

CEPT

18 DEC 2023

BENGALURU

No. 39-03/2019-D
 Government of India
 Ministry of Communications
 Department of Posts
 Mail Business (Operations & Development) Division

Dak Bhawan, New Delhi-110001

Date: 14th December, 2023Office Memorandum**Subject: Franchisee Scheme for booking of Domestic Postal articles.**

Collection/pick-up of articles from customer's premises is the norm of the Courier Express Parcel industry. In spite of the vast network of the Department, the channels at present available for collection and booking of mail articles from the customer's premises are inadequate in many places. In order to meet the demand of various categories of customers, Department of Posts, from time to time has introduced following schemes for extending pick-up and booking of postal articles and other basic postal services:

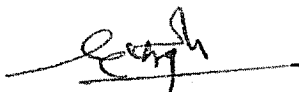
- i. Speed Post Outsourced Collection Agent (OSA) scheme for pick-up of Speed Post articles.
- ii. Franchise scheme for sale of stamps, booking of Registered/Speed Post articles, ~~booking of money orders and procurement of PLI business~~
- iii. Outsourced Postal Agent (OPA) scheme for pick-up and booking of Inland Registered/Postal Articles and delivery of articles

2. All the above-mentioned schemes have been reviewed in consultation with various stakeholders. Taking into consideration the need to effectively meet the demand for postal services, keeping in view the market requirement and needs of customers for collection of articles from customer's premises, it has been decided to revamp the existing Speed Post OSA (domestic only) and OPA schemes by merger with the existing Franchise Scheme.

3. The existing Speed Post OSAs (except Speed Post OSAs who have brought BNPL customers in the fold of the Department and getting 2% commission of Speed Post revenue generated from such BNPL customers) will be merged in the revamped Franchisee scheme which shall come into force with effect from 01.02.2024.

4. All the existing Speed Post OSAs and OPAs shall be termed as 'Franchisee' of the Department with effect from 01.02.2024. The Franchisee can opt to undertake any or all the following activities:

- (i) Booking of following mail articles:
 - Inland Speed Post Non-CoD (Document & Parcel)
 - Inland Registered Letters
- (ii) Booking of eMoney Order
- (iii) Sale of postage stamps stationary
- (iv) Retail Services including sale of revenue stamps, central recruitment fee stamps, etc.
- (iv) Functioning as a direct agent for PLI and provide related aftersales service, including collection of premia (subject to fulfilment of criteria for PLI agents)



- (v) Any other service of the Department which is considered amenable to the Franchisee


4.1 The commission for each activity will be paid as per the detailed guidelines enclosed as Annexure-I.

5. In order to continue doing business with the Department, the existing Speed Post OSAs and OPAs shall sign the Memorandum of Agreement as prescribed under the existing Franchise Scheme by 31.01.2024.

6. The detailed guidelines comprising eligibility, criteria for selection etc. and Standard Operating Procedure (SOP) of the 'Franchisee' under revamped scheme are attached as Annexure-I and Annexure-II respectively.

7. Circles shall circulate the OM along with annexures amongst all the Divisions to ensure completion of pre-launch activities by 31.01.2024.

8. Annual target to engage Franchisee has been allotted each Circle enclosed as Annexure-III. The target should be assigned to each Postal Division to engage Franchisees keeping in view of market and requirement business potential etc. The targets shall be reviewed by respective Circles and Postal Directorate.



(Dushyant Mudgal)
Deputy Director General (Mail Operations)

Encl: Annexure-I, II & III

To
All Heads of Circles

Copy to:

1. Sr.PPS to Secretary (Posts)
2. Sr./PPS to DG (Postal Services)
3. Addl. DG (Coordination)
4. All Members of Postal Services Board
5. AS&FA, DoP
6. CGM BD/Parcel /PLI
7. Sr. DDG (Vigilance)/Sr. DDG (PAF)
8. Director, RAKNPA, Ghaziabad
9. All DDGs in the Postal Directorate
10. All General Managers in BD/PD/PLI/CEPT
11. Directors, All Postal Training Centers
12. General Manager, CEPT Mysuru for publishing on the Department's website
13. Guard File
14. Office Copy

Detailed Guidelines of Franchisee Scheme

The collection/pick-up of articles from customer's premises is the norm of the Courier Express and Parcel industry. In spite of the vast network of the Department, the channels at present available for collection of mail articles from the customer's premises are inadequate in many places.

1.1 In view of the emerging market requirements, the existing Speed Post OSA and OPA schemes are merged in the existing Franchise scheme and introduce a revamped Franchisee scheme. This will mainly focus on providing services for pick-up and booking of various type of domestic mail articles and parcels from retail as well as bulk customers.

1.2 The existing Speed Post OSAs and OPAs will become Franchisee and they will require to sign the Memorandum of Agreement as prescribed under the existing Franchise scheme with the Department to continue business with the Department within before implementation of the revamped scheme.

2. The Franchisee shall be allowed for any of the following activities:

- (i) Booking of following mail articles:
 - Inland Speed Post Non-COD (Documents & Parcels)
 - Inland Registered Letters
- (ii) Booking of eMoney Order
- (iii) Sale of postage stamps & stationary
- (iv) Retail Services including sale of revenue stamps, central recruitment fee stamps, etc.
- (iv) Functioning as a direct agent for PLI and provide related aftersales service, including collection of premia (subject to fulfilment of criteria for PLI agents)
- (v) Any other service of the Department which is considered amenable to the Franchisee

2.1 The Commission for different services will be paid on monthly basis as per the commission structure at **Annexure-A**.

