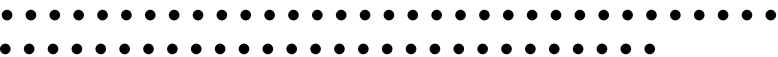


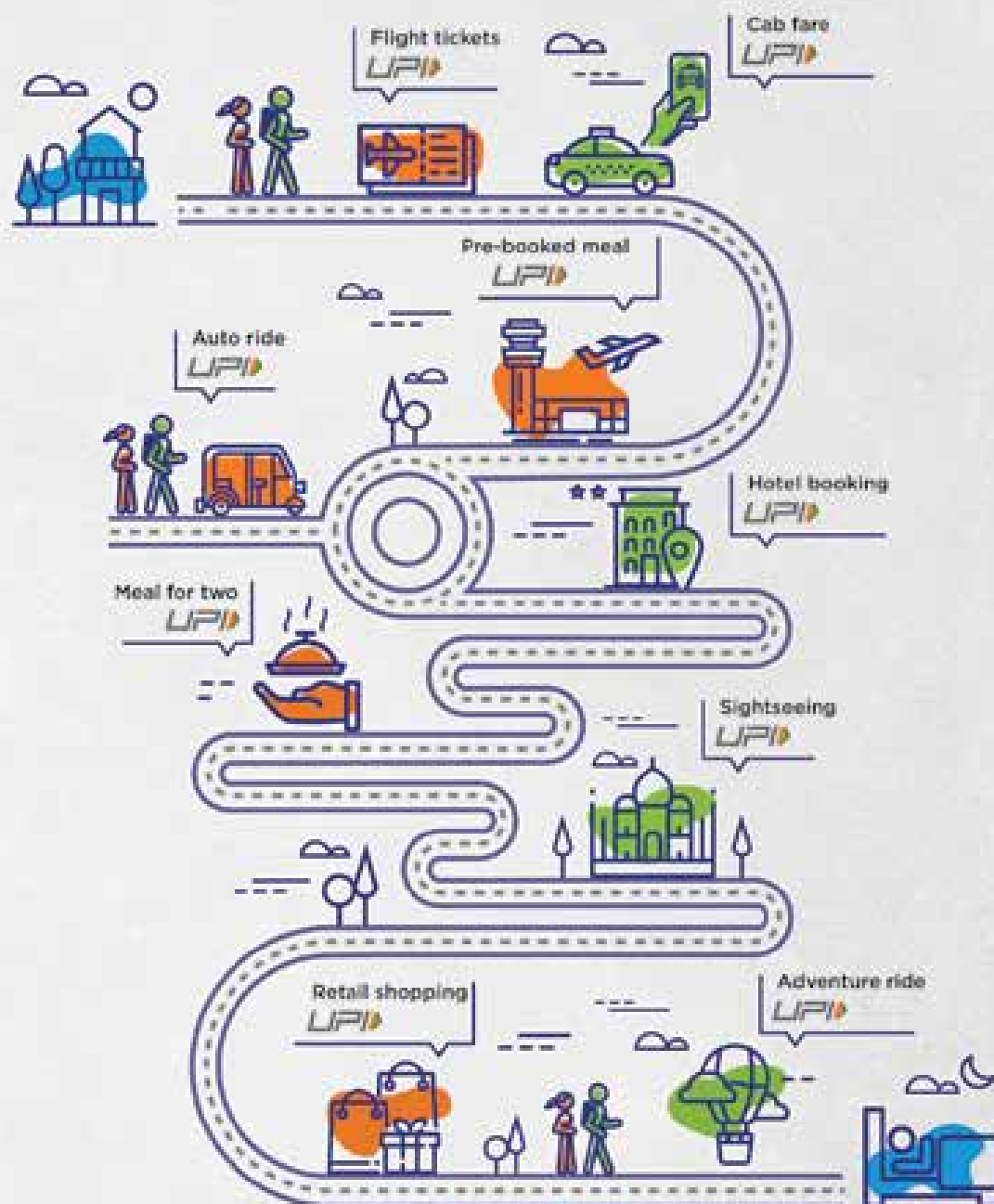
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Volume 1 | Issue 2



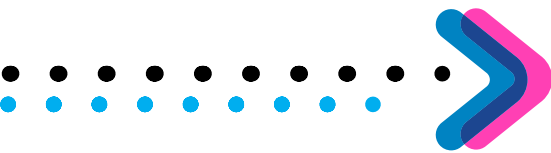
72-ET Policy Change award	73-Fintech Accelerator
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# EXPERIENCE THE CONVENIENCE OF UPI ON YOUR TRAVELS.



Set your UPI ID today and pay on the go.





**Dilip Asbe**  
**MD & CEO,**  
**National Payments Corporation of India**

It's inspiring to note that the dynamic payments industry is growing swiftly at the backdrop of innovation and technology. Today, along with banks, there are Fintech entities like BeNow, Payso, PhonePe, Bharat Pe as well as global organisations like Google, Facebook, Amazon, Samsung, Truecaller etc. who are passionately empowering Indian consumers with ample of payment options to cater their need.

It is worth mentioning that milestones achieved in the second quarter were exceptional as Dr. Urjit Patel, Governor, Reserve Bank of India launched Unified Payments Interface 2.0 in the month of August. This edition of our TNX NXT magazine familiarizes you with enhanced UPI 2.0 features such as Invoice in the Inbox, Signed Intent/QR, UPI Mandate with Blocking of Funds and UPI for Overdraft Account that are set to operationalise in a safe and secure manner. While BHIM app is ready to facilitate these upgraded features, we are pleased to note that few banks are already rolling out specific use cases based on UPI 2.0.

Some of our products and services have made significant progress over the past few months. Collectively, banks have issued over 3.8 Mn FASTags under National Electronic Toll Collection (NETC) programme while Bharat BillPay has enabled over 100 billers across the country. Instant payment services like IMPS and BHIM UPI are growing steadily both in terms of volume and value. India's own RuPay cards are being issued by over 1150 banks with customer base of 590 Mn. The recent innovation in RuPay is the launch of 'One Nation. One Card' that is based on National Common Mobility Card (NCMC) principles. These contactless cards can support low value offline transactions in retail, transit, para-transit, smart cities etc. We have launched projects in Ahmedabad, Bangaluru, Bhubneshwar, Kochi, Raipur & Surat.

RuPay and UPI are truly emerging as the preferred mode for payments due to its large customer base and acceptance. Simultaneously, proliferation of affordable smartphones are leading to mass adoption of new-age digital payments services that has the potential to pose a serious challenge to cash in days to come. Start-up ecosystem is playing an important role to digitalise the country by filling the gaps where banks and established financial entities are falling short, especially in terms of providing last mile connectivity.

NPCI is working in collaboration with all stakeholders to uplift customer's payment experience across all possible segments. Our flagships products and services are transforming the way consumer pay their utility bills, toll plazas or make person-to-person/ merchant transfers. We are consistently growing portfolios of our existing product base and introducing new solutions like Bharat BillPay, NETC and NCMC etc.

I would like to take this opportunity to encourage all stakeholders to take up the challenge of digitalising 90 percent of our cash-led economy and transform it into a less-cash one. We at NPCI assure 100 percent support and assistance to achieve the mission of creating 'Digital India.'

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Disruption Decoded: UPI and its humble beginning



Former RBI Governor Dr. Urjit  
R. Patel launched

# UPI 2.0



**D**elivering the presidential address at the event, Dr. Patel outlined that the launch has been the result of the calibrated approach adopted by the Reserve Bank - in the initial years as a developer and in the later years as a catalyst and facilitator. He informed that the payment systems in India are not only comparable to any system, anywhere in the world, they also do set standards and good practices for others to emulate. Dr. Patel also outlined the need for ensuring adequate importance to be ascribed to cyber security, stating that all efforts need to be channelled to this area and that costs should not be an inhibiting factor to this critical area.

**M**r. Nandan Nilekani, Advisor - Innovation of NPCI, traced the facilitating role of the Reserve Bank in the establishment of NPCI as a Section 8 Company and how it has changed the payments landscape of the country. He elucidated the phenomenal role played by Reserve Bank of India and thanked Dr. Patel and his team for the calibrated regulation and an innovation-fostering approach, which has resulted in India having many payment systems, which are 'state-of-the-art', and cost effective.

The UPI has grown considerably post demonetisation and has been the catalyst for retail payment systems with many banks building products around UPI with the fintech industry and other IT players positioned at the edge, providing innovative solutions for end-user delight. The system today is one of the best in the world that some of the developed countries are also trying to adopt. He outlined that the UPI Version 2.0 has laid down the rails for innovative payment solutions to be provided by banks, and since the systems are standardised and based on open source, they are efficient as well.



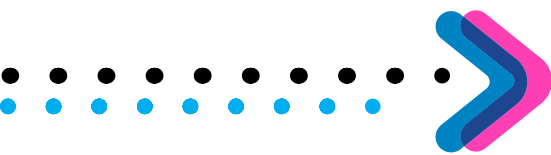
“NPCI has played a stellar role in enabling various payment platforms. From launching a card payment settlement system that competes with Visa and Master card to setting up a platform to facilitate instant money transfer service, NPCI has been moving from one success story to other. The success story of UPI has been acknowledged across the world with other countries trying to emulate similar solutions.” - **Mr. Rajnish Kumar, Chairman, State Bank of India.**



Mr. Nandan Nilekani, Advisor – Innovation, NPCI - “UPI is a path-breaking innovation that is unprecedented globally. Its high volume, low cost and highly scalable architecture built on an open source platform is key to India’s transformation to a digital payment economy.”

