

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

**LOK SABHA
UNSTARRED QUESTION NO.5489
TO BE ANSWERED ON 28th MARCH, 2018**

INDIA POST PAYMENTS BANK

5489. SHRI NARANBHAI KACHHADIYA:
SHRI GAJANAN KIRTIKAR:
SHRI S.R. VIJAYAKUMAR:
SHRI T. RADHAKRISHNAN:
SHRI A. ANWHAR RAAJHAA:
KUNWAR HARIBANSH SINGH:
SHRI M. CHANDRAKASI:
SHRI SUDHEER GUPTA:
SHRI BIDYUT BARAN MAHATO:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government has set up the India Post Payments Bank (IPPB) as a Public Limited Company under the Department of Posts and if so, the details and the status thereof along with the benefits accrued/likely to be accrued therefrom;
- (b) the number of IPPB branches opened so far, State/UT-wise along with the time by which branches of the said bank are likely to be opened in all the States/ UTs;
- (c) whether many international firms including global banking institutions like the World Bank have reportedly expressed interest for getting associated with IPPB and if so, the details thereof and the action taken by the Government thereon;
- (d) whether IPPB has signed any Memorandum of Understanding (MoU) with foreign lenders regarding banking operations and if so, the details thereof;
- (e) whether IPPB has installed ATMs and issued Debit Cards across the country and if so, the details thereof including the number of ATMs installed and Debit Cards issued, State/UT-wise; and
- (f) whether the Government has any proposal to promote/incentivize opening of new IPPBs in unbanked rural areas and if so, the details thereof?

ANSWER

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

- (a) Yes, Madam. The India Post Payments Bank (IPPB) has been incorporated as a Public Limited Company under Department of Posts (DoP) with 100% Government of India equity on 17.08.2016.

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IPPB aims to drive financial inclusion at the last mile, by bringing customers under formal banking channels and providing access to banking services at affordable rates. There are multiple socio-economic benefits that would be realized by the economy at large, and are mentioned below:

- (i). Migration from cash based transaction to digital economy, thus removing intermediaries leading to a more economical and efficient settlement of transactions
- (ii). Reduction in opportunity costs in availing banking and financial services leading to higher economic outputs
- (iii). Access to formal credit channels (through 3rd party tie ups) leading to increase in business capacity (at better rates) and productivity compared to the higher costs incurred otherwise, leading to higher income and lower costs

(b) & (f) The Reserve Bank of India (RBI) has granted Payments Bank License to the department on 20.01.2017 and since then IPPB has launched its two pilot branches one each in Raipur (Chhattisgarh) and Ranchi (Jharkhand). There would be complete integration of IPPB branches with the 1.55 lakh Post offices so that each Post office functions as both, a DoP outlet and an access point for the Payments Bank, subject to technical and commercial feasibility. The Pan India Rollout of 650 branches is to commence from April, 2018. The number of planned IPPB branches state wise is enclosed at **Annexure I**.

(c) India Post Payments Bank is in early stages of discussion with various global and domestic institutions to enhance their product suite, as per the Payment Bank guidelines governing 3rd party products.

(d) No

(e) IPPB has not installed any ATMs so far. However, IPPB will leverage the DOP ATMs for its banking operations, which are already connected with the network of ATMs of other banks.

IPPB has issued 8,638 debit cards to its customers at the Raipur and Ranchi branches and access points.

State	No of Debit cards issued as on 31.12.2017
Chhattisgarh	4,542
Jharkhand	4,096
Total	8,638

Contd...3/-

State Wise details of IPPB branches

S. No.	State/UT	Number of IPPB Branches
1	Andaman & Nicobar Islands	1
2	Andhra Pradesh	24
3	Arunachal Pradesh	10
4	Assam	26
5	Bihar	38
6	Chandigarh	1
7	Chattisgarh	27
8	Dadra and Nagar Haweli	1
9	Daman & Diu	0
10	Delhi	3
11	Goa	1
12	Gujarat	32
13	Haryana	20
14	HP	12
15	J&K	8
16	Jharkhand	22
17	Karnataka	31
18	Kerala	14
19	Lakshwadeep	1
20	Madhya pradesh	42
21	Maharastra	41
22	Manipur	9
23	Meghalya	8
24	Mizoram	6
25	Nagaland	9
26	Odisha	33
27	Puducherry	1
28	Punjab	22
29	Rajasthan	33
30	Sikkim	1
31	Telangana	23
32	Tamil Nadu	36
33	Tripura	5
34	Uttar Pradesh	73
35	Uttarakhand	12
36	West Bengal	25
	Total	650