

IPPB to leverage 1.55 lakh post offices as branches by year-end

India Post Payments Bank (IPPB), which went live on Saturday, will become the country's largest banking system once it starts leveraging 1.55 lakh post offices across India as branches on network by the end of this year. It will utilise digital services to enable payments and deposits that have a small ticket size



Union IT Minister Ravi Shankar Prasad hands over the India Post Payments Bank card to the first customer at Mahajati Sadan in Kolkata on Saturday. *Subham Dutta*

SERVICES OFFERED BY IPPB

- Loans and insurance through third-party pacts with PNB Metlife and Bajaj Allianz
- Savings accounts will offer 4% interest rates
- Bill payments and merchant payments through QR cards
- The payments bank cannot issue credit cards or offer loans directly

IPPB BEGAN pilot testing in January 2017 with branches in Raipur and Ranchi. It went live on Saturday with branches across 650 districts in India in addition to 3,250 nodes co-located at post offices

AHEAD OF the launch, the IPPB had already enrolled 4 lakh customers

ONCE IT expands to all 1.55 lakh post offices, it will leverage the strength of 3 lakh postmen, and 'grameen dak sewaks' to offer

doorstep banking services

SINCE THERE is a limit of Rs 1 lakh for depositing in a payments bank account, the linkage will transfer any excess amount into the postal savings account

THE DAK sewaks will be equipped with smartphones and biometric readers to be able to conduct transactions using a QR card that will be issued to all customers

THE GOVT owns 100% equity in IPPB and a total

spending of ₹1,435 crore has been approved for IPPB

THE PAYMENTS bank can link 17 crore postal savings accounts with its own set-up, giving it a competitive edge against the existing rivals — Airtel Payments Bank and Paytm Payments Bank

EVERY YEAR, out of its profits, the IPPB will set aside 30% as commission of which 25% will go to the grameen dak sewaks and 5% will go to Department of Posts. **ENS**