

04:05 PM | 20 APR **CLOSED**  
**MARKET STATS** ▼சென்செக்ஸ்  
**34,415** ▼ -11.71நிஃப்டி 50  
**10,564** ▼ -1.25கோல்டு (எம்சிக்...  
**31,440.00** ▼ -158.00யுஎஸ்டி/ஐஎ...  
**66.10** ▲ 0.31**CREATE  
PORTFOLIO**ஈ-டி  
மார்க்கெட்ஸ்...CHOOSE  
LANGUAGE  
TAM

# How the humble postman will bring banking to your doorstep

BY [SANJAY SINGH](#), ET BUREAU | UPDATED: APR 21, 2018, 11.07 AM IST

Post a Comment

The khaki-clad, now largely forgotten, 'dakia' is drafted in as a key player in the scheme of things to drive Prime Minister Narendra Modi's pet initiatives of Digital India and financial inclusion.

**Big Change:**  
[The end of Five-Year Plans: All you need to know](#)

Internet illiteracy in rural India where millions still use mobile phones for only voice communication is a major impediment to take Digital India to the grassroots. That is also hampering the government's efforts towards financial inclusion and make the direct subsidy transfer scheme more effective.

Officials believe this problem can be addressed by leveraging the postal department, with its vast network and workforce that are increasingly unused in an era when dirtcheap telephone services have reduced letter writing into a hobby of the nostalgia-struck.

[India Post](#) Payment Bank (IPPB), the postal department's payments bank division, will utilise the services of the [postman](#) to offer doorstep — or assisted — banking in rural areas.

Armed with a smartphone, the postman will assist people to make banking transactions from their homes. They can also use his services to receive subsidy payments through [Aadhaar](#) Pay or BHIM. The trust of people that post offices and postmen enjoy, the department hopes, will help IPPB make its presence felt at the ground level and bring individuals and small business into the formal financial system.

IPPB, which currently has a branch each in Raipur and Ranchi, will later this month expand the operations to 650 post offices at district headquarters and about 3,000 access points.



Watch blockbuster film  
Kabaali in Malayalam

Hotstar Premium



Royal Caribbean Europe  
Cruises at 30% OFF

TIRUN

Communication Minister Manoj Sinha said IPPB would be a game-changer in taking digital services to rural India. These initiatives, he told ET, “serve PM Narendra Modi’s vision of Digital India”.

The government is keen to take IPPB’s services to every corner of the country before parliamentary elections a year from now, sources in the Department of Posts (DoP) said. IPPB’s role would be politically significant in view of its direct connectivity with rural people, particularly social sector beneficiaries and migrant labourers.

“Initially, about 40,000 postmen will be available for IPPB,” a source at the DoP said. Eventually, that number could increase to about 1.50 lakh postmen, including Gramin Dak Sewaks.

The DoP is currently providing smartphones to the first batch of postmen who will act as IPPB’s agents.

While IPPB will help process payments from central schemes like the [Mahatma Gandhi](#) National Rural Employment Guarantee Scheme and the National Security Assistance Programme, it is in touch also with state governments to play a bigger part in the direct benefit transfer scheme for subsidies they offer.

IPPB’s presence in rural areas may increase access of common people to the formal financial system, the DoP source said.

[Payments banks](#) such as IPPB are meant to take banking to rural locations where infrastructure is lacking. They aren’t allowed to lend to customers, but can take deposits, convey remittances and dispense payments to recipients.

Postal department sources said while IPPB cannot provide loans, it can still facilitate third parties to offer loans to villagers.

The postman personally knows the villagers of his area, and that will be useful in evaluating their financial position, a source said.

“We can assess the financial position of villagers who require small loans for the purpose of purchasing cattle, fertiliser or opening

shops. Third parties may consider them for such loans on the basis of our assessment.”

If villagers get loans through formal channels, it may also put a check on unscrupulous moneylenders in rural areas, he said.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

Powered by

[Live Market](#)

[News](#)

[Portfolio](#)

[Mobile](#)

[Live TV](#)

[Biz Listings](#)

[Industry](#)

[Newsletters](#)

[Commodities](#)

[Speed](#)

[Blogs](#)

[RSS](#)

[About Us](#)

[Create Your Own Ad](#)

[Advertise with Us](#)

[Terms of Use & Grievance Redressal](#)

[Privacy policy](#)

## FOLLOW US

Download it from  
**APP STORE**

Download it from  
**GOOGLE PLAY**

Download it from  
**Windows Store**

### Other Times Group news sites

[इकनॉमिक टाइम्स](#) | [ઇકોનોમિક ટાઇમ્સ](#) | [Pune Mirror](#) | [Bangalore Mirror](#) | [Ahmedabad Mirror](#) | [ItsMyAscent](#) | [Education Times](#) | [Brand Capital](#) | [Mumbai Mirror](#) | [Times Now](#) | [Indiatimes](#) | [नवभारत टाइम्स](#) | [महाराष्ट्र टाइम्स](#) | [ವಿಜಯ ಕರ್ನಾಟಕ](#) | [Go Green](#) | [AdAge India](#) | [Eisamay](#) | [IGN India](#) | [NavGujarat Samay](#) | [Times of India](#) | [Samayam Tamil](#) | [Samayam Telugu](#) | [Miss Kyra](#) | [Bombay Times](#) | [Filmipop](#) | [BrainBaazi](#) | [BrainBaazi APP](#)

### Living and Entertainment

[Timescity](#) | [iDiva](#) | [Entertainment](#) | [Zoom](#) | [Healthmeup](#) | [Luxpresso](#) | [Gadget Reviews](#) | [Titanium & Platinum Credit Card](#) | [Online Songs](#) | [MensXP](#) | [Hotels](#) | [Travel Destinations](#) | [Cricbuzz](#) | [Recipes](#) | [Gaana](#) | [Happytrips](#) | [Getsmartapp](#)

### Interest Network

[itimes](#)

### Hot on the Web

[Share Market](#) | [GST](#) | [Income Tax Slabs](#) | [Aadhaar Card](#) | [IFSC Code](#) | [Mutual Funds](#) | [How to save Income Tax](#) | [Sensex Today](#) | [Nifty Bank](#) | [Sensex](#) | [Income Tax Calculator](#) | [Karnataka Election 2018](#)

### Services

[Book print ads](#) | [Online shopping](#) | [Matrimonial](#) | [Astrology](#) | [Jobs](#) | [Tech Community](#) | [Property](#) | [Buy car](#) | [Bikes in India](#) | [Free Classifieds](#) | [Send money to India](#) | [Used Cars](#) | [Restaurants in Delhi](#) | [Remit to India](#) | [Buy Mobiles](#) | [Listen Songs](#) | [News](#) | [TimesMobile](#) | [Real Estate Developers](#) | [Restaurant Deals in Delhi](#) | [Car Insurance](#) | [Gadgets Now](#) | [Free Business Listings](#) | [CouponDunia](#) | [Remit2India](#) | [Techradar](#) | [AliveAR](#) | [Getsmartapp App](#) | [ETMoney Finance App](#) | [Feedback](#) | [Auto](#)

## In Case You Missed It

[All about PNB Fraud](#)

[EPF Calculator](#)

[Aadhaar](#)

[Bhushan Steel](#)

Reliance Jio

Cash Crunch

Fortis Healthcare

RBI

Aadhaar Card

Income Tax

Liquor Ban

IFSC Code

Copyright © 2018 Bennett, Coleman & Co. Ltd. All rights reserved. For reprint rights: [Times Syndication Service](#)