

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION NO. †3895**

Answered on Monday, March 24, 2025/Chaitra 3, 1947 (Saka)

**Granting Small Finance Bank Status to IPPB**

†3895. Shri Abhay Kumar Sinha:

Will the Minister of Finance be pleased to state:

- (a) whether the Government is considering to grant Small Finance Bank (SFB) status to India Post Payment Bank (IPPB) and if so, the details thereof and the number of IPPB branches currently operational in the country along with the number of such branches in Bihar, district-wise;
- (b) whether the Government is formulating any special scheme to enhance financial inclusion in small enterprises and rural areas, if SFB status is granted to IPPB;
- (c) whether the Government is aware that RBI had imposed a fine of Rs. 26.70 lakh on IPPB in February 2025 and the steps taken to improve banking standards and customer service;
- d) whether granting SFB status to IPPB is helpful in improving access to banking services in rural and semi-urban areas; and
- (e) the number of new subscribers likely to be benefitted from this change?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) to (e): Banking Licences are granted by the Reserve Bank of India (RBI) as per the relevant provisions of the Banking Regulation Act.

As per the guidelines issued by the RBI on 5.12.2019 for 'on tap' Licensing of Small Finance Banks (SFBs), entities that are owned by the Government and public sector entities are not eligible to promote or convert into SFB.

Department of Posts (DoP) has informed that India Post Payments Bank (IPPB) has 1 branch and around 1.64 lakhs access points across the country. District-wise details of access points in Bihar is at **Annex**.

Further, RBI, *vide* its order dated 15.1.2025, has imposed a monetary penalty of ₹26.70 lakhs on IPPB for non-compliance with certain directions issued by RBI on 'Customer Service in Banks'. DoP has informed that corrective measures have already been taken by the IPPB to remove technical bug, which caused the issue leading to imposition of the fine.

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**Lok Sabha Unstarred Question No. †3895 for answer on Monday, March 24, 2025**  
**District-wise details of Access Points of IPPB in Bihar**

Sl.no.	District Name	IPPB Banking Access points
1	Araria	174
2	Arwal	95
3	Aurangabad	306
4	Banka	211
5	Begusarai	227
6	Bhagalpur	267
7	Bhojpur	306
8	Buxar	186
9	Darbhanga	359
10	Gaya	403
11	Gopalganj	197
12	Jamui	197
13	Jehanabad	129
14	Kaimur	139
15	Katihar	180
16	Khagaria	156
17	Kishanganj	83
18	Lakhisarai	97
19	Madhepura	204
20	Madhubani	435
21	Munger	116
22	Muzaffarpur	428
23	Nalanda	348
24	Nawada	198
25	Paschimi Champaran	281
26	Patna	448
27	Purbi Champaran	429
28	Purnia	193
29	Rohtas	324
30	Saharsa	171
31	Samastipur	383
32	Saran	394
33	Sheikhpura	94
34	Sheohar	60
35	Sitamarhi	279
36	Siwan	329
37	Supaul	203
38	Vaishali	302
	<b>Total</b>	<b>9331</b>

Source: Department of Posts