also shows lack of marketing initiatives to create awareness among the customers.

The major issues and challenges as per the users and the employees of the department are being listed below. Poor connectivity of the internet services provided for day to day functioning. Untrained staff, limited or no knowledge about latest schemes. High charges in IPPB act as a barrier. Low speed devices further degrade the performance and services of the department. No Marketing, hence limited customer base. Limited/ Out of date infrastructure acts as a barrier.

On the basis of issues and challenges faced, findings of the secondary data, field survey, focused group discussions and in depth interviews, the following recommendations have been proposed. The detailed recommendations have been provided for three schemes, viz. (i) Postal Operations, (ii) Estate Management and (iii) IPPB. The observations made in the sample data have been generalized as the sample is the representative of the population.

POSTAL OPERATIONS

It is been observed that there are many Post offices (PO) in close proximity, resulting underutilization of resources, both physical and financial. Understanding that the resources to maintain the infrastructure are limited, it would be economical to maintain few. In the present situation, it has been observed, that a majority of the POs lack in the basic infrastructure. These post offices are using very old/wrecked tables, chairs (partially broken), there is a lack of space to keep the records (retrieving of the records become impossible), and improper wiring of the circuits etc. is observed. In some POs in the urban areas have the asbestos ceiling and not even concrete.

It is suggested to merge the POs which are in the close proximity and to retain a major one equipped with all the services. Merging some of them and continuing with one big PO will enable the proper maintenance of the offices.

During the field visit, a noticeable difference in behaviour towards employees of varying ranks has been observed. It is suggested to provide uniform infrastructure (chair with wheels /tables) to all the employees regardless of their post. A small step towards this direction can elevate the motivation of the employees, implying more effective and efficient services to the society.

Due to rapid urbanization, there is a constant increase in the populace of the city. With an increase in the population, there is a need for postal services too.

It is suggested to open POs in the newly developed area, and the existing resources that are surplus from the merger (as suggested in the first point) can be relocated. This would accomplish the rationalization of both human and the financial resources.

It is also being observed that the use of personal mail has gone down drastically due to digital communication. Hence, a huge disparity in the number of the mail has been observed during the study. The number of articles received by the various POs differs significantly, as some receive more and some receive lesser number of articles within a city. Although the responsibility of the post masters have increased over a period of time, as they are now being involved in other activities other than delivery of the mail.

It is being suggested to rationalize the services of the department. It is being suggested to adopt the Hub and Spoke model for the delivery. Merging of few (requires a further study to decide the exact number) delivery centres and creating a major delivery centre could be useful for the optimization of the service. The areas can be allocated amongst the postmen for the distribution of the articles.

However, the postmen can be given the travel allowances to use the mechanized vehicle (two wheeler/three wheeler) to cover the distant places. Hence, it is suggested to change the existing norm of Cycle Allowances being offered to the post men which restricts them to a small area for the delivery.

The connectivity of SIFY (wherever it is available) and BSNL has issues in the internet service. With the frequent non-availability of the internet services, the computers also remain non-functional, which has a negative impact on the processes. There is a long queue of the customers who becomes impatient with a long wait. Sometimes, they have to make a second visit to the post offices. This prompts them to look for an alternative service provider (private courier services), which consequently causes the Department of Posts (DoP) a loss to the customer base.

Also, because of the unavailability of the internet, the mails are not received on time (as this is done digitally) and the delivery of articles is delayed. Even though the complaints are addressed, the huge losses caused are not tangible to measure the negative impact.

As many of the processes have been digitalized, there is a massive dependency on the internet connectivity. It is being suggested to improve the situation either by changing the service providers (in some states, a consistent good service is being provided by other service providers), or, revisiting the service level agreement with the existing providers.

The market is being competitive, with the presence of private courier players in domestic and in the international level. Though the DoP is offering its service for the home collection for the bulk articles, it may be extended for the single users also with an additional tariff. However, the pricing should be competitive to have an edge over the competitors.

Overall to create the awareness for the various postal services, it is being suggested to organize Dak Melas more frequently, provide Departmental Calendars to customers, advertise on print media, social media, radio & TV, and maintain good rapport with the customers.