3. Criteria for engagement of Franchisee with the Department

Applicant for franchise shall need to apply in a prescribed proforma (**Annexure-B**). The selected Franchisee will sign the Memorandum of Agreement with the Department. Criteria for selection have been fixed considering the need to select persons with the capacity to manage and market a range of products, along with a sense of the community needs and public aspects of the job, and willingness to accept technological options.

4. Eligibility criterion for a individual to function as Franchisee

- a) Individuals as well as Firms/ Proprietor agencies other entities like corner shops, paanwalas, kiranawalas, stationery shops, small shopkeepers, etc. can be engaged to act as Franchisee of the Department.
- b) The Franchisee will book articles and hand over these articles at a designated office of the Department named as Linked Office by a cut off time fixed by the Division. In addition, the Franchisee will also market the postal products in

- d) The firm must have a valid PAN issued by Income Tax Department and GST number issued by CBDT.

5. **Security Deposit:**

- i. The Franchisee upon selection will require to deposit the security amount under UCR in any post office, based on the maximum possible level of financial transactions likely to be undertaken by the Franchisee in a day. For individual, the minimum-security deposit would be Rs 10,000/- at the time of engagement. In case of firm, security deposit - cum - performance security of Rs. 10,000/ per location will be deposited by the firm.
- ii. The amount of security will be reviewed after every 6 months of issuing of license by the Department and will be increased equivalent to the 2 days average transaction value in last 6 months.

6. **Notification of requirements**

Wider publicity for calling of application to engage Franchise through all means shall be given by Divisions. Notice for calling applications shall be displayed in all Post Offices falling under the jurisdiction of respective Division and if required, advertisements in local daily newspaper can also be given.

7. **Selection criteria:**

- i. The Divisional Head will be the competent authority to engage Franchisee in his/her postal division.
- ii. A Committee comprising of Divisional Head, ASP (HQ)/(D)/Sub Divisional Heads and Sr. Postmaster/Postmaster will be constituted for screening of applications (**Annexure-B**) for suitability for the Franchisee.
- iii. After selection of the Franchisee, Divisional Head will issue a license in a prescribed proforma (**Annexure-C**). In case of engagement of the firms, such a license will be issued to the firm which in turn can authorize his representative to undertake the activities as allowed.

8. **Area of Operation**

- i. The engaging authority upon finalization of engagement modalities, will link the Franchisee with a Bulk Processing Centre/BNPL booking Centre/any office handling bulk mails at the location chosen by the Franchisee. The office will be termed as 'Linked office'
- ii. In case there is no Bulk Processing Centre/BNPL booking Centre available in the chosen PIN Code/City, the Franchisee will be linked to Head Post Office or MDG, whichever is available. In case there is no HPO/MDG is available in the area opted by the applicant, Divisional Head will identify a suitable post office to link with Franchisee.
- iii. The Franchisee can collect articles from anywhere, however, the articles will be handed over only at the Linked Office.

his/her area and can collect complaint/ grievances of articles from the customers and forward it to the Linked Office.

c) The members of family of serving postal employees are not eligible to engage as Franchisee. Members of family for this purpose would include the following:

- i. spouse, but not including a separated spouse or one living separately while judicial separation proceedings are on;
- ii. Children and stepchildren but not including children and stepchildren of whose custody the serving postal employee has been deprived by law;
- iii. Other persons such as wards who are dependent on and normally live with the serving postal employee

4.1 **Age:** Above 18 years. No upper age limits.

4.2 **Qualifications:**

- i. The applicant must pass 10th class pass from a recognized Board/School
- ii. The applicant must be computer literate.
- iii. The applicant should have a good knowledge (oral and written) of the local language and English language.
- iv. Having a valid driving license for 2/4-wheeler will be an additional qualification
- v. ~~The applicant must have a working smart mobile phone with active Internet connection.~~
- vi. The applicant must have a valid PAN issued by Income Tax Department

4.3 **Infrastructure:**

- i. The applicant should have an appropriately located and accessible premises, properly maintained with suitable display of approved signage.
- ii. Applicant should be willing to make the necessary investments for a Laptop/Desktop computer with active Internet connection, weighing scale, bar code scanner, printer and bar codes for booking of articles and data exchange with the Department etc. for the conduct of the business.
- iii. The applicant will provide details viz. how the premises will be run, opening hours, investments proposed, market conditions, proposals for marketing products, awareness of customer base, role in local community, etc.

5. **Eligibility criterion for a firm to function as Franchisee:**

- a) Any Sole Proprietor/ Partnership/LLP firm or a company having a legal entity in India and registered under an Act of the State Government or Government of India can be engaged as Franchisee.
- b) Firm interested to engage as Franchisee with the Department should have an establishment and registered in the jurisdiction where the firm is applying to act as Franchisee.
- c) Firm must have facility of data exchange with the Department.

- d) The firm must have a valid PAN issued by Income Tax Department and GST number issued by CBDT.

5. **Security Deposit:**

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- iii. After selection of the Franchisee, Divisional Head will issue a license in a prescribed proforma (**Annexure-C**). In case of engagement of the firms, such a license will be issued to the firm which in turn can authorize his representative to undertake the activities as allowed.

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- iii. The Franchisee can collect articles from anywhere, however, the articles will be handed over only at the Linked Office.

9. **Training**

Introduction to the objectives and basic procedures would be part of two days training which will include briefing on the work profile on the first day. On the second day, the training on other business perspective and technological input at WCTC may be imparted to the individuals. In case of Firms, authorized representatives will have to attend.