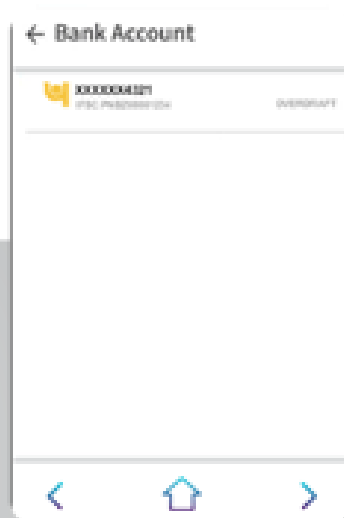
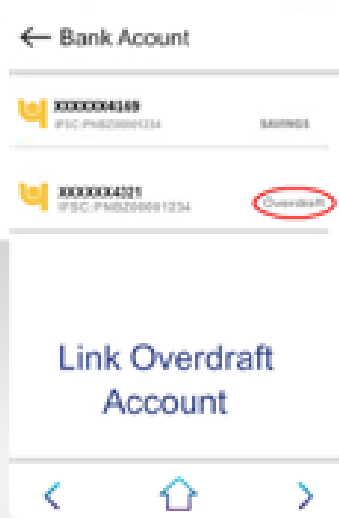
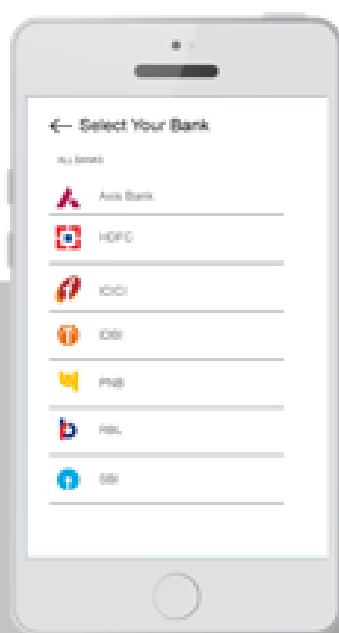


“We are happy to witness the revolution brought about by UPI in the last two years. Large number of banks, merchants, third-party players and consumers trusted this platform which resulted in substantial growth in terms of volume and value of transactions since its inception. With the launch of UPI 2.0 we hope to touch new milestones by expanding UPI’s presence especially in person-to-merchant payment space.” - Mr. Dilip Asbe, MD & CEO, NPCI.



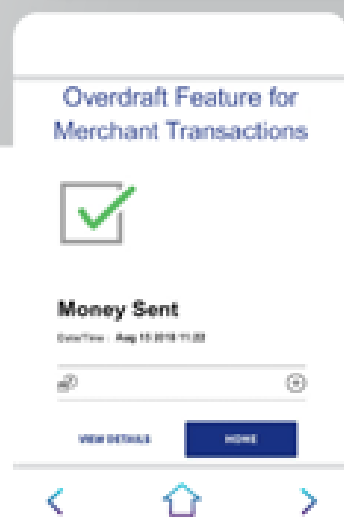
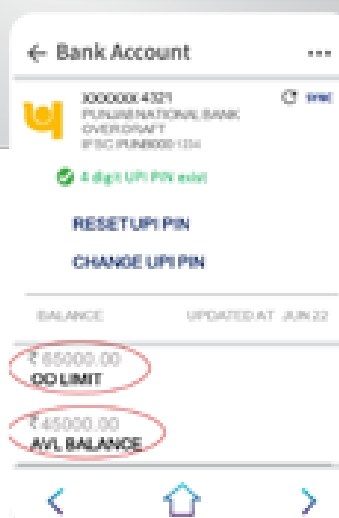
## Key Features

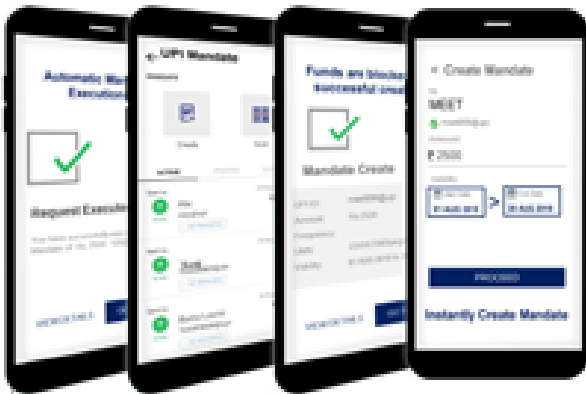
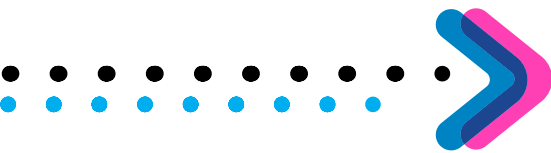
# UPI 2.0



### Overdraft Facility:

In addition to current and savings accounts, customers can link their overdraft (OD) account to UPI. Customers will be able to transact instantly and all benefits associated with OD account shall be made available to the users. UPI 2.0 will serve as an additional digital channel to access OD account.

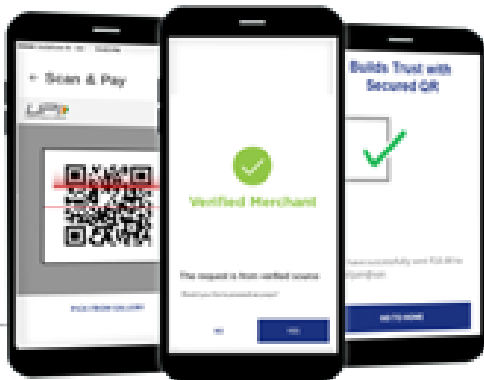




## One Time Mandate:

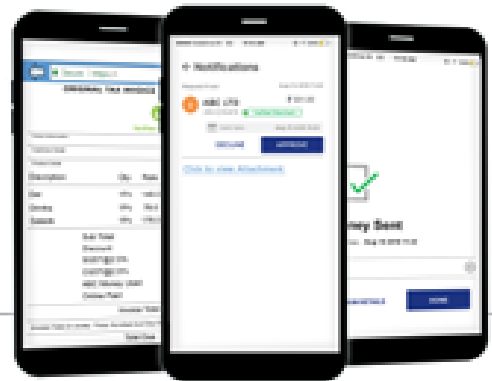
UPI mandate could be used in a scenario where money is to be transferred later by providing commitment at present. UPI 2.0 mandates are

created with one time block functionality for transactions. Customers can pre-authorise a transaction and pay at a later date. It works seamlessly for merchants as well as for individual users. Mandates can be created and executed instantly. On the date of actual purchase, the amount will be deducted and received by the merchant / individual user.



## Signed Intent & QR:

This feature is designed for customers to check the authenticity of merchants while scanning QR code. It notifies the user with information to ascertain whether the merchant is a verified UPI merchant or not. This provides an additional security to the QR as well as intent based payments. Transactions are processed faster as app passcode is not required in case of signed intent based payments. It also negates the chances of QR tampering. Customers will be informed in case the receiver is not verified by way of notifications.



## Invoice in the Inbox:

This feature is designed for customers to check the invoice sent by merchant prior to making payment. It will help customers to view and verify the credentials and check whether it has come from the right merchant or not. Customers can pay seamlessly post verifying the amount and other important details mentioned in the invoice.







# National Electronic Toll Collection

**In just a short span of 2 years, NETC program has already pocessed 329.94 Mn transactions amounting to ₹8114.38 cr**

---

National Electronic Toll Collection (NETC) provides an electronic payment facility to customer to make the payments at national, state and city toll plazas by identifying the vehicle uniquely through a FASTag. NETC offers an interoperable four-party nationwide toll payment solution including clearing house services for settlement and dispute management.

Interoperability, as it applies to National Electronic Toll Collection (NETC) system, encompasses a common set of processes,

business rules and technical specifications which enable a customer to use their FASTag as payment mode on any of the toll plazas irrespective of who has acquired the toll plaza. A FASTag is a device that employs Radio Frequency Identification (RFID) technology for making toll payments directly while the vehicle is in motion. FASTag (RFID Tag) is affixed on the windscreen of the vehicle and enables a customer to make the toll payments directly from the account linked to FASTag.

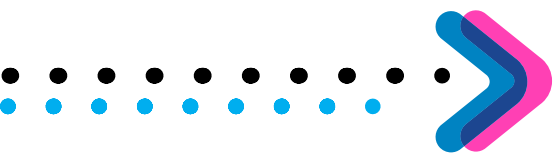


## NETC program has made some significant progress since inception. Below is the snapshot of the same.

---

- ▶ NETC is live on 459 toll plazas across the country (433 National Highway plazas and 26 State / City Plazas).
- ▶ 22 Issuer banks have collectively issued more than 3.8 Mn FASTags since inception till December 2018.
- ▶ Daily transaction volumes have been steadily grown from 30,000 daily transactions in December 2016 to a daily average of ₹7.81 lakh transactions in December 2018.
- ▶ 24 percent of the total value of toll collections are now collected through the NETC program.
- ▶ 24.21 Mn NETC transactions amounting to ₹ 534.11cr were processed in December 2018.
- ▶ December 2018 also saw the launch of the first city project wherein 19 toll plazas of Hyderabad outer ring road went live.





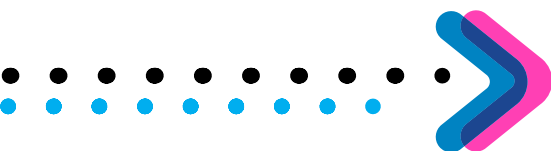
# Bharat BillPay

## on-boards over



100+

billers across India



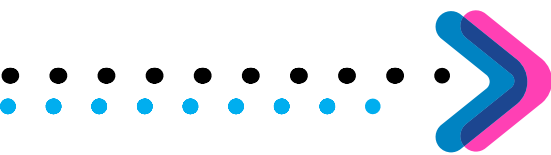
**B**harat BillPay, one stop bill payment ecosystem launched by NPCI has enabled about 145 billers across India in its ecosystem as of December 30, 2018. There are 68 billers enabled for Electricity and 29 billers for Water while the number of billers enabled for Gas, Direct-To-Home (DTH) and Telecom are 19, 5 and 24 respectively.

