

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF POSTS**

**LOK SABHA
UNSTARRED QUESTION NO. 2108
TO BE ANSWERED ON 4TH MARCH, 2020**

REVENUE OF INDIA POST

2108. SHRIMATI KIRRON KHER:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) the annual revenue of India Post during each of the last three years;
- (b) whether there has been an increase in the revenue deficit of India Post over the past few years, if so, the details thereof and the reasons therefor;
- (c) the major sources of revenue of the India Post during the same period;
- (d) whether there is any proposal of diversifying the business of India Post into more e-commerce and other value-added services by leveraging its workforce and vast postal network to increase the revenue and if so, the details thereof; and
- (e) the steps taken by the Government to increase the revenue of the India Post?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS,
HUMAN RESOURCE DEVELOPMENT AND
ELECTRONICS & INFORMATION TECHNOLOGY
(SHRI SANJAY DHOTRE)**

- (a) The Annual Revenue of the India Post during last three years is furnished below:

(Rs. in Crore)

Total Postal Revenue	2016-17	2017-18	2018-19
		11511.00	12832.76

- (b) Yes; there has been an increase in the revenue deficit of India Post over the past few years.

(Rs. in Crore)

	2016-17	2017-18	2018-19
Net Revenue Expenditure	23480.95	25248.59	27173.07
Total Postal Receipt	11511.00	12832.76	13195.68
Revenue Deficit	11969.95	12415.83	13977.39

DOP has primarily two major components of gross expenditure: Salaries and Pensions, which constitute more than 90% of the gross expenditure. Expenditure pertains to salary (Pay and allowances) in on the higher side due to implementation of revised pay and allowances as per 7th Pay Commission. Pensionary charges have also increased due to revision of pension of pre- 2006/ 2016 as per 7th pay commission. Large numbers of pensioners have also been increased during last few years. Further, in order to fulfil Universal Service Obligation, Post Offices in Rural areas are considered justified if they are able to cover 33.33% of the expenditure (15% in hilly/tribal areas) and to keep these offices operational, the necessary cost has to be

incurred by the department. Increase in cost of materials, hike in cost of carriage of Mails through Railways/Air /Road, Broad band connectivity, IT induction, AMC, Fuel cost, Increase in rental etc. have resulted in increase of expenditure.

(c) The major items of revenue for the Department of Posts are as follows: –

(Rs. in Crore)

Details	Financial Year 2016-17	Financial Year 2017-18	Financial Year 2018-19
Speed Post	1785.25	1833.37	1922.51
Sale of Stamps	470.78	366.69	542.84
Postage through Franking Machines and Pre-postage	777.34	848.06	370.60
Postage- Other Schemes*	8.50	69.55	344.32
Business Post	752.52	747.14	271.47
MO & IPO	284.62	228.11	248.63
Philatelic Ancillaries	13.54	32.23	192.49
Business Parcel	94.80	84.46	84.54
Retail Post	67.68	108.59	72.98
Express Parcel	64.18	54.07	45.56
MGNREGA	48.00	156.90	31.53
Bill Mail Service	77.15	56.74	29.79
E. Bill Collection	26.34	22.88	25.88
Commemorative Stamps	43.30	61.96	24.93
Logistic Post	16.31	1.54	12.56
Railway ticket booking	2.54	2.25	2.25
e.Post	1.63	4.78	2.13
Other Activities**	152.58	236.94	930.29
Net Receipts / Payments to Other Postal Administration(Other Countries)	-267.22	-192.03	-227.95
SB (Savings Bank) & CC (Cash Certificates) Remuneration	7085.83	8102.32	8262.93
Total	11511.00	12832.76	13195.68

Note: - * Postage-Other schemes includes Greeting Post, Direct Post, National Bill Mail, Flat rate Parcel, Over Night Parcel, e VPP, e- Commerce Product and International Mails.

** Other activities includes retail activities such as Sale of forms, Examination/Recruitment Fee, Cable TV Registration Fee, Fee from ATM Interoperable, Other recoveries from APS, sale of old records etc.

(d) Department has also introduced various citizen centric services such as Aadhaar facility in the Post Offices, Post Offices Passport Seva Kendras and India Post Passenger Reservation System (IP-PRS) which has not only enhanced the social relevance of the Department but also led to increase in revenue in the year 2020-21.

It is proposed to increase Aadhaar transactions through organising special camps for which mobile kits have been given to Aadhaar centres. Furthermore, attempts are also being made to increase the number of transactions and revenue of Post Office Passport Seva Kendras (POPSKs) and India Post Passenger Reservation System (IP-PRS) through opening of more passport Kendras and Passenger Reservation System in the Post Offices.

Opening of more savings bank accounts including Senior Citizen Savings Schemes/Sukanya Samridhi Yojana Accounts for senior citizen and the girl child will be undertaken for increased remuneration from MoF.

More PLI and RPLI policies will be procured for increase in recovery/remuneration from POIF.

Business Development & Marketing Directorate offers a number of premium services like Speed Post, Business Parcel, and Logistics Post etc to generate additional revenue for the Department. Further, the Department of Posts periodically reviews its services and products keeping in view the changing market scenario, customer needs, industry benchmarks etc and takes steps/action to modify service features to improve the postal services and boost the revenue growth of the Department. Technology integration and infrastructure up-gradation is also being done in a systematic manner to increase the efficiency and reduce the cost of operation and thereby revenue deficit would be decreasing. The Department has focused approach to cater to the needs of the emerging markets viz. e-Commerce to increase its revenue.

(e) The following additional initiatives have been taken by the Department to augment revenue and support other Government of India Department and PSUs

- Digital Life Certificate for Pensioners of DOT/BSNL/MTNL.
- Providing SMS alert to customers to maintain quality of service.
- LED display screens in post offices for revenue generation through media post.
- Computerization, infrastructure and site up gradation of mail and parcel processing is being carried out by the Parcel Directorate.
- End to end tracking facility is provided for accountable articles viz. Speed Post, Registered Post, Parcels, etc.
- Dedicated point to point road transport for fast and secure transmission of Speed Post, parcels, and e-commerce articles has been introduced between cities having substantial business volume.
- Departmental vehicles have been equipped with Geo Positioning System (GPS) for monitoring mail transmission on real time basis.
- Real time updation of delivery information for accountable articles by use of Post Man mobile app has also been implemented.
- Energy Efficient LED bulbs are being distributed through post offices in association with EESL (Energy Efficiency Services Limited) under the government's UJALA (Unnat Jyoti by Affordable LEDs for All) scheme.
