

# Know More About India Post Payment Bank in India

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### In brief

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Banking sector in the country has been changed in the last few years and we can see a large number of small and large banks emerged in to the market. Since with the digitalization of all the financial sector in the country, the need of more bank or financial organization has become more necessary.

Considering all this, the Reserve Bank of India introduced a semi-banking system in India which is known as Payment Bank. Within the name it is clear that what a Payment Bank is, however, most people in the country are still unaware of the use and functionality provided by these bank.

So let's check what a payment bank is and what all services that are available for the customers.

### What is a Payment Bank ?

Payment Banks are miniature form of the mainstream banks where as the services offered are limited to some extent. Payment Banks offers almost all the services such as bill payments, Savings Account, Debit card, Internet Banking, Mobile Banking etc. But payment banks are not allowed to provide loan facility to the customers. Unlike other banks, you will not get any type of loans from a payment bank. As the name says, Payment Banks are mainly for the payment purpose.

Once RBI gave permission to the Payment Bank, many major companies such as Airtel, PayTM etc gained license for the same and started their own Payment Bank. India Post is one of the latest additions of this kind and since being a government organization, it attracts many users whereas some still not interested to choose private companies.

Read: [Kotak Mahindra Bank Introduced WhatsApp Banking Service - Now Get Your Account Details From Your WhatsApp](#)

### India Post Payment Bank (IPPB)

India Post Payment Bank (IPPB) is a Government of India owned payments bank which is operated by the Department of Posts. It was inaugurated by Prime Minister Narendra Modi at Talkatora Stadium in New Delhi on 1st September 2018. The aim is to make available the banking services to each and every citizen of India even in the remotest places in the country. Initially it started with 650 branches and 3250 access points across the country. It offers savings accounts, money transfer, insurances , bill and utility payments.

Remember one thing, as we mentioned before, it allows any type of payments for the customers and doesn't provide loans. Now we can see the services provided by the Payment Bank.

### Services provided by IPPB

## 1. Savings Bank Account

The Post Payment Bank offers savings account and the minimum age needed to open an account is 10. The minimum amount needed to open an account is Rs.100 and there is no minimum balance conditions. The maximum amount that an account can hold is 1 Lakh. The bank offers 4% interest and the QR Card is provided for the customers without applying any charges.

## 2. Current Account

The Post Payment Bank offers current account also and the minimum amount to open an account is Rs.1000. In the case of current account, there is a minimum balance condition. The account holder should keep a minimum balance of Rs. 1000 in his current account. The maximum amount that an account can hold is same as that of savings bank account and that is 1 Lakh. The customer will not get any interest from current account and the QR Card is provided freely for the customers.

## 3. Doorstep Banking

Doorstep banking means it lets you call a phone banking officer and request a service that you want to do. It applies some charges from the customers for transactions. Here, the charge applied for the transactions upto Rs.2000 is 15/-. The transaction charge for transactions between Rs.2000 and Rs. 5000 is 25/- and between Rs.5000 and Rs. 10,000 is 35/-. The doorstep banking is not possible with the amount above Rs.10,000.

Read: What is Monthly Average Balance in Bank Account ? How it is Calculated ?

## 4. QR Card

The main specialty of Payment Bank is the QR Card that is provided for the customers. QR Card means Quick Response Card and it is used to make payments by scanning a QR code from a mobile app. Then enter the amount to pay and submit it. We can do fund transfer, bill payments, shopping etc using this facility. It is more secure method comparing with others. There is no need of remembering the password or account number for transactions and because of it is biometric it will not affect the bank account if there is any problem with the bank.

## 5. Digital Savings Account

Digital transactions are done with the help of mobile apps and any citizen above the age of 18 can start an account using IPPB mobile app. The account holder must have Aadhar card and PAN card. The digital services include mobile banking, phone banking, sms banking, missed call banking etc. It also allows fund transfer through RTGS, NEFT and IMPS modes. We can pay any types of bills such as phone bills, current bills etc. The banking system provides any time customer service facility which is a speciality of it compare with other systems.