Bharat BillPay facilitates the ease of making instant bill payments to any registered biller of any state, city or region from anywhere in India.

Bharat BillPay makes payment of bills more accessible through multiple digital payment channels like Internet Banking, Mobile Banking and physical touch-points like bank branches, agents etc. There are over 2.5 Mn agent outlets spread across the country.

RBI has authorised NPCI to function as Bharat Bill Payment Central Unit (BBPCU) whereas 63 banks and 10 non-bank entities function as Bharat Bill Payment Operating Units (BBPOUs) in the country.





# Bharat BillPay empowers consumers of Punjab State Power Corporation Ltd. for easy bill payment



37,000 agents have a presence in Punjab. Other major national billers on-boarded in Telecom Postpaid are Airtel, Vodafone, Jio Postpaid, Idea, Aircel, BSNL, MTNL and the national billers in DTH category are Tata Sky, Videocon DTH, Dish TV etc. The regional Power

**B**harat BillPay has on-boarded Punjab State Power Corporation Limited (PSPCL) through Paytm Payments Bank to empower 90 lakh consumers for easy bill payment. There are over 2.5 Mn agent outlets spread across the country and nearly

and Gas Billers who are a part of the Bharat BillPay ecosystem in and around Punjab State are Uttar Haryana Bijli Vitran Nigam Limited, Dakshin Haryana Bijli Vitran Nigam Limited, Himachal Pradesh State Electricity Board, Siti Energy and Haryana City Gas Distribution Ltd.

A woman with short grey hair, wearing a pink shirt and a light-colored apron, stands in a kitchen. She has a surprised or concerned expression on her face, with wide eyes and a slightly open mouth. She is holding a large wooden spoon in her left hand, which is crossed over her chest. The background shows a kitchen with white cabinets and a refrigerator.

# GAS DISCONNECTED?

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KA BEST FRIEND.**

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# An experiential getaway to the MUGHAL CITY OF AGRA



It was my first rendezvous with Agra and I was travelling solo after a very long time. My bags were packed with the usual necessities that included basic clothes, toiletries, my Polaroid and, most importantly, a card holder. Typically I'd carry enough and more cash to get me through the whole holiday but I wanted to do something different this time. My plan was to travel without a bulky wallet of cash and just have my card.

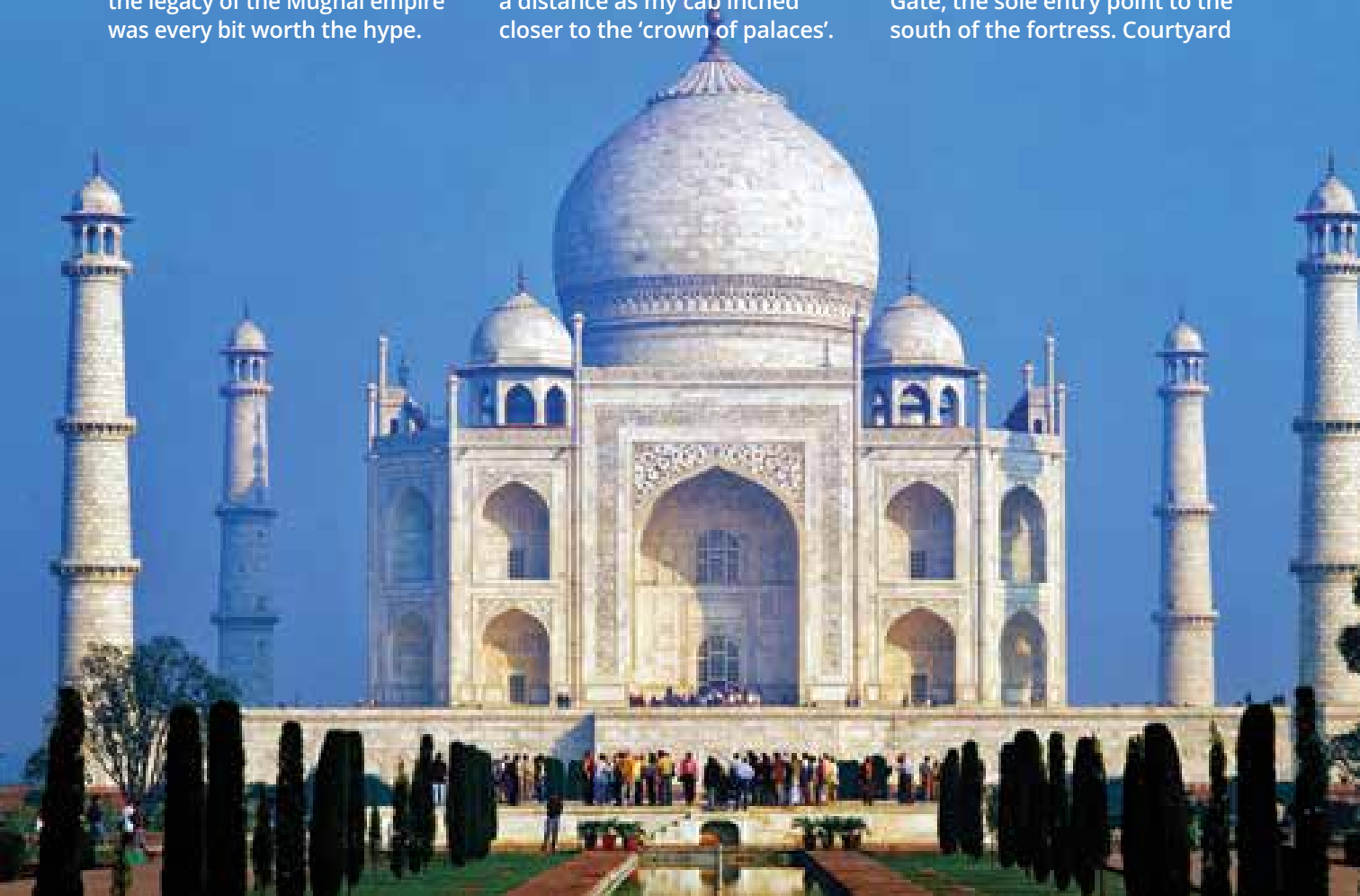
I arrived in Agra after a five hour bus ride from Delhi which had left me taxed. But the city, enriched in the legacy of the Mughal empire was every bit worth the hype.

The midday heat proved to be ruthless. I decided it was best to retreat to my hotel, which was situated in close proximity to the Taj Mahal. After having seamlessly checked into my hotel, I called for a quintessential Nawabi lunch. The succulent *murgboti* masala paired with perfectly round *rotis* was the perfect antidote to my hunger pangs. Satiated, I drifted into an afternoon siesta.

A faint mist lingered on the city as I stepped out at twilight to bask in glory of the Taj Mahal. White marble glimmered at a distance as my cab inched closer to the 'crown of palaces'.

I swiped my card to get a ticket and walked past the buzzing tour guides at the entrance gate. Intricate details of the Indo-Islamic architecture called for admiration. I spent the next hour exploring the surroundings; from the spectacular Mughal *charbagh* and flowing fountain to the 40-meter high minarets to the vaulted arches embellished with pietra dura scrollwork.

I hailed a rickshaw and headed to the Agra Fort next. Agra Fort is one of the finest examples of Mughal architecture in India. I swiped my card at Amar Singh Gate, the sole entry point to the south of the fortress. Courtyard



after courtyard unfolded, leading to the red-sandstone and white marble structure. I was particularly in awe of the ear-shaped double walls that rose more than 20 meters in length and ran 2.5 km in circumference. I sat in the courtyard, admiring the setting sun until the place had been shut for the day.

Kinari Bazaar was next on my list. Numerous lanes intertwined to comprise the market place and I reached Seth Gali to satisfy my sweet tooth. The streets were festooned with food stalls selling the likes of *pethas*, *jalebi* and glasses filled with *lassi* or saffron induced milk. I sampled proportions of few. I bought spices and picked trinkets for souvenirs. My hands were filled with shopping bags and for a second, I thought I had misplaced my usual big handbag, the one I carried during my trips. This time around, I had just a little satchel that contained my card wallet. Barring some stores which only accept cash, I paid for most with my card. Personally, I prefer using a card for monetary transactions while on the go and I was impressed at how easily I could use my card even in a small city like Agra.

The Mughal city called for a royal dinner affair. Touted to be one of the best restaurants in the vicinity, I found myself at Pinch of Spice. Chandeliers from high- ceilings lent a sepia tone to the dining hall. My belly brimmed with the restaurants signature dishes



Fatehpur Sikri



Jahangir Palace

such as *barrarkababs* (tender lamp chopped pieces from the clay oven served with mint sauce) and mutton *dabbagosh* (baked casserole with mutton stock's white sauce, meat, macaroni and vegetables). Returning to my hotel room later that night, the comfy bed lulled me to sleep.

Morning started early in Agra. I made my way to the Jama Masjid. Bearing similarities with its counterpart in Delhi, the mosque in Agra is regarded as one of the biggest in the country. It is said that the view of the city offered from the top of the dome is spectacular, but adhering to a time restraint I soon headed to my next destination.