As the BPMs and GDS are not necessarily locally recruited, a regular review of the BOs should be done (once in six months). In case of gradual decrease in the business or generating no business, a detailed discussion with the concerned person to understand the issues and problems should be initiated. This would help to take an appropriate step towards continuation/discontinuation of the services.

A letter/certificate of appreciation can bring a great change to boost the morale of the employees. It is suggested to initiate the practice and the letter of appreciation can be done every month.

MAIL OPERATIONS

The mechanized sorting is recommended as a proper sorting of the articles before it reaches to the delivery offices would enhance the effectiveness of the service

While booking the article, it must be ensured that complete address along with the mobile number has been obtained

Post cards are being misused for commercial purposes, like marketing activities, when the product is meant strictly for personal communication.

It is suggested to make an appropriate policy to stop the malpractice. The sender should be encouraged to use other services or should be charged additionally.

A uniform tariff for the speed post and registered mail is also suggested as both are given equal importance in terms of delivery; hence the tariff should also be same.

The Nodal Delivery Centres (NDC) should be functional on priority basis for same day delivery.

The punctuality of the mail motor needs to be consistent. The routes may be optimized subject to condition the location of the post offices and fleet size.

It is always recommended to get connected with the customers to capture their voices. The DoP can start sending bulk messages, emails to remain connected with its customers. Practices of some national/international agencies can be studied and the most effective means can be adopted.

RURAL BUSINESS

As one of the focus of the scheme is to enhance the financial inclusion, an attempt is required to work towards enhancing cash balance. An attempt should be made to increase limit of all schemes at BO level.

The GDS BPMs have to perform all kinds of transactions on Rural Information and Communication Technology (RICT) machines including B.O. Daily Account, the Network should be available seamlessly. It is suggested to solve the network problem to make this scheme more effective.

It is also recommended to issue cheque books to the rural customers.

Feedback from customers should be collected to know the root cause of the issues and also their expectations, These are to be considered periodically to improve the service delivery.

QUALITY OF SERVICE

The quality of services depends on human resource and the availability of the infrastructure.

It is being suggested to conduct a study for the optimization of human resource with respect to work load and the available resources. All the Post offices should be well equipped and furnished, which would create a visual ambience. Availability of internet facility is a mandatory requirement for digital operations. Authorized balance may be increased to offer frequent withdrawal and deposit service to depositors the power of „Word of mouth“ plays a significant role in service sector. If the service is being provided to the existing customer in timely manner without any hassles, it would enable to create the new customers base. Especially, in the fast moving world, where the services are available on the finger tips, the DoP has to compete with its competitors.

It is suggested to do a comparative study for some of its services to have a competitive edge.

IT MODERNIZATION- HARDWARE

The 4G connectivity should be used at all levels and accordingly 4G or Wifi devices with latest technology should be given to BPM

Latest computers with a good processor must be provided to the staff. It is also suggested to provide, printers, passbook printers etc. should be available to make the offices self-sufficient and to be efficient to provide end to end services. The technical support should be available around the clock. Network problem to be solved urgently.

MARKETING AND PROMOTION

This is the era of digital marketing and promotion. The DoP needs expert opinion to strategize its marketing plan to create a brand value. It is being suggested to hire a professional marketing firm for the strategic planning. It is also suggested to conduct the capacity development

programme for its existing employees who are presently engaged in promotion of its various schemes.

Creating the appropriate IEC materials to gain the customer's attention is needed. These materials can be shared at SO and BO level to create awareness about the various services.

PHILATELY

Increasing the number of activities in the schools like painting exhibition, essay exhibition can be conducted more frequently to popularize the philately amongst the young generation. Also conducting awareness campaign can be taken up to educate people about the present schemes. This requires extensive marketing plan. It is also suggested to introduce the 3 dimension technology for printing of the stamps to make it more popular amongst the young generation. The philately services can be extended to BO level to increase its availability to greater masses. A detailed financial analysis may be done to estimate the expenditure vis a vis the suggested activities.

ESTATE MANAGEMENT

It has been found that many POs are operating from the rented accommodation, and their maintenance is the responsibility of the owner. This model is not found to be a sustainable practice.