10. **Stationary and bar code stickers**

- i. Each Franchisee will be allotted a separate range of bar code for all categories of articles.
- ii. The Franchisee will arrange the stationary viz. bar code stickers, papers etc. as per the specifications prescribed by the Department from time to time at his/her own. The specification of bar code will be provided by the Department of Posts after signing of the Memorandum of Agreement. The blank MPCM booking receipts will be provided by the Department.
- iii. To start with, the engaging authority will provide sufficient bar code stickers for booking of various categories of articles to meet the expected volume of 3 months.

Annexure-A

Commission structure for Franchisee

Sl. No.	Name of Service	Commission
1.	Inland Registered Letter	Rs.3.00 per article
2.	Inland Speed Post	On the basis of monthly revenue generated from the articles as given in the table below
3.	Booking of eMoney Orders: (i) with value of Rs.100/- to Rs.200/- (ii) with value above Rs.200/- Provided Franchisee Agents will not book any money order for a value less than Rs.100/-	Rs.3.50 Rs.5.00
4.	Sale of postage stamps and postal stationery (including philatelic items) and money order forms	5% of sale amount
5.	Retail Services including sale of revenue stamps, central recruitment fee stamps, etc.	40% of commission earned by DoP (rounded off in rupees to be 40% or less)

Commission for Booking of Inland Speed Post articles (Document & Parcel)

Monthly revenue	Commission
Up to Rs. 2,00,000/-	7% of the revenue
Rs.2,00,001 to 5,00,000/-	12% of the revenue
Rs.5,00,001 to 10,00,000/-	15% of the revenue
Rs.10,00,001/- to 25,00,000/-	20% of the revenue
Above Rs. 25,00,000/-	25% of the revenue

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

Annexure- B

Application No. _____

Application for Franchisee

PART-A

(To be filled by the applicant)

Photograph
of applicant
signed by the
applicant

- 1) Name of Applicant (in block letters):
- 2) Father's Name
- 3) Nationality:
- 4) Age:
(Should be 18 years or above on the date of application, proof to be attached)
- 5) Mobile Number & Email ID
- 6) Whether Department of Posts (DoP) pensioner (Yes / No).
(If yes, attach copy of PPO)
- 7) Aadhaar and Income Tax PAN:
(In case Pan No is not provided, declaration in form 60 to be provided)
- 7.1) GSTIN, if available
- 8) Educational Qualification (Proof to be attached)
- 9) Permanent Address:
- 10) Correspondence Address:
- 11) Location from where business will be conducted:
- 12) Details of premises from where business is to be conducted:
Whether owned / rented / leased If not owned, indicate
period up to which present rent/ leased agreement is valid:
- 13) Distance of premises from the nearest Post Office:
- 14) Indicate present business/ occupation, if any
and whether it is intended to be carried on from
the same premises/address as the postal franchise.
- 15) Please indicate previous experience, if any, in retailing services:
- 16) Do you have knowledge of working on a computer and

would you be using a computer for providing this service?

- 17) Whether all the required IT hardware peripherals viz. Desktop computer /Laptop, Printer, weighting scale, bar code Scanner, active internet connectivity is available:
- 18) Name, address and telephone number of 2 respectable persons of the locality who can be contacted for reference.
- 19) Business Plan:
- 20) Details of Security furnished:

I agree to abide by all the terms / conditions mentioned in the franchising agreement & license.

Declaration:

I, _____ s/o d/o w/o _____ resident of _____ declare and undertake that the above information is wholly true. I have read and understood the terms and conditions under the Franchisee Scheme. I hereby agree to abide by them. I also agree to abide by any changes that may be made in them from time to time.

Place:

Date:

Signature of the Applicant

DEPARTMENT OF POSTS
(Acknowledgement)

Received one application for franchising from Mr./Mrs./Ms.
(Name and address of the applicant)

Daily Dak No.

Receipt Assistant

Office Stamp

"NOTE: Application cum Franchise Agreement Form is also available at the concerned Postal Divisional Office and duly filled up Application Form & other documents are to be submitted to the Sr./Superintendent of Post Offices of the concerned Postal Divisional Office, the competent authority for grant of license under the Scheme. For more details about scheme may contact Sr./Superintendent of Post Offices of the concerned Postal Divisional Office."

**Government of India
Department of Posts**

Annexure – C

Memo No.

Dated:

To

Subject: Award of Franchisee for booking of postal articles

Ref: Your application dated

You are hereby awarded the license for Franchisee under code _____ for booking of Inland Speed Post, Inland Registered Letters, eMoney Order, Sale of Postage Stamps & Stationery, providing Retail services and depositing PLI premia in the locality _____. This is subject to the following terms and conditions:

- (i) You are attached to _____ (name of Linked Office) for handing over the booked articles and depositing the postage for these articles thereof and other charges, if any.
- (ii) The following range of bar code is allotted for booking of following mail articles:
 - Inland Registered Letter:
 - Inland Speed Post:
- (iii) The booked articles will be processed in the software module as provided by the Department.
- (iv) Soft booking data will require to be uploaded on the DoP server through the module provided.
- (v) Collect the complaints, if any, of the customers served and forward them to the Link Office for processing.
- (vi) Intimate the complaint response to the customers on receipt of the details from the Link Office/Divisional Office.
- (vii) Laminated Photo Identity Card provided to the Franchise must always be available with them during the business hours. The said identify card will be deposited with the Department as and when the license is cancelled.

