

DIRECT BENEFIT TRANSFER THROUGH INDIA POST

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BENEFITS OF USING INDIA POST

- Handling 6600 million articles as mail per year on an average
- 1.3 Lakh Post offices in rural areas alone
- All accounts, including MG-NREGS, are digitised.
- Image as a people-friendly institution, and high degree of credibility
- Time tested Accounting & Auditing system of the Department.
- Excellent records management and inventory system.
- Transparency in utilisation of funds
- Encouraging small savings, and creating assets in marginal sections
- Empowerment through inclusion in the financial institutional network, especially of women and vulnerable groups.
- Payment at the doorstep of the customers / beneficiaries.
- Financial inclusion of rural populace who are poor, un-banked, and vulnerable.



Disbursement under Social Security Schemes

Payment of
wages under
MGNREGA

Indira Gandhi
National Old
Age Pension
(IGNOAPS)

Indira Gandhi
National
Disability
Pension
(IGNDAPS)

Indira Gandhi
National Widow
Pension
(IGNWPS)

Indira Gandhi
Matritva
Sahayog
Yojana
(IGMSY)

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FINANCIAL INCLUSION: DBT

- 1,30,000 Rural Post Offices are being equipped with Rural Information Communication Technology (RICT) devices to carry out transactions online
- National electronic Fund Management System (NeFMS) is being implemented in all states for MGNREGA disbursements
- All social sector payments through Post Offices are being routed through Public Finance Management System (PFMS)
- Payment files for the entire country are being process centrally by boarding National Payments Corporation of India
- Micro ATM kit comprising of one Tablet, Bluetooth Printer, Finger Print Reader are to be deployed in Post Offices, under Aadhaar Enabled Payment System (AEPS).



DBT THROUGH INDIA POST: BENEFITS OF CORE BANKING

Technical Ease
under CBS
platform for
Crediting
Accounts at
Central Level

Efficient Response
for Successful and
Failed
transactions.

Effective
Reconciliation
due to centralised
Processing.

Any CBS Post
office withdrawal
facility for end
beneficiary.

Banking Facilities
for Beneficiaries
at RICT channels

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Rural Solution

Rural solution will enable approximately 130,000 Extra Departmental Post Offices (EDOs) to improve the level of services being offered to rural customers...

Highlights of Solution

Unparalleled infrastructure (handheld device with various peripheral devices like solar panel) to perform day-to-day transactions for Core Banking, Insurance and Mail Operations

Branch Post Offices to perform all transactions electronically through devices such as handheld, scanner, barcode readers, thermal printer, magnetic swipe reader and insert card reader

Branch Post Offices can make disbursements for social security schemes such as MGNREGS

New services in Retail, Insurance and Financial services space can be offered to rural customers

English, Hindi and regional language support for application and receipts through Handheld

Handheld Device



Benefits for GDS

- Higher self Esteem & increase in respect in community for rural staff
- Improved efficiency and productivity
- Enhanced knowledge of IT Skills/ Computers

Benefits for Department

- Bringing rural area services at par with cities
- Increase in revenue by offering new services to rural customer
- Improve service quality and customer satisfaction
- Availability of all departmental services at the Branch Office
- Reduction in manual workload at Head and Sub Post Office

IT Modernization – Rural ICT Solution for DBT

- Bridging gap between urban and rural India
- Utility bill payments (water, electricity,)
- Open for addition of more services on demand like taxes, fees, Phone top ups, rail ticket bookings etc.

Retail Applications

Postal Banking

RICT in Branch Post Office

Paying Social Security Schemes

- Banking services for “un-banked” rural population
- Availability of multiple channels for ease of transaction