It is being suggested to own the building, so that, solar panels can be fitted, water harvesting system can be implemented along with washrooms (separate for ladies and gents) can be made available to the employees and to the users as well.

It is also being suggested to implement the concept of water harvesting, solar panels to be implemented to the urban areas, to become self-sufficient in terms of energy generation and contributing towards the society at large.

In general, the washrooms are not in good condition, in some of the areas, the reptiles are found in the toilets. The ladies washroom does not have a door, which defeats the purpose of providing a decent infrastructure to its employees.

It has been observed, during the peak summer (when the team travelled the temperature was 42 degree C) the fans are not working in the post offices (both in semi urban/rural and urban). The tube lights are not properly fitted on the wall; the ceilings are partially broken, improper electric wiring, which can cause any mishap at any time. The switch boards are hanging precariously; the floor is damaged; the sewer is blocked, causing a stink in the premises, and to make it worse, breeding of mosquitoes is rampant. Absence of ramp and washroom has been observed too. There have been major issues with most of the post offices have been found.

Even with all these limitations, the dedicated employees of the DoP have been found proving the services to the citizens with a smile on their faces. Patiently hearing the issues and responding to their queries shows a dedication to the nation.

It is being suggested to augment the grant for the estate management. Some innovative financing models can also be explored for the maintenance, viz, using the CSR fund of organization, renting of the unused area of the building, PPP model etc.

A favourable/conducive working environment is much needed for productive output and also for the customers' satisfaction as well.

Many of the post offices are upgraded in terms of number of employees or in terms of services; however, the infrastructure has not being updated.

It is being suggested to upgrade the infrastructure too, viz, a bigger window, bigger room/area to accommodate more people is required.

A lack of security system has been observed during the study. During the in depth interview (IDI), the post masters have raised the concern of security during the working hour. In some offices, the CCTV cameras have been installed, but they have been found in non-working condition.

As the post offices are now dealing with cash, installation of the CCTV camera is mandatory in all the branches along with the deployment of the security personnel.

The computers that are being provide to the SOs needs upgradation, with a higher processing speed may be provided for quicker services. The printers with low maintenance can be also provided.

Different counters may be created for various services. Proper signages should be provided at convenient locations easily visible by the customers and staff.

INDIA POST PAYMENT BANK (IPPB)

One of the strengths of the scheme is its presence in the rural area. Due to its presence at the village level, it enjoys popularity amongst the people. More and more people are interested to invest their savings in this scheme. However, with a cap of Rs. 25, 000.00 for acceptance amount from the users is posing a barrier.

It is being recommended to increase the amount for the postmen for accepting from the beneficiaries. This would enable the scheme to grow faster.

The hand held devices that are being used by GDS are 3G enabled, whereas the connections that are available are for 4G. This is the principal reason of slow internet connectivity in the rural area, which becomes a major barrier to the efficient functioning of the system.

Due to the slow connectivity, the process of financial transactions also becomes affected. A user who is interested to open an account is not able to do so in the first visit, and thereafter, she/he may not be available in the next visit.

It is being suggested to change the hardware compatible to the available network. The hardware of the machines needs to be upgraded; like the battery life is small, causing quick discharge very often. It is also suggested to provide a more powerful battery which can run for longer duration or a charging cable as an alternate.

The DoP handles the operational part, which is financial transaction; however, the marketing of the same should be taken care by the IPPB department. With the presence of other service providers, people are less aware of IPPB facilities, even though it has many beneficial features as compared to its competitors.

It is being suggested to revisit and redefine the role of IPPB managers. Presently, they are only for backend support, but their roles can be extended. Since their background is from banking sector, they may play a role in bringing forward innovative ideas for marketing.

Various modes of communication channels need to be explored and an optimum mix of them may be adopted to maximize the customer base, viz, mela (fair), radio, newspaper , TV etc can be explored. However, a study of viewership must be done before finalizing the strategy.

The various location viz. the elevators in various government departments can be explored. In the rural area, the hospitals, PHC, CHC, panchayat house, or a common place where the ladies gather for collection of water etc. can be explored.

It is also suggested to take the help of professionals to plan the IEC strategies for the scheme.