2 This license of Franchisee is awarded for a period of 3 year from the date of issue of these orders. The license is liable to be cancelled at any time if found violating the conditions laid down above.

Divisional Head

Copy to:

- i. The Sr./Postmaster of the Linked Post Office/Incharge of the BPC/Mail Office
- ii. Sub Division Incharge of respective Sub Division

Annexure-II

Standard Operating Procedure for Franchisee Scheme

- i. Circle will allot a range of bar code series of Speed Post and Registered Letter amongst all Divisions keeping in view of the business potential and number of Franchisee expected to be engaged. The Franchisee will arrange the bar code sticker as per the prescribed specification of the allotted series at his/her own for booking of articles.
- ii. Divisional Head before selection will satisfy him/herself about availability of suitable premises and prescribed IT hardware & peripherals as declared by the Franchisee in his/her application form (Annexure-B of the detailed guidelines).
- iii. Divisional Head after selection of Franchisee by following the codal formalities & acceptance of security deposit, will issue a license to all the Franchisee (including existing Speed Post OSA and OPAs) in the prescribed proforma (Annexure-C of the detailed guidelines) with direction to sign Memorandum of Agreement by the Link Office.
- iv. Divisional Head will arrange training of all the Franchisee including existing Speed Post OSA & OPAs and new engaged Franchisees at Divisional level.
- v. In order to commence business, Divisional Head will distribute appropriate number of bar code stickers of the Inland Speed Post and Inland Registered Letter from the existing range of bar code series amongst all the Franchisees to meet at least 3 month's requirements. The blank MPCM booking receipts to the Franchisee will be provided by the Department.
- vi. Divisional Head will fix a cut off time for each Franchisee to hand over the articles and postage thereof at the Linked Office.

2. Business Transactions

- ~~(i) Franchisee shall authorize booking of retail as well as bulk articles from the premises of respective customers.~~
- (ii) Collection of the correct postage along with GST & other taxes, if any as applicable as per the rates/charges fixed by the Department and other parameters, from the customers and depositing the same with the Linked Office on the same day, before cut off time shall be the responsibility of the Franchisee.
- (iii) Franchisee shall book articles on pre-payment of postage. Booking of articles by affixing postage stamps will not be allowed. The articles booked by affixing postage stamps shall not be accepted by the Department in any case.
- (iv) The amount of postage against the articles collected and booked by Franchisee can be accepted by Cash, POSB account, IPPB account and QR/UPI Code, as per the facility available in Linked Office.
- (v) Franking of articles by Franchisee shall be allowed only when the Franchisee him/herself has the license to frank the articles. In such cases, no commission for franking will be paid by the Department on such franked articles.

- (vi) Franchisee will book all the articles in the software provided by the Department and will arrange sharing of booking data in the prescribed format with the central server of the Department. It should be ensured that data is uploaded before articles are handed over at the identified locations.
- (vii) Franchisee shall also generate and print receipts as prescribed by the Department against of the articles booked. One copy of the receipt will be given to respective customer and second copy shall be pasted on the article.
- (viii) Till development of the software, the existing Meghdoot software for collection agents will be used by the Franchisee for booking and processing of articles, generation of booking receipts and generation of soft booking data acceptable in CSI environment as is being done presently.
- (ix) In case of online data transfer is not feasible, Franchisee shall prepare the soft booking data in MS Excel/XML as per the format prescribed by the Department and provide the soft booking with the Linked Office along with articles.
- (x) The Linked Office after verification and validation of the articles with the soft data and amount of postage, shall issue a receipt in lieu of articles and amount collected from the Franchisee.
- ~~(xi) No credit facility shall be available to Franchisee. The Franchisee shall deposit the amount of postage so collected with Linked Office at the time of handing over the articles on the day of receipt itself invariably.~~
- (xii) Franchisee shall be responsible for safety and security of the article and its contents during his/her custody.
- (xiii) Franchisee shall also accept the complaints, if any from the customers served and forward the same to the linked office. In case it is found that there has been service level failure on the part of Franchisee for which complaint has been made, ~~compensation payable by the Department shall be recovered from commission to be paid to Franchisee.~~

3. Accounting of Booking charges and Commission

- (i) The charges along with taxes of all categories of articles booked by Franchisee shall be collected upfront by the linked office or account office of the linked office as the case may be, at the time of receiving the articles. No credit facility shall be available for Franchisee.
- (ii) The amount of postage from the Franchisee can be accepted by Cash, POSB account, IPPB account and QR/UPI Code
- (iii) The Commission to the Franchisees shall be paid on monthly basis. The Department shall be liable to pay GST @ 18% on the monthly commission to be paid to Franchises which would be claimed under Input Tax Credit by the respective Account Office as per the prevailing GST Rules and guidelines.

- (iv) At the end of month, the Linked Office will calculate total commission against the business transacted by the Franchisee of various categories of articles as per the commission structure and will issue an invoice mentioning the GST applicable on the commission by 5th of following month invariably. The commission excluding GST amount will be paid to the Franchise through POSB, IPPB or NEFT as the case may be.
- (v) In case of unregistered service provider i.e. individuals not having GSTIN (unregistered) engaged as Franchise, the liability of payment of GST on monthly commission will be with the Department under Reverse Charge Mechanism. In case of registered user i.e. Franchisee having GSTIN, the liability of GST payment to the tax authorities on the monthly commission will be paid by the Franchisee him/herself under Forward Charge Mechanism of GST.
- (vi) The commission to the Franchisee and GST thereof shall be paid from the Head of Account _____ under GL Code _____ as per the SAP.