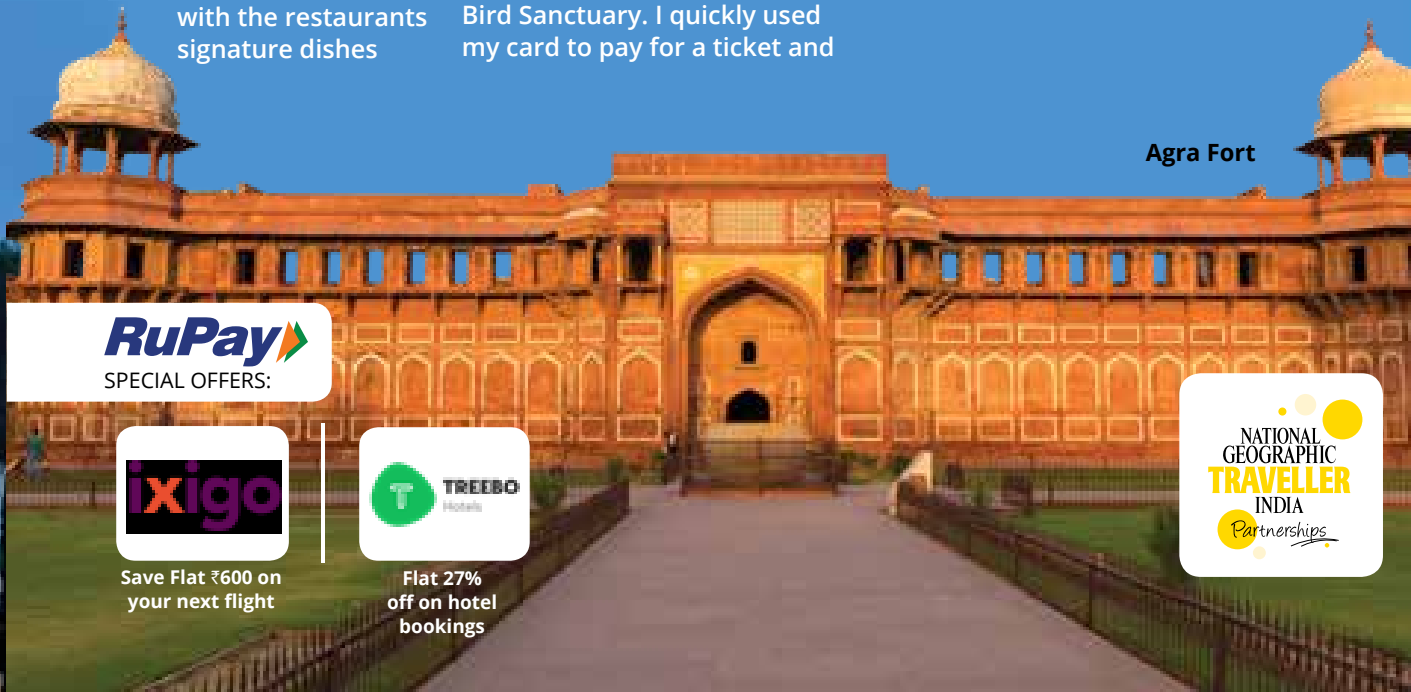
After an hour's drive from the mosque, I reached Soor Sarovar Bird Sanctuary. I quickly used my card to pay for a ticket and

stepped into the land of two dozen migratory birds and home of rescue bears. Keertham Lake, a man-made reservoir sits inside the sanctuary. I wandered around for the next two hours and spotted grey herons, bar-headed geese, pintails and comb ducks.

My time in Agra was drawing to a close. I booked myself a return ticket to Delhi and departed from the city later that evening.

In retrospect, Agra was a lovely experience. The city's old world charm sprinkled in its markets and monuments and its modern facilities to access these charms like online ticketing for the Taj Mahal and even the smallest stored equipped with card machines just made it the perfect weekend getaway.

Wherever you want to go, RuPay provides a host of benefits and offers to make your travel cashless and memorable. Visit [rupay.co.in](http://rupay.co.in) for more details.



Agra Fort

**RuPay**

SPECIAL OFFERS:



Save Flat ₹600 on your next flight



Flat 27% off on hotel bookings



# **RuPay CARDS**

ISSUANCE BASE ACHIEVE

# 590

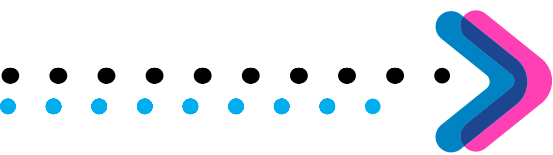
**MILLION MILESTONE**



**R**uPay – India’s own card payment network has achieved a milestone of 590 Mn in circulation. It is being issued by over 1150 banks which include Private, Public, Co-operative and Regional Rural Banks. RuPay has a complete card portfolio that offers credit, debit, prepaid and contactless cards to customers belonging to various strata of the society. It is widely accepted across all digital channels like E-Commerce websites, PoS terminals and ATMs. There were over 90 Mn RuPay card transactions at PoS and e-Commerce in December while the number of transactions at ATMs were about 197 Mn.

RuPay has also collaborated with international card schemes like Discover Financial Services in order to provide global acceptance to RuPay card holders. It has also announced its partnership with Japan Credit Bureau and China Union Pay for the same. Over 30 banks are now issuing RuPay International Platinum Debit Cards to their customers.





# RuPay contactless



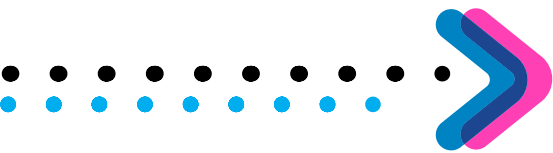
**R**uPay Contactless Debit Card is based on latest, safe and secure CHIP technology. It will help you spend less time at the billing counter and empower you to make payments in just few seconds. Instead of dipping or swiping your card on the merchant terminal, simply wave or tap your card on the contactless enabled terminal and pay without entering a PIN by using RuPay Contactless debit card.

RuPay Contactless Debit cards have been developed to offer vendor agnostic, secured, user friendly and cost effective ecosystem of

low value payments to facilitate building a cashless transaction environment.

These cards will also be enabled for international acceptance in phase wise manner in coming quarter. The banks who dominate card payment space are actively participating in issuing RuPay Contactless cards. Currently, 20 banks are live and over 8 banks are under going the certification process. Several banks are in the advance stage of discussion.

Department of Financial Services supports

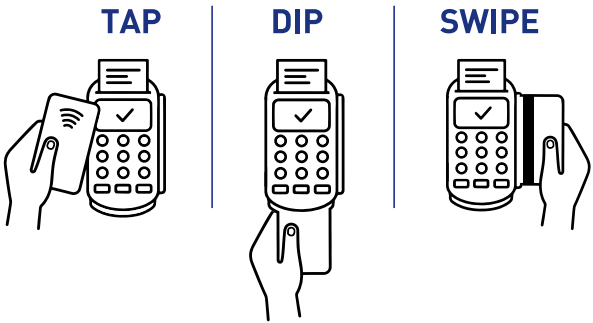


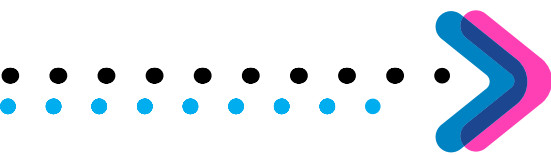
issuance of these cards among all Public, Private, Co-operative banks. Currently, onus transactions are performed on projects like Ahmedabad smart city, Surat Smart City, BMTC, KMRL, Raipur Smart City etc.

Going forward more operators and acquiring banks will widen the reach and acceptance of these cards both for online retail as well as for offline transit. NPCI is working actively with 8-10 banks for same. Further, the acceptance ecosystem is being implemented in transit/ smart cities segment across 6 cities i.e. Nagpur,

Noida, Bhubaneswar, Chennai, Mumbai and Gurugram.

A pilot project is being planned for DMRC in collaboration with other stakeholders under 'Make in India' initiative for transit fare collection using contactless cards.





# RuPay card's attractive offers during festive season

In an attempt to enhance the festive fervor this festive season, National Payments Corporation of India (NPCI) had launched some attractive deals on its flagship product - RuPay





Kayak through Norwegian fjords for  
a sightseeing experience unlike any other.

# ONE LIFE. ONE RuPay.

© 2014 NPCI

**RuPay**

CREDIT | DEBIT | PREPAID

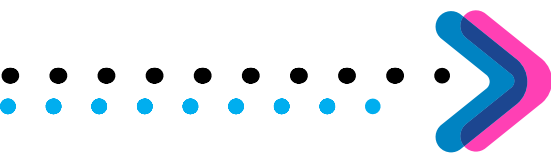
Ask your bank for a RuPay Card.

For details, visit [rupay.co.in](http://rupay.co.in) | Follow us on:



Internationally accepted at Discover and  
Diners Club International merchants and ATMs.





# BHIM UPI and IMPS consumers make over 797 Mn instant payment transactions in December'18



**N**PCI is pleased to announce that consumers of Bharat Interface for Money - Unified Payments Interface (BHIM UPI) and Immediate Payment Service (IMPS) performed over 797 Mn instant payment transactions in December 2018.

BHIM UPI achieved 620.17 Mn transactions in volume while the value of transactions stood at ₹1,02,594.82 crore. This records transactions growth of % to be calculated percent as compared to previous month.

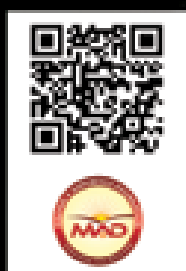
Currently, customers of 122 banks are utilising BHIM UPI services.

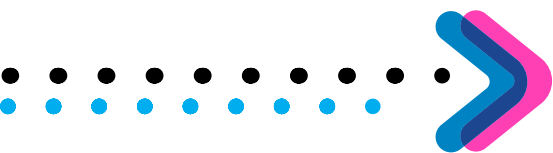
IMPS achieved 176.93 Mn transactions in volume while the value of transactions stood at ₹1,46,898.58 crore. IMPS provides robust and real time fund transfer service which offers an instant, 24X7, interbank electronic fund transfer service that could be accessed on multiple channels like Mobile, Internet, ATM, SMS and Branch. Currently, total number of banks live on IMPS platform are 394.