The IEC material used for IPPB requires an urgent upgradation. The qualities of the pamphlets that are being circulated are not effective. A focus on the various aspects of the communication viz. readability, reliability, precise message, language used etc is required.

It is being suggested that using the local language for the IEC material can prove more effective, rather than using Hindi and English as a medium for the same.

The service is quite popular amongst the customers. According to their demand, the swipe in limit to be increased for the IPPB, physical ATM card and the passbook may be provided to the customers. Customers also expect to have more services. Hence, there is a scope for expanding more services through IPPB. The customers should be able to make the transactions on holidays or weekends.

It is being suggested to conduct a customer survey to capture their expectations related to the future services through IPPB. The feasibility of the same may be studied and can be introduced.

For every transaction IPPB debits some charges which may be considered to be reduced. Sometimes, the postmen are also not aware of the transaction charges and are not able to inform the customers about the same. The SMS charge may be reduced or made optional to the customers. Or as an alternative, the SMS charges can be introduced once IPPB reaches to many of households.

It is suggested to conduct a training programme for the postmen about all the services that are being provided by the department of Posts. Creating a transparency with the customer will enable to build a mutual trust.

RECOMMENDATIONS

The following recommendations have been proposed after conducting the field survey in six states and twelve districts, for which the urban and semi-urban/rural post officers have been visited. The data has been collected from both primary and the secondary sources. The primary data has been collected by administering the questionnaire to users and to the employees of the post offices. Apart from this, focus group discussions have been conducted along with in depth interview with the senior officials of the Postal Departments. The recommendations have been provided for three schemes, viz. (i) Postal Operations, (ii) Estate Management and (iii) IPPB. The observations made in the sample data have been generalized as the sample is the representative of the population.

Circle-wise status of grievances received, resolved and pending during the year 2023-24

(in numbers)

Name of Circle	Opening Balance	Received	Total	Settled	Pending
Andhra Pradesh	532	16335	16867	16625	242
Assam	467	10673	11140	10821	319
Bihar	1120	44083	45203	44795	408
Chattisgarh	301	11830	12131	11843	288
Delhi	23682	99872	123554	120649	2905
Gujarat	1783	86751	88534	86532	2002
Haryana	956	44763	45719	43857	1862
Himachal Pradesh	101	5378	5479	5355	124
Jammu & Kashmir	370	9639	10009	9540	469
Jharkhand	276	13518	13794	13559	235
Karnataka	1898	145134	147032	145468	1564
Kerala	1003	33114	34117	33312	805
Madhya Pradesh	741	40088	40829	40022	807
Maharashtra	6003	274025	280028	276793	3235
North Eastern	195	20785	20980	20795	185
Odisha	428	14886	15314	14963	351
Punjab	1019	52629	53648	52158	1490
Rajasthan	1173	62427	63600	61901	1699
Tamil Nadu	2001	77769	79770	78619	1151
Telangana	2203	27625	29828	29173	655
Uttar Pradesh	6108	186175	192283	189901	2382
Uttarakhand	304	13764	14068	13751	317
West Bengal	1502	62747	64249	63226	1023
Army Postal Service	96	1875	1971	1893	78
Total	54262	1355885	1410147	1385551	24596

**STANDING COMMITTEE ON COMMUNICATIONS AND
INFORMATION TECHNOLOGY (2024-25)**

MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE

The Committee sat on Thursday, the 13th February, 2025 from 1645 hours to 1800 hours in Committee Room 'C', PHA, New Delhi.

PRESENT

Dr. Nishikant Dubey - Chairperson

MEMBERS

Lok Sabha

2. Shri C.N. Annadurai
3. Shri Anil Baluni
4. Dr. Rabindra Narayan Behera
5. Shri Anup Sanjay Dhotre
6. Shri Sanjay Haribhau Jadhav
7. Shri S. Supongmeren Jamir
8. Dr. M.K. Vishnu Prasad
9. Shri Arun Kumar Sagar
10. Shri Devesh Shakya
11. Shri Vishnu Datt Sharma

Rajya Sabha

12. Smt. Priyanka Chaturvedi
13. Shri Amar Pal Maurya
14. Dr. Sasmit Patra
15. Shri V. Vijayendra Prasad
16. Shri S. Niranjana Reddy
17. Shri Kartikeya Sharma
18. Shri Lahar Singh Siroya
19. Shri K.T.S. Tulsi