Annexure-III

(OM No. 39-03/2019-D dated 14.12.2023)

Annual Target to engage Franchisee

Sl. No.	Circle	Annual Target
1	Andhra Pradesh	50
2	Assam	50
3	Bihar	50
4	Chhattisgarh	25
5	Delhi	60
6	Gujarat	50
7	Haryana	50
8	Himachal Pradesh	25
9	Jammu & Kashmir	25
10	Jharkhand	25
11	Karnataka	50
12	Kerala	25
13	Madhya Pradesh	50
14	Maharashtra	65
15	North Eastern	25
16	Odisha	50
17	Punjab	50
18	Rajasthan	50
19	Tamil Nadu	50
20	Telangana	50
21	Uttar Pradesh	50
22	Uttarakhand	25
23	West Bengal	50
Total		1000

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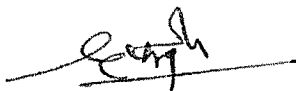
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(Dushyant Mudgal)
Deputy Director General (Mail Operations)

Encl: Annexure-I, II & III

To
All Heads of Circles

Copy to:

1. Sr.PPS to Secretary (Posts)
2. Sr./PPS to DG (Postal Services)
3. Addl. DG (Coordination)
4. All Members of Postal Services Board
5. AS&FA, DoP
6. CGM BD/Parcel /PLI
7. Sr. DDG (Vigilance)/Sr. DDG (PAF)
8. Director, RAKNPA, Ghaziabad
9. All DDGs in the Postal Directorate
10. All General Managers in BD/PD/PLI/CEPT
11. Directors, All Postal Training Centers
12. General Manager, CEPT Mysuru for publishing on the Department's website
13. Guard File
14. Office Copy

Annexure-I

Detailed Guidelines of Franchisee Scheme

The collection/pick-up of articles from customer's premises is the norm of the Courier Express and Parcel industry. In spite of the vast network of the Department, the channels at present available for collection of mail articles from the customer's premises are inadequate in many places.

1.1 In view of the emerging market requirements, the existing Speed Post OSA and OPA schemes are merged in the existing Franchise scheme and introduce a revamped Franchisee scheme. This will mainly focus on providing services for pick-up and booking of various type of domestic mail articles and parcels from retail as well as bulk customers.

1.2 The existing Speed Post OSAs and OPAs will become Franchisee and they will require to sign the Memorandum of Agreement as prescribed under the existing Franchise scheme with the Department to continue business with the Department within before implementation of the revamped scheme.

2. The Franchisee shall be allowed for any of the following activities:

- (i) Booking of following mail articles:
 - Inland Speed Post Non-COD (Documents & Parcels)
 - Inland Registered Letters
- (ii) Booking of eMoney Order
- (iii) Sale of postage stamps & stationary
- (iv) Retail Services including sale of revenue stamps, central recruitment fee stamps, etc.
- (iv) Functioning as a direct agent for PLI and provide related aftersales service, including collection of premia (subject to fulfilment of criteria for PLI agents)
- (v) Any other service of the Department which is considered amenable to the Franchisee

2.1 The Commission for different services will be paid on monthly basis as per the commission structure at Annexure-A.

3. Criteria for engagement of Franchisee with the Department

Applicant for franchise shall need to apply in a prescribed proforma (Annexure-B). The selected Franchisee will sign the Memorandum of Agreement with the Department. Criteria for selection have been fixed considering the need to select persons with the capacity to manage and market a range of products, along with a sense of the community needs and public aspects of the job, and willingness to accept technological options.

4. Eligibility criterion for a individual to function as Franchisee

- a) Individuals as well as Firms/ Proprietor agencies other entities like corner shops, paanwalas, kiranawalas, stationery shops, small shopkeepers, etc. can be engaged to act as Franchisee of the Department.
- b) The Franchisee will book articles and hand over these articles at a designated office of the Department named as Linked Office by a cut off time fixed by the Division. In addition, the Franchisee will also market the postal products in

his/her area and can collect complaint/ grievances of articles from the customers and forward it to the Linked Office.

c) The members of family of serving postal employees are not eligible to engage as Franchisee. Members of family for this purpose would include the following:

- i. spouse, but not including a separated spouse or one living separately while judicial separation proceedings are on;
- ii. Children and stepchildren but not including children and stepchildren of whose custody the serving postal employee has been deprived by law;
- iii. Other persons such as wards who are dependent on and normally live with the serving postal employee

4.1 **Age:** Above 18 years. No upper age limits.

4.2 **Qualifications:**

- i. The applicant must pass 10th class pass from a recognized Board/School
- ii. The applicant must be computer literate.
- iii. The applicant should have a good knowledge (oral and written) of the local language and English language.
- iv. Having a valid driving license for 2/4-wheeler will be an additional qualification
- v. The applicant must have a working smart mobile phone with active Internet connection.
- vi. The applicant must have a valid PAN issued by Income Tax Department

4.3 **Infrastructure:**

- i. The applicant should have an appropriately located and accessible premises, properly maintained with suitable display of approved signage.
- ii. Applicant should be willing to make the necessary investments for a Laptop/Desktop computer with active Internet connection, weighing scale, bar code scanner, printer and bar codes for booking of articles and data exchange with the Department etc. for the conduct of the business.
- iii. The applicant will provide details viz. how the premises will be run, opening hours, investments proposed, market conditions, proposals for marketing products, awareness of customer base, role in local community, etc.

