

Interoperability and resiliency requirements of Digital Payments System: India Post Payments Bank

Role of Posts in Financial Inclusion

Postal Networks

Postal financial services network comprises **1.96 billion accounts** –UPU Est

Money transfers and remittances, bill payments and government to-person (G2P) payments are major play

Only 8% of Posts offering a broad range of products and services through full fledged postal banks

Financial Inclusion (FI)

Integrated into 7 of the 17 Sustainable Development Goals of the United Nations.

Key Enabler in Economic Development

Digital Financial Inclusion helps reduce costs of Financial Inclusion

FI through Postal Network

Postal Networks can play a major role in ensuring Digital Financial Inclusion

Can Mitigate Last Mile accessibility challenges

Help bridge the Trust Deficit that hinders percolation of Digital Financial Services to the masses

India Post as a Financial Service Provider

India Post

More than 160 Years old Trusted Institution

World's Largest Postal Network with more than 1,55,000 Post Offices connected through Secure VPN Network & Core Banking System

Financial Service Provider

Traditionally been providing Post Office Savings Scheme, Money Remittance Services, Insurance & G2P Services

More than 360 Million Savings Accounts with Savings Mobilization of about Rs 8 Trillion

Digital Payment Service

Capitalize on FinTech Revolution sweeping Indian FinServ Space

Bring the Fintech Innovation to Last mile – in particular Rural area

Enablers for Digital Financial Inclusion in India



Banking Regulations

- Bank Led Model – Jan Dhan
- Differentiated Banks
- Banking Correspondents



Digitization

Digital
Power To E

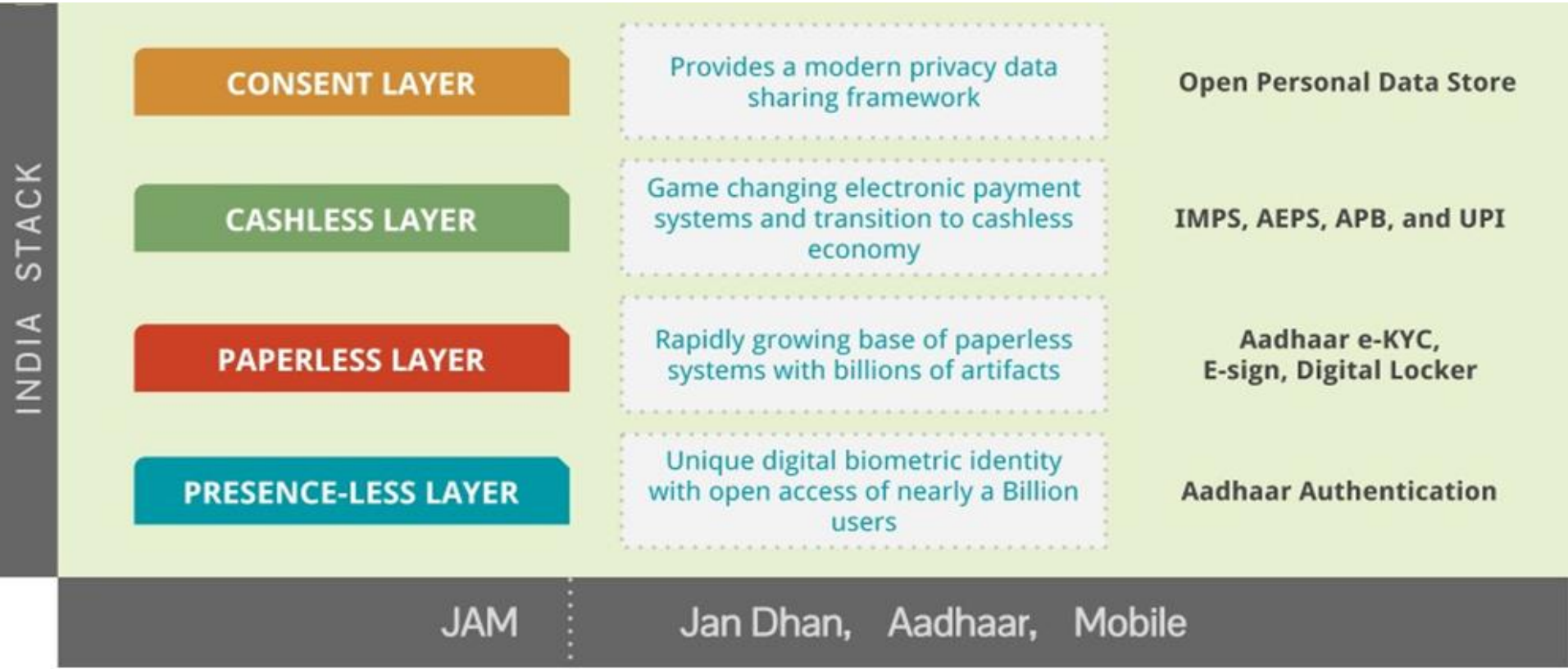
- Rapid Digitization – Smartphone Users
- Digital ID (Aadhar)
- Digital India Mission