# When you're contributing to their smile, we ensure it reaches them.

## Donate to 120+ NGOs, now live on UPI.

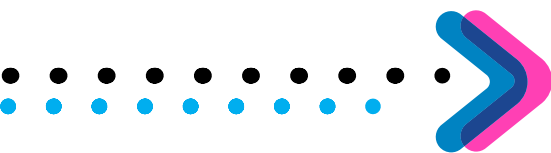
Scan the QR code of your preferred NGO and make donations instantly.





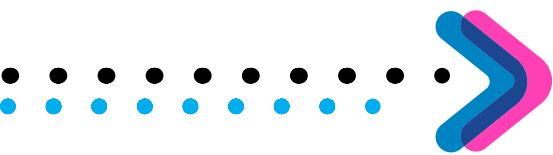
भारतीय राष्ट्रीय भुगतान निगम  
*NATIONAL PAYMENTS CORPORATION OF INDIA*

# conducts its 10th Annual General Meeting



**N**PCI conducted its 10th Annual General Meeting on September 25, 2018. The Board of Directors and members graced the occasion with their esteemed presence. In 2016 the shareholding was broad-based to 56 member banks to include more banks representing all sectors. NPCI management team and Board members can be seen in the picture from Left to Right: Dr. Rajendran N., CTO, NPCI, Mr. Sanjay Saxena, CFO, NPCI, Mr. Dilip Asbe, MD & CEO, NPCI,

Mr. Ajay Kumar Kapoor, Senior Executive Vice President, Business Technology Group, HDFC Bank, Mr. Satish Pradhan, Independent Consultant, NPCI, Mr. Biswamohan Mahapatra, Non-Executive Chairman, NPCI, Ms. Rama Bijapurkar Management Consultant, Prof. G. Sivakumar, Department of Computer Science and Engineering, IIT Bombay, Mr Nagesh G. Vaidya, Chairman, Kerala Gramin Bank and Ms. Priyanka Agrawal, Board Secretariat, NPCI.



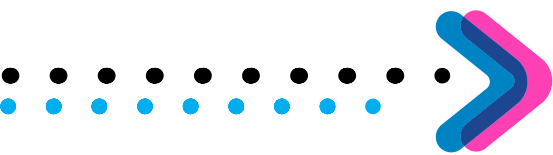
# NPCI employees contribute to Kerala Relief Fund

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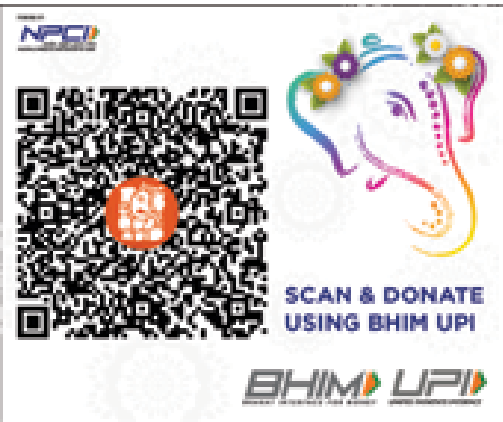


**I**n order to revive Kerala, several NPCI employees donated one day's salary to contribute for Kerala Chief Minister Distress Relief Fund. A number of employees

also made separate donations to bring total contributions amount close to ₹10 lakhs. NPCI official handed over the cheque to Mr. Pinarayi Vijayan, Chief Minister of Kerala.



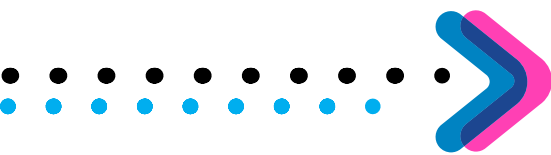
# Devotees of Lalbaug make digital donations during Ganesh Chaturthi



Over a Million devotees visit Lalbaug to pay obeisance every year. NPCI was associated with Lalbaug

Mandal for the fourth consecutive year in order to familiarise people with digital payments. Team deployed BHIM UPI QR codes around the vicinity so that devotees could make donations digitally during September 13-23.





# Financial Inclusion initiatives

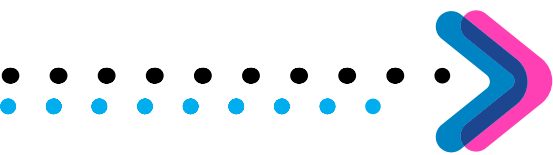
**A**s part of its financial inclusion initiative, NPCI has reached out to 12 villages of Ajmer and Jaipur in the month of July and has generated around 5000 transactions on PMJDY cards against a cumulative of 150 transactions a month in these areas. The program has been supported by ICICI Bank wherein people transacted at ATMs, Micro-ATMs and Mobile van ATM's. People welcomed this drive and enthusiastically talked about RuPay cards.



## NPCI digitises petrol pumps with BHIM UPI



**N**PCI has collaborated with Oil Marketing Companies to enable cash-less transactions at fuel stations across locations. More than 2500 retail outlets in 100 smart cities will be covered for promoting digital payments through BHIM UPI and cards.



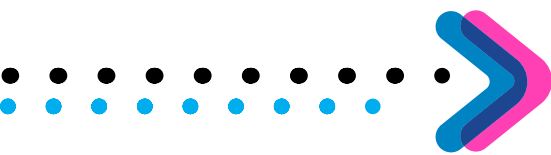
# NPCI organises digital training workshops at 50+ educational institutes on teachers' day



**I**n a bid to empower educational institutes with smart ways of digital payment alternatives, National Payments Corporation of India (NPCI) organised digital training workshops at 50 plus institutions on the occasion of Teachers' Day. Over 35 colleges and 15 schools in Mumbai, Pune and Madhya Pradesh participated in this activity which covered over 15,000 students, parents, teachers, principals and other staff. This initiative was executed in association with online fee payment platform -OnFees. Participants were familiarised with modes of digital payments, details on

various payment applications, features and offers of RuPay debit and credit cards and practical sessions on BHIM app downloads and transactions. Students were encouraged to adopt cashless modes of payments with prepaid cashless vouchers to make transactions on OnFees, BookMyShow and Amazon. Participating institutions also enabled students to make fees payment digitally through the OnFees platform. R. D. National College, H R College, Thadomal Sahani, Vidyalankar Educational Campus, Nirmala Niketan College of Home Science, Andrews College, Ramnarain Ruia College, R A Podar College, SIES College, Khalsa College, Ambi Talegaon Tal Maval D Y Patil Colleges were among the 50 participating colleges.



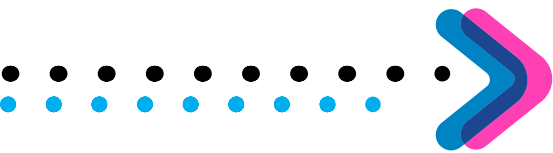


# NPCI Campus Connect Initiative



**H**uman Resource vertical at NPCI visited several cities across the country to meet about 6,000 students and faculty members of various management institutions under its Campus Connect initiative. Students from about 45 campuses across locations like Mumbai, Kolkata, Chandigarh, Nagpur and Bhubaneswar were familiarised with NPCI’s product and services and digital payments. NPCI also uses this opportunity to hire interns and placements.





# Indian Railways incentivises customers using BHIM UPI



The Indian Railways, one of the world’s largest railway network launched “Swach Pakhwada Campaign” on September 15 to encourage millions of customers to keep railway premise clean and promote use of digital payments through BHIM UPI. The digital drive was promoted through educational banners, posters, videos deployed across 100+ railway stations at Delhi and NCR. 5 per cent cash back offer was also provided to customers using UPI payments through BHIM App.

# BookMyShow integrates BHIM UPI across all its platforms



BookMyShow, India’s biggest entertainment destination, has successfully completed integration of BHIM UPI across all its platforms including UPI intent flow, which enables all Android

customers to have a seamless experience for making payment. With this feature, millions of BookMyShow users can effortlessly buy tickets online for movies, plays, sports, events and concerts. This UPI integration is powered by RazorPay and its banking partner is HDFC Bank. It will allow BookMyShow customers to make payments directly through their bank accounts in a safe and secure manner.



# PARADISE FOUND

# in Pondicherry

## 1. PONDICHERRY'S WATERFRONT

I was gazing at the horizon. The azure waves of the Bay of Bengal were lapping on the silvery sands and just about touching my toes. I was standing on Paradise Beach, one of the most picturesque seashores in Pondicherry.

Like most of my holidays, this one was also a last minute decision. In a bid to pack light, I decided to go cashless and carry a credit card along instead. There was a weekend approaching and I booked my flight tickets. My self-gifted vacation was already off to a great start, for not only did I get my tickets at a reasonable price, but also received cashback on travel portals.

I landed in Chennai in the wee hours of morning, extremely excited about my escapade. Instead of taking a taxi, I decided to rent a car so that I could drive down the beautiful East Coast Road myself over the next three and a half hours. Soaking in the serene views of the Bay of Bengal that stayed with me through the 170 kilometer coastline, I took a quick detour to see Pondicherry's famed Basilica of the Sacred Heart of Jesus church before turning for my hotel; the stained glass panels at the church made for a great introduction to Pondicherry. Excited, I decided to go to the Arulmigu Manakula Vinayagar Temple only to see the numerous Ganesh idols inside and it was a surreal experience.

Finally, I made my way to the hotel.

I checked into my hotel situated near the French Quarter, which I had pre-booked using my card. My room was done in a French and colonial style. The charm of the *mise en scène* grew on me. After a cosy afternoon fiesta, I was ready to explore this city stuck in a time capsule.