5. **Eligibility criterion for a firm to function as Franchisee:**

- a) Any Sole Proprietor/ Partnership/LLP firm or a company having a legal entity in India and registered under an Act of the State Government or Government of India can be engaged as Franchisee.
- b) Firm interested to engage as Franchisee with the Department should have an establishment and registered in the jurisdiction where the firm is applying to act as Franchisee.
- c) Firm must have facility of data exchange with the Department.

- d) The firm must have a valid PAN issued by Income Tax Department and GST number issued by CBDT.

5. **Security Deposit:**

- i. The Franchisee upon selection will require to deposit the security amount under UCR in any post office, based on the maximum possible level of financial transactions likely to be undertaken by the Franchisee in a day. For individual, the minimum-security deposit would be Rs 10,000/- at the time of engagement. In case of firm, security deposit - cum - performance security of Rs. 10,000/ per location will be deposited by the firm.
- ii. The amount of security will be reviewed after every 6 months of issuing of license by the Department and will be increased equivalent to the 2 days average transaction value in last 6 months.

6. **Notification of requirements**

Wider publicity for calling of application to engage Franchise through all means shall be given by Divisions. Notice for calling applications shall be displayed in all Post Offices falling under the jurisdiction of respective Division and if required, advertisements in local daily newspaper can also be given.

7. **Selection criteria:**

- i. The Divisional Head will be the competent authority to engage Franchisee in his/her postal division.
- ii. A Committee comprising of Divisional Head, ASP (HQ)/(D)/Sub Divisional Heads and Sr. Postmaster/Postmaster will be constituted for screening of applications (**Annexure-B**) for suitability for the Franchisee.
- iii. After selection of the Franchisee, Divisional Head will issue a license in a prescribed proforma (**Annexure-C**). In case of engagement of the firms, such a license will be issued to the firm which in turn can authorize his representative to undertake the activities as allowed.

8. **Area of Operation**

- i. The engaging authority upon finalization of engagement modalities, will link the Franchisee with a Bulk Processing Centre/BNPL booking Centre/any office handling bulk mails at the location chosen by the Franchisee. The office will be termed as 'Linked office'
- ii. In case there is no Bulk Processing Centre/BNPL booking Centre available in the chosen PIN Code/City, the Franchisee will be linked to Head Post Office or MDG, whichever is available. In case there is no HPO/MDG is available in the area opted by the applicant, Divisional Head will identify a suitable post office to link with Franchisee.
- iii. The Franchisee can collect articles from anywhere, however, the articles will be handed over only at the Linked Office.

9. **Training**

Introduction to the objectives and basic procedures would be part of two days training which will include briefing on the work profile on the first day. On the second day, the training on other business perspective and technological input at WCTC may be imparted to the individuals. In case of Firms, authorized representatives will have to attend.

10. **Stationary and bar code stickers**

- i. Each Franchisee will be allotted a separate range of bar code for all categories of articles.
 - ii. The Franchisee will arrange the stationary viz. bar code stickers, papers etc. as per the specifications prescribed by the Department from time to time at his/her own. The specification of bar code will be provided by the Department of Posts after signing of the Memorandum of Agreement. The blank MPCM booking receipts will be provided by the Department.
 - iii. To start with, the engaging authority will provide sufficient bar code stickers for booking of various categories of articles to meet the expected volume of 3 months.
-
-

Annexure-A

Commission structure for Franchisee

Sl. No.	Name of Service	Commission
1.	Inland Registered Letter	Rs.3.00 per article
2.	Inland Speed Post	On the basis of monthly revenue generated from the articles as given in the table below
3.	Booking of eMoney Orders: (i) with value of Rs.100/- to Rs.200/- (ii) with value above Rs.200/- Provided Franchisee Agents will not book any money order for a value less than Rs.100/-	Rs.3.50 Rs.5.00
4.	Sale of postage stamps and postal stationery (including philatelic items) and money order forms	5% of sale amount
5.	Retail Services including sale of revenue stamps, central recruitment fee stamps, etc.	40% of commission earned by DoP (rounded off in rupees to be 40% or less)

Commission for Booking of Inland Speed Post articles (Document & Parcel)

Monthly revenue	Commission
Up to Rs. 2,00,000/-	7% of the revenue
Rs.2,00,001 to 5,00,000/-	12% of the revenue
Rs.5,00,001 to 10,00,000/-	15% of the revenue
Rs.10,00,001/- to 25,00,000/-	20% of the revenue
Above Rs. 25,00,000/-	25% of the revenue

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

Annexure- B

Application No. _____

Application for Franchisee

PART-A

(To be filled by the applicant)

Photograph
of applicant
signed by the
applicant

- 1) Name of Applicant (in block letters):
- 2) Father's Name
- 3) Nationality:
- 4) Age:
(Should be 18 years or above on the date of application, proof to be attached)
- 5) Mobile Number & Email ID
- 6) Whether Department of Posts (DoP) pensioner (Yes / No).
(If yes, attach copy of PPO)
- 7) Aadhaar and Income Tax PAN:
(In case Pan No is not provided, declaration in form 60 to be provided)
- 7.1) GSTIN, if available
- 8) Educational Qualification (Proof to be attached)
- 9) Permanent Address:
- 10) Correspondence Address:
- 11) Location from where business will be conducted:
- 12) Details of premises from where business is to be conducted:
Whether owned / rented / leased If not owned, indicate
period up to which present rent/ leased agreement is valid:
- 13) Distance of premises from the nearest Post Office:
- 14) Indicate present business/ occupation, if any
and whether it is intended to be carried on from
the same premises/address as the postal franchise.
- 15) Please indicate previous experience, if any, in retailing services:
- 16) Do you have knowledge of working on a computer and

would you be using a computer for providing this service?

