



## **SIDBI and IPPB enter into MoU for development of informal micro enterprises**

**New Delhi, October 11, 2023:** India Post Payments Bank (IPPB) and the Small Industries Development Bank of India (SIDBI) entered into a strategic partnership to promote extension of formal financial services and other support services to MSMEs, especially enterprises in rural and remote areas of the country. Shri Sivasubramanian Ramann, CMD SIDBI and Shri J. Venkatramu, MD & CEO, IPPB signed an MoU on October 11, 2023 in the august presence of Shri Vivek Joshi, Secretary, Department of Financial Services, Gol and Smt.Vandita Kaul, Member (Banking and DBT), Postal Services Board, Department of Posts, Gol.

The partnership aims to leverage IPPB's rural reach and deep connect with village level communities and SIDBI's lending and credit risk assessment models in reaching to informal and micro enterprises in rural and remote areas as may be permitted under the extant regulations. IPPB shall also support SIDBI's customers in digitising the payment mechanisms through its merchant onboarding system and collection solutions like UPI, QR based solutions, etc. The two Institutions will also undertake joint programmes to upgrade skills of Dak Sevaks in supporting credit and other services to micro enterprises. They will jointly work together to identify other areas of mutual interest and undertake the various activities to support MSMEs and MSME ecosystem across the country with special focus on informal micro enterprises.

Along with signing of the MoU, announcements were also made for organising a hackathon involving the Fintech community for innovation in financial services in rural areas as also a Swavalamban Challenge Fund to promote rural livelihood enterprises.

Speaking on the occasion, Secretary, DFS emphasised on the potential that the proposed partnership between SIDBI and IPPB holds in furthering the financial inclusion in the country, especially by targeting informal and micro enterprises in rural and remote areas.

Member (Banking & DBT), PSB highlighted the efforts made by IPPB within a short span of time since its inception in promoting financial inclusion as also in digitising financial transactions to improve affordability and ease of access to the very small enterprise.

Mr. Sivasubramanian Ramann, said "we look forward to a fruitful and meaningful partnership with IPPB which can make a positive impact on millions of informal rural enterprises in the country by improving their access to financial services and financial literacy."

Shri J. Venkatramu, MD & CEO, IPPB expressed the institutional desire to strengthen financial inclusion initiatives and looked forward to the partnership with the principal Financial Institution for MSMEs in the country.

### **About Small Industries Development Bank of India (SIDBI):**

SIDBI is India's principal financial institution in India for promotion, development and financing of Micro, Small, and Medium Enterprises (MSMEs). SIDBI plays a critical role in supporting entrepreneurship, economic growth, and financial inclusion across the nation through various programs like credit guarantee, direct credit, venture capital, digital platforms, government program management, etc.



## **About India Post Payments Bank**

IPPB, with 100% equity owned by Government of India, was launched by the Hon'ble Prime Minister Shri Narendra Modi on September 1, 2018. The bank has been set up with the vision to build the most accessible, affordable and trusted bank for the common man in India. The fundamental mandate of India Post Payments Bank is to remove barriers for the unbanked & underbanked and reach the last mile leveraging the Postal network comprising 155,000 Post Offices (135,000 in rural areas) and 300,000 Postal employees.

IPPB's reach and its operating model is built on the key pillars of India Stack - enabling Paperless, Cashless and Presence-less banking in a simple and secure manner at the customers' doorstep, through a CBS-integrated smartphone and biometric device. Leveraging frugal innovation and with a high focus on ease of banking for the masses, IPPB delivers simple and affordable banking solutions through intuitive interfaces available in 13 languages.

IPPB is committed to provide a fillip to a less cash economy and contribute to the vision of Digital India. India will prosper when every citizen will have equal opportunity to become financially secure and empowered. Our motto stands true - Every customer is important, every transaction is significant and every deposit is valuable.

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