NATIONAL  
GEOGRAPHIC  
**TRAVELLER**  
INDIA

Partnerships

## 2. THE BASILICA OF THE SACRED HEART OF JESUS

I began with walking through the French Quarter. As I strolled past the yellow and purple vintage buildings, the vibrant colours demanded to be clicked. The Alliance Française housed an art gallery and a little café, which was a lovely dollop of yellow. École française d'Extrême Orient had the loveliest doors. I stumbled upon an old French house, with gramophone graffiti on its façade, which turned out to be the much written about Cafe des Arts. I gobbled down waffles

and some delicious coffee. Greed got the better of me and I ordered one of their salted crepes. Needless to say, I wasn't disappointed. Fortunately, cards are widely accepted here and I did not hold back.

I spent the rest of my day wandering through the Tamil Quarter's heritage, which was thrice the size of the French Quarter. Old heritage mansions with slopping roofs and interesting porticos were tucked in every corner. I ate at the Maison Perumal. Grilled sea food, soup, appams and fresh vegetables dominated my evening meal and I was asleep before I knew it.

I took the time to visit Auroville on the following day. The Visitor's Centre directed me to all the activities of the day; my first stop was walking in and around Matrimandir. This was followed by a quick visit to the souvenir shop wherein I bought handmade soap, books, and natural foods. I then hit Mission Street and walked into a very chic boutique called Casablanca. My shopping bag was filled with linens and pottery. Needless to say, my luggage wasn't going to be light anymore. However I must admit that, not having to rummage through my wallet for cash was a better way to go.

My last stop was the Sri Aurobindo Ashram. I strolled through the tree-shaded courtyard, at the centre of which lay the samadhi of Sri Aurobindo and the Mother. The place is mostly quiet with the exception of a few visitors. In contrast to a buzzing cityscape, I enjoy the laidback lifestyle here.

As the sun set on Paradise beach, my trip to Pondicherry was coming to a close. After a weekend filled with delicious food and mystical colours, I had no heart to return to the bustling madness of a city. My bag was stuffed with goodies and, while my mind was peacefully reminiscing the last few minutes by the beach, I couldn't help but think about how easy it had been to put this trip together despite the last minute planning. I smiled knowing I could count on my card to plan my future vacations.

Wherever you want to go, RuPay provides a host of benefits and offers to make your travel cashless and memorable. Visit [rupay.co.in](http://rupay.co.in) for more details.

### 3. AERIAL VIEW OF THE CITY

### 4. THE FRENCH QUARTER

**fab**  
HOTELS

Flat 25% off  
on all FabHotels.  
Minimum booking  
amount of ₹1499.

**thomas**  
**cook.in**  
Travel Smooth

• 10% discount up to ₹5000 on  
an international holiday  
• 10% discount up to ₹4000 on a  
Domestic holiday (GIT packages)

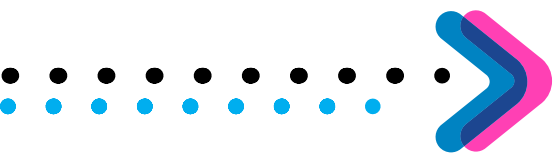
**CheapTicket.in**

Domestic Flights- Upto ₹500 off  
on minimum booking of ₹5000

**GOOMO**  
goomo.com

• Up to ₹1500  
discount on domestic flights  
• Up to ₹1500  
discounts on international flights

**RuPay**  
SPECIAL OFFERS



# Walmart INDIA

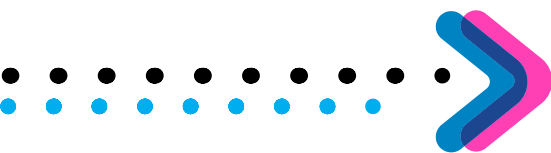
implements **UPI** payment  
option for its registered members

**W**almart India, a wholly-owned subsidiary of Walmart Inc. implemented BHIM UPI for all its registered members. This payment solution enables members, especially kiranas/ resellers, who shop online at Walmart India's B2B e-commerce site [www.bestprice.in](http://www.bestprice.in), to make direct and secured payments online from their bank account without sharing bank details.

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## UPI facilitates instant payments for financial institutions

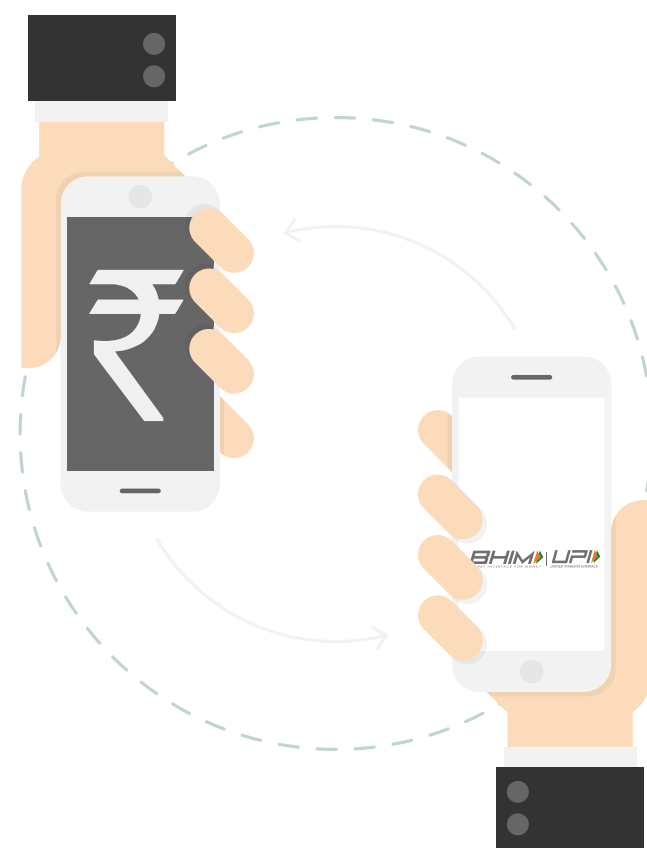
**I**CICI Lombard General Insurance customers can now make instant funds transfers to pay their premium payments through UPI at website. The entity has gone live on UPI through Razorpay. Separately, Bajaj Finance went live on UPI to receive bounced EMI collections through two modes. a. Dynamic VPA through UPI for bounced EMI's which enables push payments through a dynamic UPI ID and b. Collection basis SMS Intent/Website Collect & Web QR through which, on clicking the link, users are taken to a page where they can either scan the QR code to pay or launch their UPI app (Intent) and complete payment.



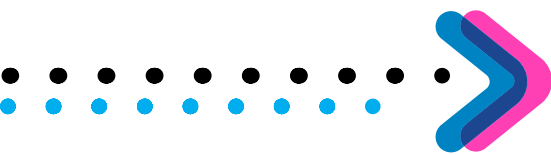
# enables distributors and wholesalers to go less-cash

**J**K Distributors, a pharma distributor in Mumbai catering to over 700 retailers and over 100 companies has enabled BHIM UPI as the solution to digitalise the process of receiving money from their retailers. They have introduced UPI as one of the payment options in their invoices through which retailers make payments through any UPI enabled application to the Merchant VPA created by DCB Bank. Payments are being credited directly to JK Distributors in their primary bank account. The solution has reduced operation issues like collection hassle, Cash/cheque handling charges, cheque bounces and reversals for the entity.

Another distributor and wholesaler named Total Sports & Fitness who are leading wholesalers and distributors of sports goods in India has implemented UPI Static QR Code across its stores.



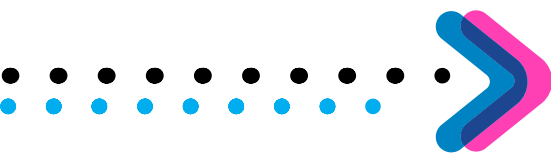
In order to digitise complete value chain from retailer to distributor level, Salasar Infoway, a Vodafone distributor has enabled UPI payments as a seamless solution. The proposed solution would help the telecom distributor to limit cash in their daily business from retailers which will also help them to move towards digital.



# National Financial Switch empowers 450 co-operative banks through Sarvatra Technologies



Sarvatra Technologies have successfully on-boarded 'Sevalia Urban Co-operative Bank' as 450th co-operative bank on National Financial Switch (NFS) platform. The company has enabled as many co-operative banks on digital payment platform by making them interoperable with large banks. Sarvatra Technologies started with NFS, providing RuPay Debit and Kissan Credit Cards issuance and enabling transactions on ATMs, PoS and eCommerce. They are bringing sub-member banks on other NPCI platforms like IMPS, UPI, AePS and Bharat BillPay. The company not only on boards Urban Cooperative banks but also State Co-operative Banks and District Central Cooperative Banks which is helping in financial inclusion.



# YAP from M2P Solutions

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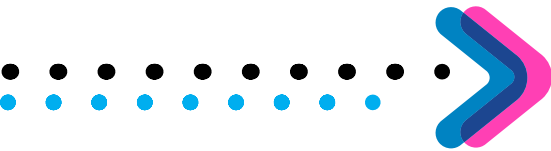
**Y**ap is the World's first Payments service platform that is at the intersection of Commerce, mobility and payments. The Chennai based company founded by a team of professionals with wide ranging experience between Payments and telecommunications networks is attempting to leverage their deep-rooted understanding of the Payments landscape to build a tech stack that is not just Next Gen from payments perspective but focuses on becoming a bridge that will help consumers transition from card payments to mobile.

The platform YAP is a B2B payments technology stack that helps businesses roll out their own branded payment product in days. Over the past couple of years YAP has enabled all retail payment products over a bundle of Rest API's. Any business can sign up, choose from an ala carte of services and roll out their own customized products in couple of weeks.