17) Whether all the required IT hardware peripherals viz. Desktop computer /Laptop, Printer, weighting scale, bar code Scanner, active internet connectivity is available:

18) Name, address and telephone number of 2 respectable persons of the locality who can be contacted for reference.

19) Business Plan:

20) Details of Security furnished:

I agree to abide by all the terms / conditions mentioned in the franchising agreement & license.

Declaration:

I, _____ s/o d/o w/o _____ resident of _____ declare and undertake that the above information is wholly true. I have read and understood the terms and conditions under the Franchisee Scheme. I hereby agree to abide by them. I also agree to abide by any changes that may be made in them from time to time.

Place:

Date:

Signature of the Applicant

DEPARTMENT OF POSTS
(Acknowledgement)

Received one application for franchising from Mr./Mrs./Ms.
(Name and address of the applicant)

Daily Dak No.

Office Stamp

Receipt Assistant

"NOTE: Application cum Franchise Agreement Form is also available at the concerned Postal Divisional Office and duly filled up Application Form & other documents are to be submitted to the Sr./Superintendent of Post Offices of the concerned Postal Divisional Office, the competent authority for grant of license under the Scheme. For more details about scheme may contact Sr./Superintendent of Post Offices of the concerned Postal Divisional Office."

Government of India
Department of Posts

Annexure – C

Memo No. _____

Dated: _____

To _____

Subject: Award of Franchisee for booking of postal articles

Ref: Your application dated

You are hereby awarded the license for Franchisee under code _____ for booking of Inland Speed Post, Inland Registered Letters, eMoney Order, Sale of Postage Stamps & Stationery, providing Retail services and depositing PLI premia in the locality _____. This is subject to the following terms and conditions:

- (i) You are attached to _____ (name of Linked Office) for handing over the booked articles and depositing the postage for these articles thereof and other charges, if any.
- (ii) The following range of bar code is allotted for booking of following mail articles:
 - Inland Registered Letter;
 - Inland Speed Post;
- (iii) The booked articles will be processed in the software module as provided by the Department.
- (iv) Soft booking data will require to be uploaded on the DoP server through the module provided.
- (v) Collect the complaints, if any, of the customers served and forward them to the Link Office for processing.
- (vi) Intimate the complaint response to the customers on receipt of the details from the Link Office/Divisional Office.
- (vii) Laminated Photo Identity Card provided to the Franchise must always be available with them during the business hours. The said identify card will be deposited with the Department as and when the license is cancelled.

2 This license of Franchisee is awarded for a period of 3 year from the date of issue of these orders. The license is liable to be cancelled at any time if found violating the conditions laid down above.

Divisional Head

Copy to:

- i. The Sr./Postmaster of the Linked Post Office/Incharge of the BPC/Mail Office
- ii. Sub Division Incharge of respective Sub Division

Annexure-II

Standard Operating Procedure for Franchisee Scheme

- i. Circle will allot a range of bar code series of Speed Post and Registered Letter amongst all Divisions keeping in view of the business potential and number of Franchisee expected to be engaged. The Franchisee will arrange the bar code sticker as per the prescribed specification of the allotted series at his/her own for booking of articles.
- ii. Divisional Head before selection will satisfy him/herself about availability of suitable premises and prescribed IT hardware & peripherals as declared by the Franchisee in his/her application form (Annexure-B of the detailed guidelines).
- iii. Divisional Head after selection of Franchisee by following the codal formalities & acceptance of security deposit, will issue a license to all the Franchisee (including existing Speed Post OSA and OPAs) in the prescribed proforma (Annexure-C of the detailed guidelines) with direction to sign Memorandum of Agreement by the Link Office.
- iv. Divisional Head will arrange training of all the Franchisee including existing Speed Post OSA & OPAs and new engaged Franchisees at Divisional level.
- v. In order to commence business, Divisional Head will distribute appropriate number of bar code stickers of the Inland Speed Post and Inland Registered letter from the existing range of bar code series amongst all the Franchisees to meet at least 3 month's requirements. The blank MPCM booking receipts to the Franchisee will be provided by the Department.
- vi. Divisional Head will fix a cut off time for each Franchisee to hand over the articles and postage thereof at the Linked Office.

2. Business Transactions

- ~~(i) Franchisee shall authorize booking of retail as well as bulk articles from the premises of respective customers.~~
- (ii) Collection of the correct postage along with GST & other taxes, if any as applicable as per the rates/charges fixed by the Department and other parameters, from the customers and depositing the same with the Linked Office on the same day, before cut off time shall be the responsibility of the Franchisee.
- (iii) Franchisee shall book articles on pre-payment of postage. Booking of articles by affixing postage stamps will not be allowed. The articles booked by affixing postage stamps shall not be accepted by the Department in any case.
- (iv) The amount of postage against the articles collected and booked by Franchisee can be accepted by Cash, POSB account, IPPB account and QR/UPI Code, as per the facility available in Linked Office.
- (v) Franking of articles by Franchisee shall be allowed only when the Franchisee him/herself has the license to frank the articles. In such cases, no commission for franking will be paid by the Department on such franked articles.