FinTech Innovations

- JanDhan- Aadhar- Mobile (JAM) Trinity
- India Stack
- Direct Benefits Transfers (G2P)
- DFS Infra as a Public Good

India Stack: Enabling Interoperable & Resilient Payments System



India Post Payments Bank (IPPB): Guiding Principles

Vision: Building the most Accessible, Affordable and Trusted bank for the common man



Last mile challenges (Banking Network):

- **Only 49,000** Rural Branches, Avg. distance to bank is **10 km**
- **530 Mn** Basic Saving Bank Deposit & **380 Mn** Jan Dhan Accounts – Accessibility Challenges; Low Usage

Postal Network

- **155,000** (130,000 rural) Post Offices
- **400,000** Postal employees

IPPB Network

- **136,000** (110,000 rural) Banking Access Points
- **More than 200,000+** Postmen enabled as Doorstep Banking Service Providers through Smart Handheld & Biometric Devices
- **250,000** Certified Banking Service Providers
- **10 Million +** Man hours of training – Skilled Banking Workforce

Mission: Spearheading financial inclusion by removing barriers and reducing cost for accessing banking services

IPPB: Leading Digital Financial Inclusion in India

Doubled the last mile banking infrastructure

- Rural banking infrastructure X 2.5 times
- Reduced Avg. Distance to Bank from 10km to 5 km

Universal Access to Financial Services/Accessibility

- Mitigating accessibility and availability challenges
- Leverage Technology and Physical reach of India Post

Universal Banking Service Provider

- Bank at your Doorstep – Assisted Mode
- Banking as a Service

High-end Technology focused on enabling Ease of Banking

IPPB QR Card

- A tangible account identity
- Convenience to customers and agents
- Reduces manual input
- No need to remember account number/ PIN
- Secure and Low CAPEX

Multi-lingual services

- All Self-Service channels (Mobile App, Merchant App) and
- Assisted channels (Micro-ATM) available in 13 languages

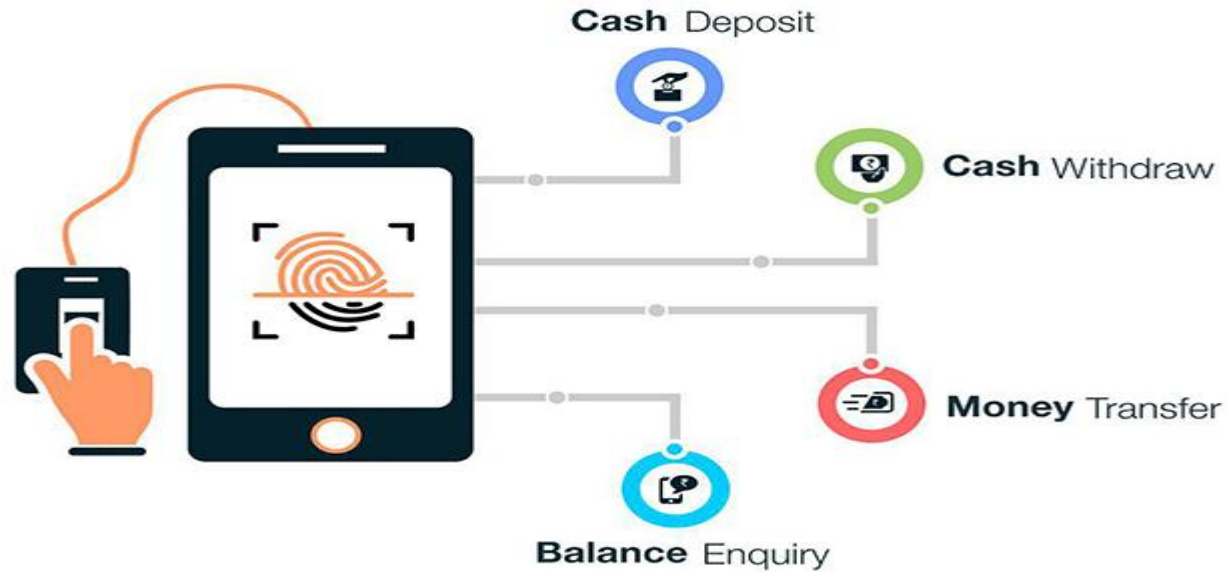
Assisted UPI

- A unique financial inclusion initiative in partnership with NPCI
- Seamless Onboarding for **customers without a mobile phone**
- Assisted Remittance providing transaction simplicity
- Interoperability for small merchants

