

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

**LOK SABHA
UNSTARRED QUESTION NO. 635
TO BE ANSWERED ON 20TH NOVEMBER, 2019**

CONVERSION OF IPPB INTO SMALL FINANCE BANKS

635. SHRI PINAKI MISRA:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government proposes to convert India Post Payments Bank (IPPB) into Small Finance Bank which can accept deposits of more than Rs. 1 lakh and advance loans;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether there is limited uptake of facilities provided by IPPB in rural India due to limited connectivity and low bandwidth; and
- (d) if so, the details thereof and the steps being taken by the Government to remedy this situation?

ANSWER

**MINISTER OF COMMUNICATIONS, LAW & JUSTICE AND
ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)**

- (a) & (b) Yes Sir, expansion of India Post Payments Bank (IPPB) and possibilities of converting it into a Small Finance Bank is being explored. In this regard, a Task Force has been set up for studying the logistics and feasibility of conversion of IPPB into a Small Finance Bank. Conversion of India Post Payments Bank into a Small Finance Bank will further the goal of financial inclusion by allowing all citizens greater access to enhanced savings and credit.
- (c) No Sir.
- (d) In view of (c) above, question does not arise.