The company is at the forefront of driving adoption of new and efficient payment methods that includes Prepaid cards, Digital wallets, Bharat QR, Fastag Toll Payments, UPI, Tokenisation, Cross Border payments with a specific focus on Program Management to help businesses adopt digital payments in an efficient manner.

The Program Management offering backed by leading Private Banks including Yes Bank, DCB Bank, Equitas Small Finance Bank , 60+ business straddling across Micro Finance Companies, Gold loan providers, Startup's in the lending, Payment and expense management space, Fx exchange houses, Insurance companies rely on YAP to run their Payment products focused around solving Payment related friction specific to their business vertical.

Yap's Digital Acceptance is enabling small, regionally strong banks to get into Acceptance



business and expand the footprint, over 15 banks have adopted YAP's BharatQR + UPI service and in the past year 150,000+ merchants have been enabled to accept payments digitally, a large share of them being new to digital payments in Tier 3 / tier 4 towns.

Our offerings run on Rest API's and we have deployed the most extensive set of 250+ API's covering all the products and services. Our systems are built for high availability and are hosted in Tier 3 /4 data centers in India, The processing engine is elastic both horizontally and vertically.

**The YAP Payments processing platform is multifaceted, there are 4 key pillars to the platform**

**Network routing**



Legacy payment products like cards and connectivity to payment networks for routing of transactions, this is typically how a debit or credit card functions and includes switching, Card management system, customer and transaction life cycle management. This has been built ground up by our engineers and plugs into the existing network interfaces with NPCI, Visa and Mastercard

**Business connect**



Connectivity with Bank and Business for business operations and back office functions, our deep integrations with some of the banks allow us to bundle in and offer banking products like a Neo Banking platform

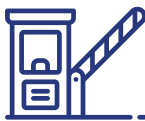
**Mobility Interfaces**



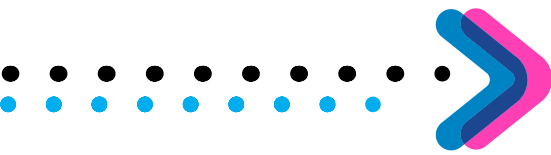
Mobility interfaces to keep pace with the growing need for modular payments platform that can cater to the mobile first world, while keeping the complexity of payments processing at bay



**NPD**

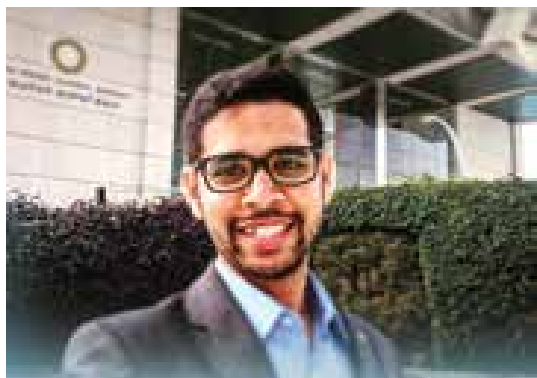


New technology products like NETC toll payments, Tokenisation requires deep tech and have to be iterative by design, so the R & D of sorts allows us to build rapidly test and scale and achieve localization before being productized



**YAP is filling in an important aspect of enabling more and more businesses to adopt digital payments efficiently and expects to grow disproportionately in the next few years.**

**Madhusudanan R, Co-Founder, CEO**



Madhusudanan, with 16 years of working in the Indian Payments ecosystem founded YAP in 2014. Prior to starting YAP, Madhu was Director Prepaid & Financial Inclusion products for Visa, South Asia, leading Visa’s efforts around incubating and market seeding new digital payment products with a specific focus around healthcare, Payment solutions for the under banked, long term financial products like Pensions and Insurance, he comes with strong execution bias in a multi stakeholder set up.

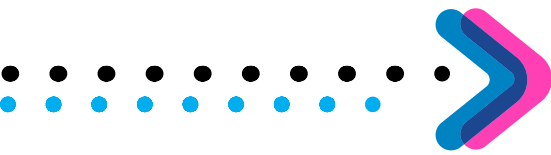
At YAP, Madhu will drive the strategic vision of the company to work with businesses to build and roll out solutions.

**Muthukumar A, Co-Founder, CTO**



Muthu with over 20 years of work experience across Technology and Payment companies is leveraging his experience to deliver cutting edge technology solutions. Muthu has extensive experience across Asia Pacific and has worked in Japan, Singapore and India, most recently Muthu was the technology outsourcing lead at Paypal and prior to that was leading the engineering efforts for Movida, a mobile payments Joint venture between Visa Inc & Monitise U.K.

At YAP, Muthu and his team of architects are building the blocks for what is probably the world’s first two sided Payments market place, bringing to fore the core elements like security, reliability, speed and scale as YAP delivers on a robust technology platform.



**Raveendhrun SA, CISO,  
Head – Strategy**

Ravee, comes with over 25 years of work experience across ICICI Bank, Trans Union and Visa. Ravee was Country Risk Manager, South Asia at Visa and prior to that was with ICICI Bank as Head of Risk Containment Unit, in his career spanning over 2 decades, Ravee is an Operational risk specialist in the areas of payment card business and an expert in outsourcing risk management. His experience as a Techno functional expert in fraud/operational risk domain will be useful for YAP to work with its clients, He pioneered the Banking industry forums to mitigate payments system risk.

At YAP, Ravee will help steer the strategic direction and partnerships.

**Prabhu R, Co-Founder and  
Chief Operating Officer**

Prabhu comes with over a decade of experience of managing large IT platform across Verizon and CTS, he has extensive experience in managing business critical functions and systems. His experience will be leveraged to deliver a world class Digital platform.

At YAP, Prabhu will manage the delivery of products and ongoing business operations including developing and managing Mobile payments infrastructure.



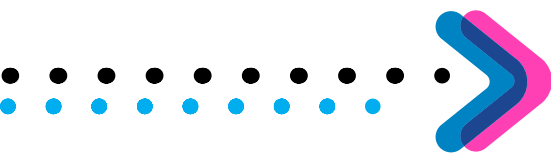
Money received  
from xxxxxxxxxx@upi

Send and receive money wherever you are.

**BHIM**  
BETTER INTERFACE FOR MONEY

Download the BHIM app on





# Disruption Decoded: UPI and humble beginning

by Dilip Asbe

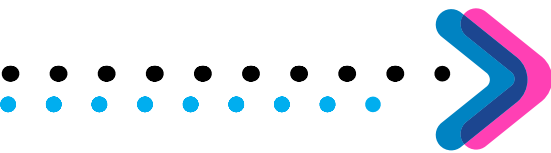
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India is on the cusp of a major digital revolution mainly due to major influencers. First, we have a regulator defining the landscape by innovation-led-regulation, fueling new age business models and maintaining security and risk management standard to highest levels. Second, we have a government which is focused on moving towards a digital or less-cash economy at citizen scale. Third, we have an arsenal of banks who are embracing technology to accelerate digital payments, proliferation of financial inclusion and superior customer services. And last, we have fin-tech innovators who are re-imagining solutions for our day-to-day problems and providing superior consumer experience for digital payments.

Why is IMPS<sup>1</sup> not API based? How do you add features? Mr. Nilekani, then UIDAI<sup>2</sup> Chairman heading a payment / DBT taskforce asked NPCI. The thought process thus began.

It took around 18 months to fully design the initial version of Unified Payments Interface (UPI). Most of the leading banks' mobile-banking heads and few contributors of fin-tech worked tirelessly along with NPCI teams led by Mr. A P Hota. Guidance of Mr. Nilekani<sup>3</sup> and support of Mr. Pramod Varma<sup>4</sup> and Mr. Sanjay Jain<sup>5</sup> was immensely helpful during the design phase.

I still remember our core UPI team consisting of Dr. Rajendran, Sateesh Palagiri and Anubhav Sharma interacting with officials of leading private and public sector banks along with Mr. Pramod Varma in the initial days. NPCI's board, then led by Mr. Balachandran, Mr. Sambamurthy and now by Mr. Mahapatra has always been supportive in thick and thin. They have guided us in making this initiative see reality and grow exponentially. IBA<sup>6</sup> then led by Mr. Tanksale, also took multiple meetings with bankers to sort out operating issues on



UPI with bankers. The Payment System Vision document (2015-18) by the regulator lays the roadmap for interoperable of payments, was used as guiding principle during the design phase of UPI. Regulatory teams in DPSS<sup>7</sup> under then RBI Governor, Dr. Rajan, played a key role by bringing all banks together

to promote this key initiative. Governor’s personal involvement and the support of payment system board helped in sorting out many initial hurdles. It was the regulator’s vision that unlike China, India should start mobile payments on a fully interoperable platform right from day one.

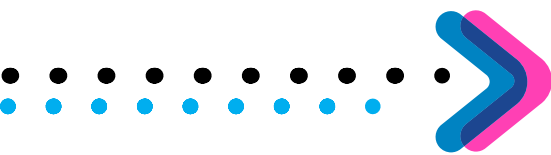


Dr. Raghuram Rajan, then Governor, Reserve Bank of India with leading bank CEO’s and NPCI officials (Mr. Hota and Mr. Balachandran) at the launch of Unified Payments Interface on April 11, 2016 in Mumbai.

The most advanced payment mechanism worldwide, UPI was designed on the principles of a) interoperability, b) consumer choice and c) forging partnerships between banks and fin-techs to leverage on each other’s strengths. The objective was to provide simplicity to the consumers wherein they can on-board to UPI based mobile payments within two minutes. A real-time UPI transaction involves multiple parties, up to 8 transaction legs between different entities over internet / close loop networks. It includes activities such as address resolutions, authentication and authorisation in multiple banks’ systems, all performed on an average of 5 seconds. The consumer can

add one bank account in multiple apps and also add multiple accounts in one app. The merchants have been appreciative of this, as they are now able to provide seamless in-app/ website payment option wherein the customer is not required to enter lot of information. YES Bank took the lead in adding Fin-Techs as third party app provider, later multibank model was envisaged and executed by SBI, ICICI, HDFC and Axis Bank for Google and others followed. Many banks including leading PSBs for e.g. BOB and PNB have now started PSP (Payment System Provider) operations.