Doorstep Banking

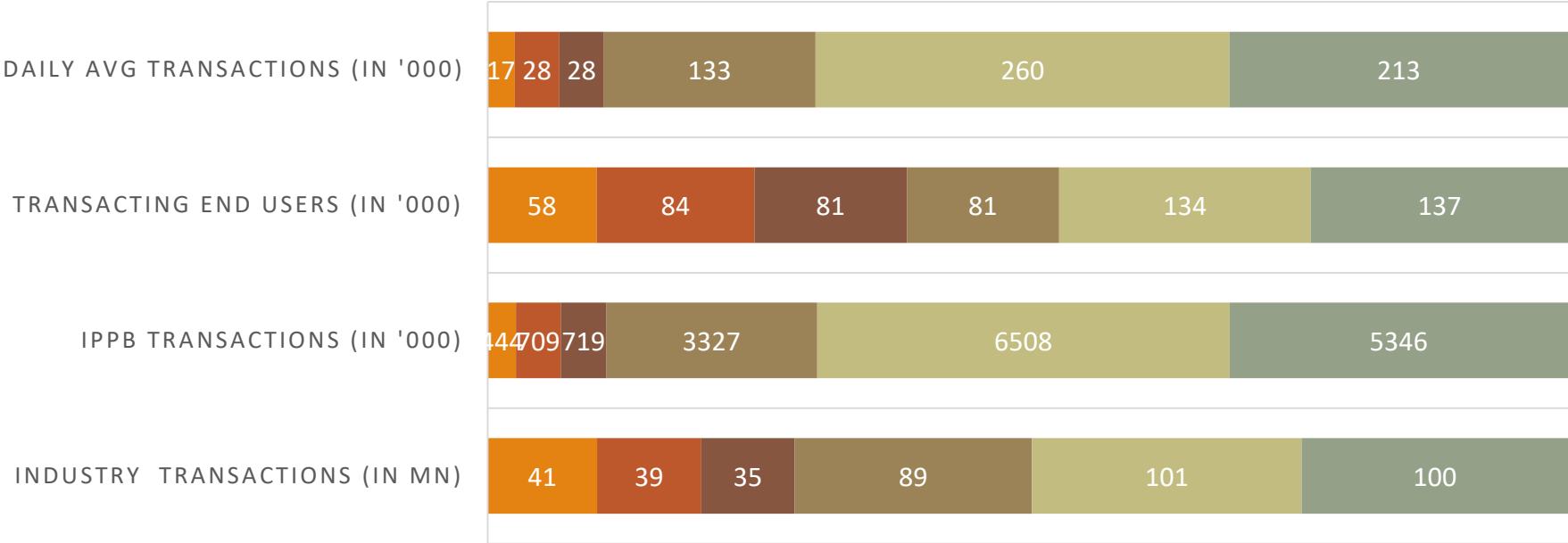
- An "**Uber like**" **doorstep banking service request across the nation**
- Smart auto assignment of doorstep banking requests to nearest / designated service provider with load balancing capability

Universal Banking at Doorstep: AePS



AePS transactions over last 6 months

Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20



Way Forward

**Digital Financial
Infrastructure as
Public Good**

**Expand
Interoperability
across Regulators**

**Redundancies in
Payments
Infrastructure**

**Smart Digital
Financial/Payments
Products**

**Capacity Building at
the Last Mile**

THANK YOU

The QR Card is a dark red rectangular card with rounded corners. It features three white rounded rectangular boxes on the left side, each containing a red icon and text. The first box has the AAPS logo and the text 'Access any Bank Account'. The second box has a red circle with a white rupee symbol and the text 'Receive DBT directly in your accounts'. The third box has a red door icon and the text 'Call on 155299 to avail Doorstep Service'. To the right of these boxes is a large white QR code. Below the QR code is the text 'SCAN HERE' with a right-pointing arrow. At the bottom left, there is a section titled 'How to use QR Card' with three numbered steps: 1. Show card (with a hand holding the card icon), 2. Authenticate AADHAR/OTP (with the AAPS logo icon), and 3. Complete transaction (with a rupee symbol icon). At the bottom center is the India Post Payments Bank logo, which consists of a red circle with a yellow wave and the text 'इंडिया पोस्ट पेमेंट्स बैंक' and 'India Post Payments Bank'. Below the logo is the tagline 'Aapka bank, aapke dwaar'. At the bottom left, there is the text 'Download IPPB Mobile App from' followed by the Google Play and App Store logos.

AAPS Access any Bank Account

Receive DBT directly in your accounts

Call on 155299 to avail Doorstep Service

SCAN HERE ►

How to use QR Card

- 1 Show card
- 2 Authenticate AADHAR/OTP
- 3 Complete transaction

इंडिया पोस्ट पेमेंट्स बैंक India Post Payments Bank
Aapka bank, aapke dwaar

Download IPPB Mobile App from  