

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

**LOK SABHA  
UNSTARRED QUESTION NO. 2546  
TO BE ANSWERED ON 3<sup>RD</sup> JANUARY, 2018**

**UPGRADATION OF POSTAL BANKING SYSTEM**

2546. SHRI G.M. SIDDESHWARA:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government proposes to tie up with the banking institutions to upgrade the Postal Banking System and if so, the details thereof;
- (b) whether the expressions of interest have been received from different financial institutions in this regard and if so, the details thereof; and
- (c) whether the Government proposes to associate with public sector banks to strengthen the public sector and if so, the details thereof and if not, the reasons therefor?

ANSWER

**THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &  
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS  
(SHRI MANOJ SINHA)**

(a) to (c) Yes, Madam. Government has approved the proposal for setting up of India Post Payments Bank (IPPB) under the Department of Posts. IPPB has been incorporated on 17.08.2016 under Companies Act, 2013 as a public limited company with 100% Government of India equity. RBI had granted licence to carry on Payments Bank activities on 20.01.2017 and since then IPPB has launched its operation on 30.01.2017. IPPB proposes to tie-up with banking and other financial institutions. Expressions of interest for tie-ups have been received from various financial institutions in this regard and preliminary discussions are continuing with them. IPPB has entered into MoU with Punjab National Bank (PNB) and PNB MetLife India Insurance Company Ltd.

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