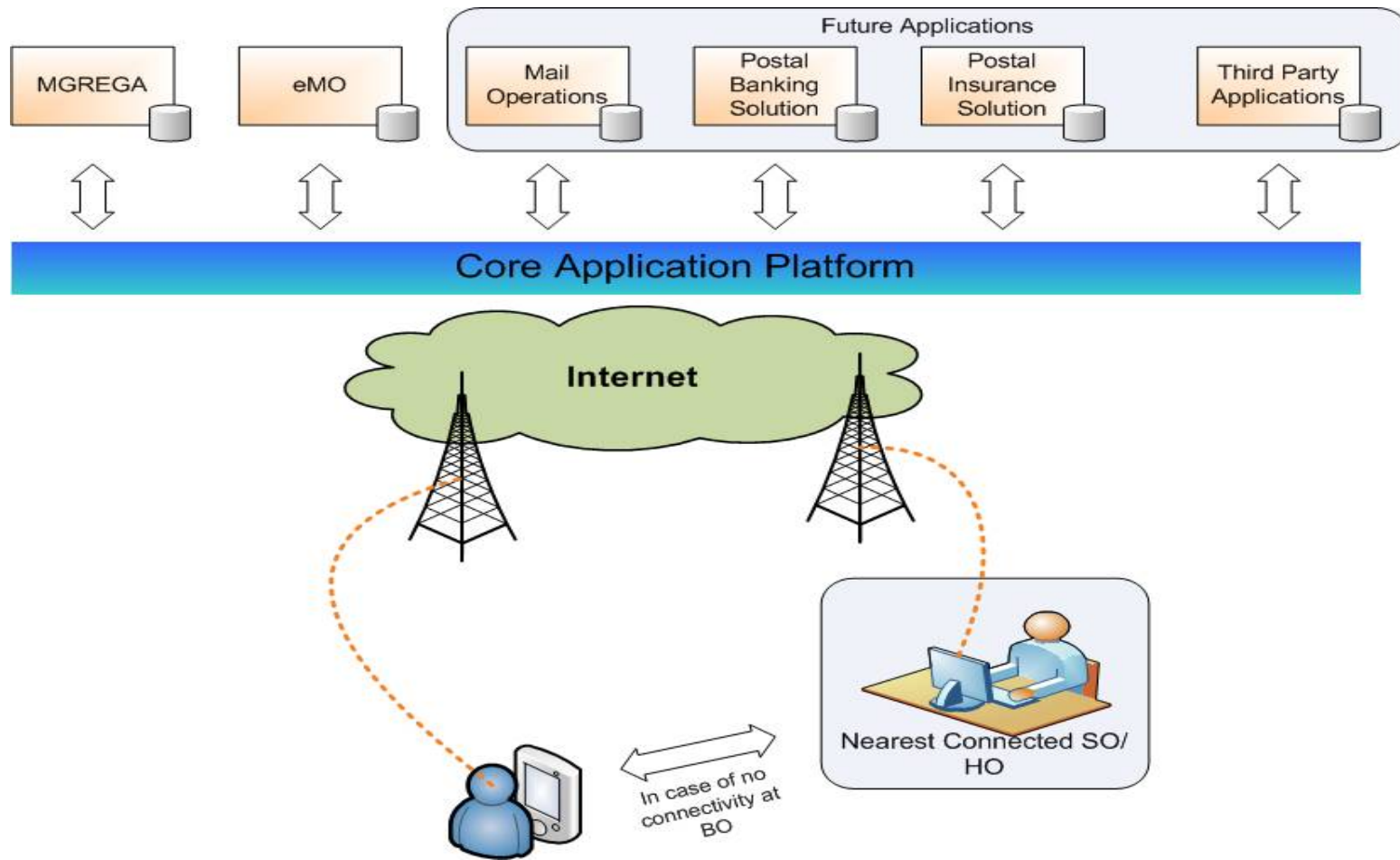
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IT Modernization – Rural ICT Solution – The Architecture

Rural ICT Solution Overview



Devices



Handheld Computers



Thermal Printer



2D Imager



Smartcard / Mag Stripe Reader and Writer



Biometric Scanner

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INDIA POST PAYMENTS BANK: THE VISION



Prime Minister Mr. Narendra Modi's statement on India's 70th Independence Day

“

Post offices are linked with poor and marginalized people and the postman is the only representative of govt. who is linked with the feelings and affection of the common man

By setting up this 'Payments Bank':

- A network of banks will be set up across all villages in India
- People will get the benefits of Jan-Dhan account
- MGNREGA funds for the common man can

now be transferred into their accounts directly through AADHAR

”



Building the **most accessible, affordable and trusted** bank for the common man



Spearheading the **financial inclusion agenda** by removing the barriers for the unbanked and reducing the opportunity cost for the underbanked populace