SECRETARIAT

- | | | | |
|----|---------------------|---|------------------|
| 1. | Shri Y.M Kandpal | - | Joint Secretary |
| 2. | Smt. A. Jyothirmayi | - | Director |
| 3. | Shri Amrish Kumar | - | Deputy Secretary |

LIST OF WITNESSES

DEPARTMENT OF POSTS (MINISTRY OF COMMUNICATIONS)

Sl. No.	Name	Designation
1.	Ms. Vandita Kaul	Secretary
2.	Shri Jitendra Gupta	Director General (Postal Services) (Officiating)/Member (Financial Services)
3.	Shri Partha S. Das	AS & FA
4.	Ms. Manju Kumar	Member (Personnel)
5.	Shri Subrat Das	Member (Technology)
6.	Ms. Veena Ramakrishna Srinivas	Member (Infrastructure)
7.	Shri Harpreet Singh	Member (Operations)
8.	Ms. Sharon Shefali Gupta	DDG (Budget & Accounts)
9.	Shri M. U. Abdali	DDG (Estates)
10.	Shri Nirmaljit Singh	GM (Business & Investment)
11.	Ms. Veena Kumari D	DDG (Technology)
12.	Shri Kushal Vashist	GM (Parcel)
13.	Dr. Sachin Mittal	DDG (Corporate Planning)
14.	Shri Rajul Bhatt	DDG (Financial Services)
15.	Shri Vivek Kumar Daksh	DDG (Postal Operations)

(After the witnesses were called in)

2. At the outset, the Chairperson welcomed the Secretary, Department of Posts and other officials accompanying her to the Sitting of the Committee convened to examine Demands for Grants (2025-26) relating to the Ministry of Communications (Department of Posts). Thereafter, the Chairperson sought information on the perspective of the Department with regard to budget allocation in the year 2025-26 and also about the action plan to make the Department economically viable by suitably addressing the issue of increasing deficit with each financial year. He wished to be apprised of the actions taken by the Department to establish Dak Niryat Kendras in every district of the country, the steps taken by the Department to revamp the structure of the India Post Payment Bank as per Cabinet directions and about the services of the Department of Posts for women and the girl-child. The Chairperson sought to know about the action plan of the Department to deal with issues such as Estates management and efficient management of infrastructure, human resources etc. being faced in their day-to-day functioning. In order to revive the Department from the scourge of deficit and to improve

productivity, the Chairperson pointed out the need for imbibing sound business practices and prudent commercial practices by adopting the proven models in other Postal Administrations around the world.

3. Subsequently, the representatives of the Department of Posts (DoP) made a power point presentation providing an overview of the spectrum of functions performed by the Department and highlighted their key businesses and initiatives which *inter-alia* included :

- i. Postal services including Mail-Parcel delivery and holding Dak Chaupal events to provide doorstep delivery of Government services;
- ii. Government services including Citizen Centric Services for Aadhar, Passport, KYC verification, services under KVIC etc. ;
- iii. Banking and Money Transfer services such as Post Office Savings Bank, Electronic Money Order;
- iv. India Post Payments Bank for providing services such as Remittances, Digital Life Certificates for Pensioners etc.;
- v. Postal Life Insurance (PLI);
- vi. Atal Pension Yojana;
- vii. Key businesses undertaken and quantum of services provided;
- viii. Philately as a means for promoting heritage and culture;
- ix. Personnel reforms and Capacity Building exercises such as Dak Karmayogi for training employees and Gramin Dak Sevaks (GDS);
- x. Estates Management for optimizing already existing infrastructure and creating new infrastructure as required;
- xi. Focus areas to increase revenue receipts of the Department; and
- xii. Budget announcements for the Department during the year 2025-26.

4. The Secretary also gave an overview of the financial performance of the Department through budgetary allocations and expenditure made under Scheme and Non-Scheme components along with the plans to increase revenue receipts during the year 2025-26.