- (vi) Franchisee will book all the articles in the software provided by the Department and will arrange sharing of booking data in the prescribed format with the central server of the Department. It should be ensured that data is uploaded before articles are handed over at the identified locations.
- (vii) Franchisee shall also generate and print receipts as prescribed by the Department against of the articles booked. One copy of the receipt will be given to respective customer and second copy shall be pasted on the article.
- (viii) Till development of the software, the existing Meghdoot software for collection agents will be used by the Franchisee for booking and processing of articles, generation of booking receipts and generation of soft booking data acceptable in CSI environment as is being done presently.
- (ix) In case of online data transfer is not feasible, Franchisee shall prepare the soft booking data in MS Excel/XML as per the format prescribed by the Department and provide the soft booking with the Linked Office along with articles.
- (x) The Linked Office after verification and validation of the articles with the soft data and amount of postage, shall issue a receipt in lieu of articles and amount collected from the Franchisee.
- ~~(xi) No credit facility shall be available to Franchisee. The Franchisee shall deposit the amount of postage so collected with Linked Office at the time of handing over the articles on the day of receipt itself invariably.~~
- (xii) Franchisee shall be responsible for safety and security of the article and its contents during his/her custody.
- (xiii) Franchisee shall also accept the complaints, if any from the customers served and forward the same to the linked office. In case it is found that there has been service level failure on the part of Franchisee for which complaint has been made, ~~compensation payable by the Department shall be recovered from commission to be paid to Franchisee.~~

3. Accounting of Booking charges and Commission

- (i) The charges along with taxes of all categories of articles booked by Franchisee shall be collected upfront by the linked office or account office of the linked office as the case may be, at the time of receiving the articles. No credit facility shall be available for Franchisee.
- (ii) The amount of postage from the Franchisee can be accepted by Cash, POSB account, IPPB account and QR/UPI Code
- (iii) The Commission to the Franchisees shall be paid on monthly basis. The Department shall be liable to pay GST @ 18% on the monthly commission to be paid to Franchisees which would be claimed under Input Tax Credit by the respective Account Office as per the prevailing GST Rules and guidelines.

- (iv) At the end of month, the Linked Office will calculate total commission against the business transacted by the Franchisee of various categories of articles as per the commission structure and will issue an invoice mentioning the GST applicable on the commission by 5th of following month invariably. The commission excluding GST amount will be paid to the Franchise through POSB, IPPB or NEFT as the case may be.
- (v) In case of unregistered service provider i.e. individuals not having GSTIN (unregistered) engaged as Franchise, the liability of payment of GST on monthly commission will be with the Department under Reverse Charge Mechanism. In case of registered user i.e. Franchisee having GSTIN, the liability of GST payment to the tax authorities on the monthly commission will be paid by the Franchisee him/herself under Forward Charge Mechanism of GST.
- (vi) The commission to the Franchisee and GST thereof shall be paid from the Head of Account _____ under GL Code _____ as per the SAP.

Annexure-III

(OM No. 39-03/2019-D dated 14.12.2023)

Annual Target to engage Franchisee

Sl. No.	Circle	Annual Target
1	Andhra Pradesh	50
2	Assam	50
3	Bihar	50
4	Chhattisgarh	25
5	Delhi	60
6	Gujarat	50
7	Haryana	50
8	Himachal Pradesh	25
9	Jammu & Kashmir	25
10	Jharkhand	25
11	Karnataka	50
12	Kerala	25
13	Madhya Pradesh	50
14	Maharashtra	65
15	North Eastern	25
16	Odisha	50
17	Punjab	50
18	Rajasthan	50
19	Tamil Nadu	50
20	Telangana	50
21	Uttar Pradesh	50
22	Uttarakhand	25
23	West Bengal	50
	Total	1000

**F.No. 9-11/2021-PD
Government of India
Ministry of Communications
Department of Posts
(Parcel Directorate)**

**Malcha Marg Post office Complex,
Chanakyapuri, New Delhi-110021**

Dated: 12th December, 2023

To

**All Chief Postmasters General
All Postmasters General**

Sub: Provision to capture complete details of shipments at the time of booking of Bulk Customer/Corporate Customers - reg.

This is regarding provision of capturing of complete details of shipments (Inland Speed Post/Speed Post Parcel/Business Parcel) tendered by bulk customers at the time of booking.

2. In this regard it is updated that following additional fields have been enabled in CSI-PoS for capturing at the time of booking of Inland Speed Post/Speed Post Parcel/Business Parcel tendered by bulk customers:

- I. **Alternative return address (3rd address if Return address is different from sender address)**- In view of the requests received from existing bulk customers, provision has been made in the system where alternate return address or 3rd address will be captured for all such shipments at the time of booking where the sender address is different from return address. For this provision charges will be applicable as per scenarios mentioned in **Annexure**.
- II. **Delivery Address type- Office/Home**- In order to make delivery operations more efficient, provision in the system has been made where the delivery address type will be captured in the system at the time booking. Based on the delivery address type, delivery operations on weekends/odd hours can be planned.
- III. **Specific Date & Time window for delivery**- Provision has been made in the system where any bulk customer can share the specific date and time of delivery at the time of booking. This feature will help to reduce the return cases happening due to non-availability of addressee or COD amount. These three time slots i.e., 9AM-2PM, 2PM-5PM and 5PM-8PM will be available at the time of booking and delivery.
- IV. **Dimensions of shipments**- In order to calculate the volumetric weight of all the shipments given by bulk customers, provision has been made in system where dimensional parameters of shipments will be captured at the time of