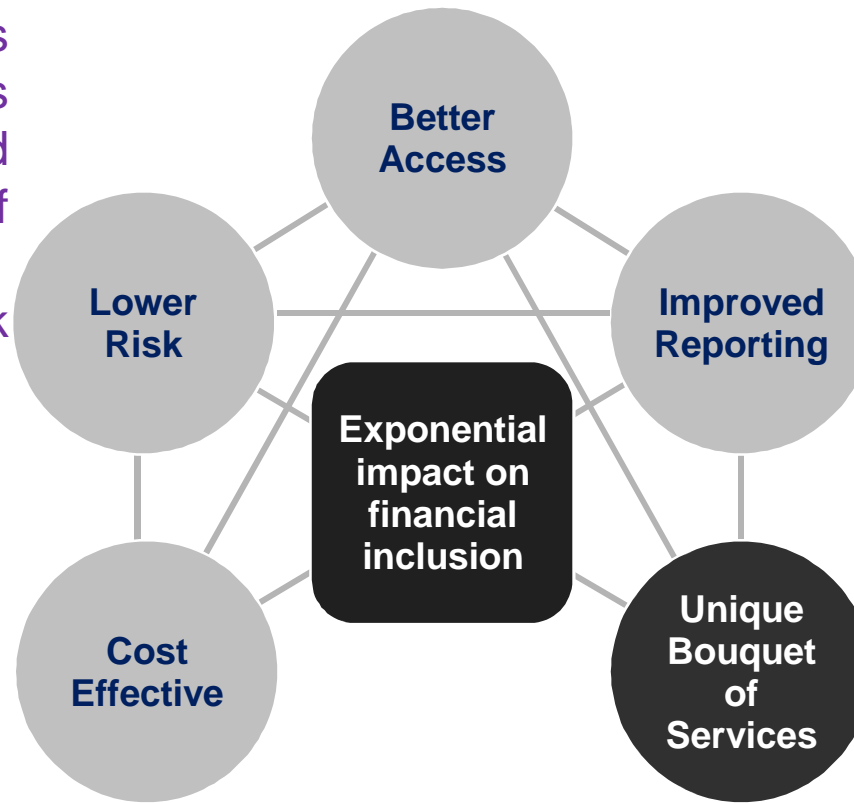


DoP-IPPB combine can radically improve delivery of DBT and be a game-changer for financial inclusion

Over 1.36 lakh rural post offices to provide unparalleled reach and access for DBT

- Aadhaar Payments Bridge (APB) as backbone and central operations of IPPB
- Analytics to track fraud

Existing infrastructure of DoP, well-trained GDSs, strong technical team in IPPB, and economies of scale => cost effective banking operations



Better reporting and improved analytics for effective decision making

Unique bouquet of services such as cashless wallets, cash management for small enterprises, doorstep services, etc.

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IPPB: TARGET CLIENTELE



Students



Home makers



Elderly



Rural heartlands



Influencers



Blue collar

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IPPB & DOP: PRODUCTS & SERVICES IN 1ST PHASE

At Launch – May
2017

Launch + 6
months

Launch + 12
months



Objective

- Provide basic banking services to unbanked and underbanked and enable them to transact



Capabilities

- Capabilities that can be developed within the launch framework and timelines



Products

- Current account
- Savings account
- Debit cards (RuPay)
- Prepaid account (for DBT)
- Prepaid wallet app
- 3rd party products – Individual/Group health insurance, PLI & RPLI, MMMF, Loans*



Services

- Bill payments including premium payment
- Domestic remittance (NEFT/ RTGS / IMPS)
- AEPS based transactions
- G2C payments (PFMS)
- C2G Payments
- Merchant acquisition (DBT)
- International remittance – Inward
- Doorstep banking
- Cash management



Channels

- Branch
- Assisted mode / Agent
- Digital (Mobile banking, Agent/ Merchant app)
- ATM
- SMS / Missed call banking
- IVR (Basic non-financial transactions) / Call centre

* IPPB will aim to have a simple lending product on Day 1 (small ticket loans issued with minimal requirements)

IPPB & DOP: PRODUCTS & SERVICES IN 2ND PHASE

At Launch – May
2017

Launch + 6
months

Launch + 12
months



Objective

- Expand the services and options to enable newer ways of transacting and give a fillip to usage



Capabilities

- Incremental capabilities which can be developed subsequently



Products

- Debit cards (Visa/ MasterCard)
- 3rd party products – Shop insurance, Life insurance



Services

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Bill payments (BBPS enablement, Bill presentment) • Remittance (UPI enablement) | <ul style="list-style-type: none"> • P2M payments (QR/ NFC) • C2G payments (GST, PPF, NPS) • Loyalty | <ul style="list-style-type: none"> • Merchant acq. (Physical, Online) • Int. remittance – Outward |
|--|---|---|



Channels

- IVR – Full fledged
- Internet banking
- Self-service kiosks

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IPPB & DOP: PRODUCTS & SERVICES IN 3RD PHASE

At Launch – May
2017

Launch + 6
months

Launch + 12
months



Objective

- Expand into newer areas to widen the overall set of offerings



Capabilities

- New capabilities which require maturity and evolution of the ecosystem



Products

- Locker
- Demat account
- Financial advisory
- 3rd party products – Loans, Mutual Funds etc.
- Prepaid wallet app (Coupons, offers, social media based P2P payments)



Services

- Coupons
- Mass transit



Channels

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THANK YOU

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