5. Thereafter, the Members sought clarifications on various issues which, *inter-alia*, included :

- (i) Preparation of the Department to compete with private players;
- (ii) Advertising postal services to popularize them and increase their market share;
- (iii) Steps taken to increase profitability such as - raising tariffs optimally on Mail delivery services, raising remuneration earned for delivery of Citizen Centric Services such as Passport Sewa Kendra, Aadhar etc., revenue generation for Postal services through various innovative methods;

- (iv) Improving the performance of the Department under the Scheme on Estates Management and to increase capital investment under various Schemes of the Department;
- (v) Harnessing the potential of Estates for commercial utilization and revenue generation;
- (vi) Exploring the possibility of monetization of assets to curb the rising revenue deficit;
- (vii) Strengthening and revamping postal infrastructure to suit modern day needs and increase outreach of the Schemes of Government of India;
- (viii) Mechanization of beats and digitization of various postal forms presently available in paper form;
- (ix) Providing necessary technological amenities for efficient utilization and better delivery of postal services;
- (x) Study of indigenous Dak practices followed by States and incorporate best practices under Postal services; and
- (xi) The need to work out Scheme-wise outlay for Budget announcements made for the Department of Posts for the year 2025-26.

6. The representatives of the Department of Posts responded to most of the queries raised by the Members. Further, the Secretary of the Department also informed the Committee that as per their projections, the schemes under the Department of Posts are expected to run into surplus by the year 2028-29. Regarding the issue of monetization of viable assets held by the Department of Posts, the Secretary assured the Committee that a proposal would be forwarded to the Government within the next two months, soon after the completion of the detailed Report of the Department containing quantum and value of Estates presently held along with the assessment and analysis of all dispersed plots of land. The Chairperson, then, directed that written replies to points on which information was not readily available may be furnished to the Committee within ten days.

7. Thereafter, the Chairperson thanked the representatives of the Department for deposing before the Committee.

The Committee then adjourned.

A copy of verbatim record of the proceedings has been kept.

**STANDING COMMITTEE ON COMMUNICATIONS AND
INFORMATION TECHNOLOGY (2024-25)**

MINUTES OF THE SIXTEENTH SITTING OF THE COMMITTEE

The Committee sat on Tuesday, the 18th March, 2025 from 1700 hours to 1755 hours in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

DR. NISHIKANT DUBEY- Chairperson

MEMBERS

Lok Sabha

2. Shri C.N. Annadurai
3. Dr. Rabindra Narayan Behera
4. Shri Anup Sanjay Dhotre
5. Shri Sanjay Haribhau Jadhav
6. Shri S. Supongmeren Jamir
7. Shri Appalanaidu Kalisetti
8. Smt. Poonamben Hematbhai Maadam
9. Shri Shafi Parambil
10. Dr. M.K. Vishnu Prasad
11. Ms. Kangna Ranaut
12. Shri Ramasahayam Raghuram Reddy
13. Shri Rajesh Verma

Rajya Sabha

14. Smt. Priyanka Chaturvedi
15. Dr. Sasmit Patra
16. Shri V. Vijayendra Prasad
17. Shri S. Niranjana Reddy
18. Shri Lahar Singh Siroya

SECRETARIAT

- | | | | |
|----|-------------------|---|----------------------|
| 3. | Shri Y.M. Kandpal | - | Additional Secretary |
| 4. | Shri Amrish Kumar | - | Deputy Secretary |
| 3. | Shri Rajesh Mohan | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee convened to consider and adopt four draft Reports on Demands for Grants (2025-26) relating to the Ministries/Departments under the jurisdiction of the Committee.

3. The Committee, then, took up the following four draft Reports for consideration and adoption:-

(i)* XXXX..... XXXX.....XXXX.....XXXX.....XXXX.....XXXX.....XXXX

(ii)* XXXX..... XXXX.....XXXX.....XXXX.....XXXX.....XXXX.....XXXX

(iii) Draft Report on Demand for Grants (2025-26) relating to the Ministry of Communications (Department of Posts).

(iv)* XXXX..... XXXX.....XXXX.....XXXX.....XXXX.....XXXX.....XXXX

4. The Committee adopted the Reports without modifications.

5. The Committee authorized the Chairperson to finalize the draft Reports and present the same to the House during the current Session of Parliament.

The Committee then adjourned.

*Matter not related to this Report