With 130 banks on-board, UPI’s transaction

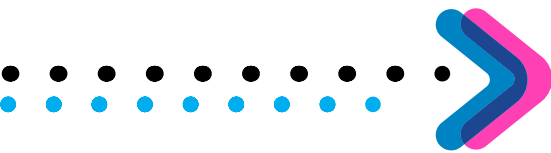


payments. The Government has been fully supportive of BHIM UPI app ecosystem and its potential to bring an exponential growth in cashless payments and it is heartening to see that none other than Hon'ble Prime Minister outlines its importance at many world forums. Attention and focus from the top is undoubtedly helping India to move faster on the path of Digital India while it helps UPI to gain popularity worldwide.

volumes have surged from less than a lakh in Aug '16 to half a billion i.e. about 525 Mn in November '18 with a monthly value of over ₹ 82,200 crore. Inputs from many senior bankers have been critical to improve UPI from its original stage. Post demonetisation UPI based “Bharat Interface for Money” (BHIM) app was launched by Hon'ble Prime Minister on December 30, 2016 to help country move towards digital payments. It is now available in 13 regional languages to cater to every Indian and acted then as a catalyst to nudge many third party providers to join UPI ecosystem. BHIM app also helped the category of banks that wouldn't have launched a mobile payment app on their own. Sticking to the design principle of consumer choice, now there are over 90 BHIM UPI apps provided by banks or third party providers for customers to choose. There is a good pickup in online UPI merchant payments. However, the offline is relatively slow as the main issue lies in having an interoperable BHIM QR code at small merchants, ubiquitously and visible across India for customer to make

For UPI 2.0, the regulator under its Ex. RBI Governor, Dr. Patel, supported the incorporation of path-breaking features. With the feature like one-time mandate, merchants can now be assured of payments at a later date and can also provide an opportunity to the customers to retain funds until they have fully availed of the service. It enables use cases like hotel bookings, e-commerce payments etc. All UPI users now can receive funds from overseas using their UPI ID, merchants can send digital invoice/receipt or ticket to their customers over UPI app, thus bringing business and payments together. In the upgraded version of UPI, banks now provide overdraft accounts to customers within seconds, which can help expand digital credit. SEBI has recently approved investments in IPO using UPI that rides over UPI 2.0 architecture and we believe that many such use cases will flourish in the coming 12 to 18 months.

We face many challenges with regards to UPI

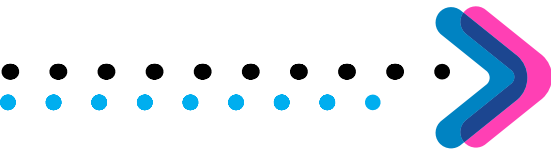


L to R: Mr. Rajnish Kumar, Chairman, State Bank of India, Mr. Nandan Nilekani, Advisor – Innovation and public policy, NPCI, Dr. Urjit Patel, Governor, Reserve Bank of India and Mr. Biswamohan Mahapatra, Non- Executive Chairman, NPCI launching UPI 2.0 in Mumbai on August 16, 2018.

today. Some of them are, end to end scalability  
b) customer awareness and avoidance of phishing frauds that happen due to customers sharing data over the phone and c) data privacy and protection. NPCI and the ecosystem need to be flexible and agile to make changes (may not be very popular decisions) in the moving train to resolve emerging issues under the guidance of regulator. We also faced duplicate SIM fraud on UPI early this year, however thankfully with the kind support of DoT<sup>8</sup>, Meity<sup>9</sup> and TRAI<sup>10</sup>, it could be addressed quickly. The country needs a strong privacy law, protection and enable controlled data sharing which is already WIP. UPI volume may show some correction based on attrition in promotional / campaigns by the players in

the short term, however the steady growth in both frequency and value makes the long term outlook promising. While TRAI helped to rationalise USSD charges for the feature phone based UPI, it could not gain momentum (black screen is painful) and alternate designs is needed.

If the growth momentum continues with the proliferation of smart phones, we hope that Indians across all generations and geographies will use UPI that can take a shape of citizen scale payment system. If we compare ourselves with China, we can still grow multi-fold from here. It has been a practice to look towards the latest trends happening in Silicon Valley in the United States, with UPI the West has



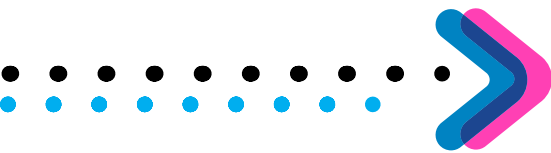
turned to partner with India for innovation. Many of world’s giants (Google, WhatsApp, Amazon, Samsung, True Caller, Xiaomi etc.) and Indian unicorns (Paytm, Phonepe, Hike) have joined the bandwagon of growing UPI in collaboration with banks in India. Truly, this can be termed as one of the best examples of Make-in-India and a wonderful collaboration of diverse stakeholders like banks, fin-tech start-ups and tech giants which are blessed by the regulator and the government. It is not surprising that officials of many countries who visit India to study our payment system are often awestruck by this world class payment system called UPI, and maybe it’s time for them to experience this too.

**By Dilip Asbe**  
**National Payments Corporation of India**

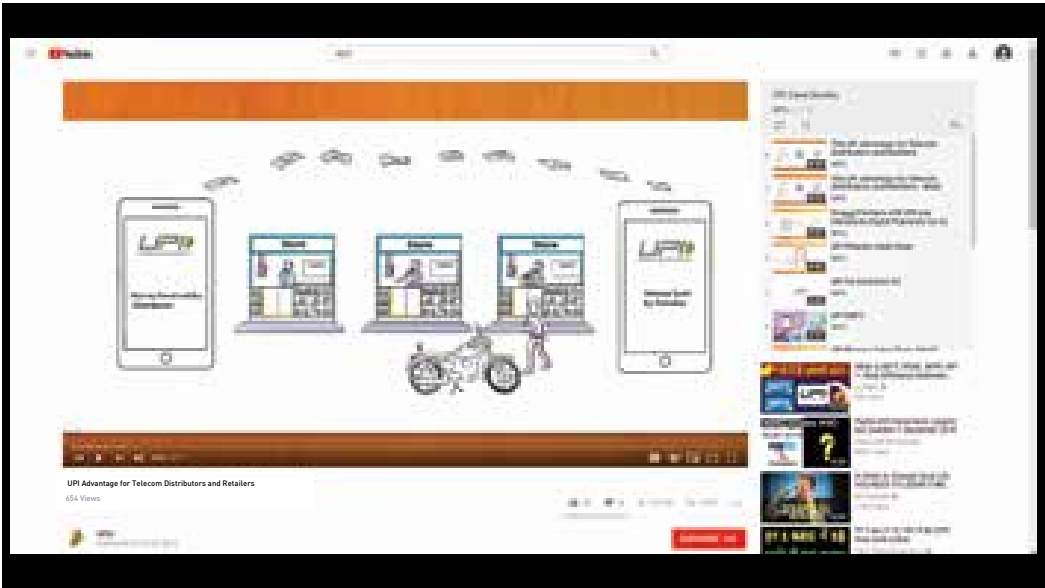
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- 1 Immediate Payment system, launched by NPCI in 2011, one of the first real time payment system in the world
- 2 Unique Identification Authority of India set up by Government of India
- 3 Advisor to NPCI for innovation and public policy
- 4 Member of Technology advisory committee (TAC) of NPCI
- 5 Ex product head of Google and UIDAI, ISPIRIT fellow
- 6 Indian Banking Association, an industry body represents banks in India
- 7 Department of Payment and settlement system in Reserve Bank of India
- 8 Department of Telecom, Government of India
- 9 Ministry of electronics and IT, Government of India
- 10 Telecom regulatory authority of India •

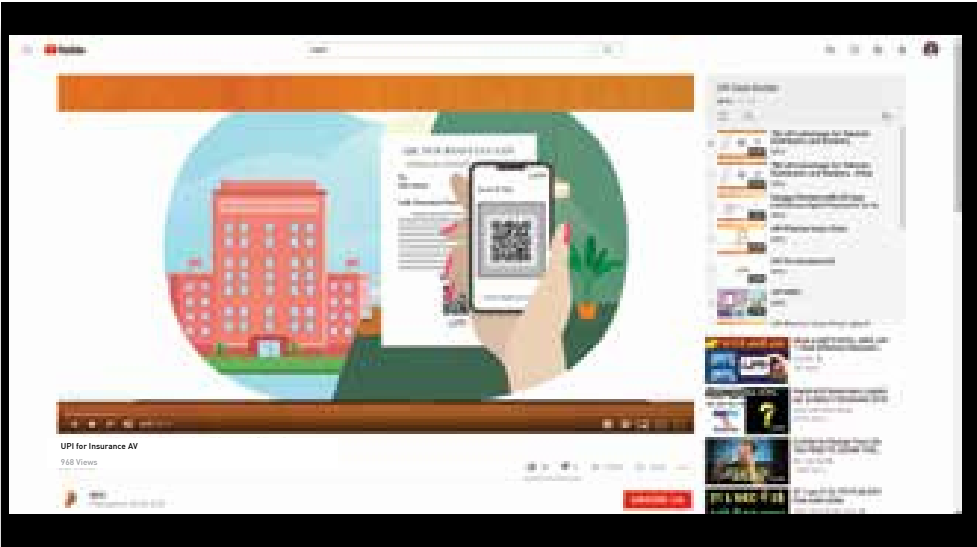
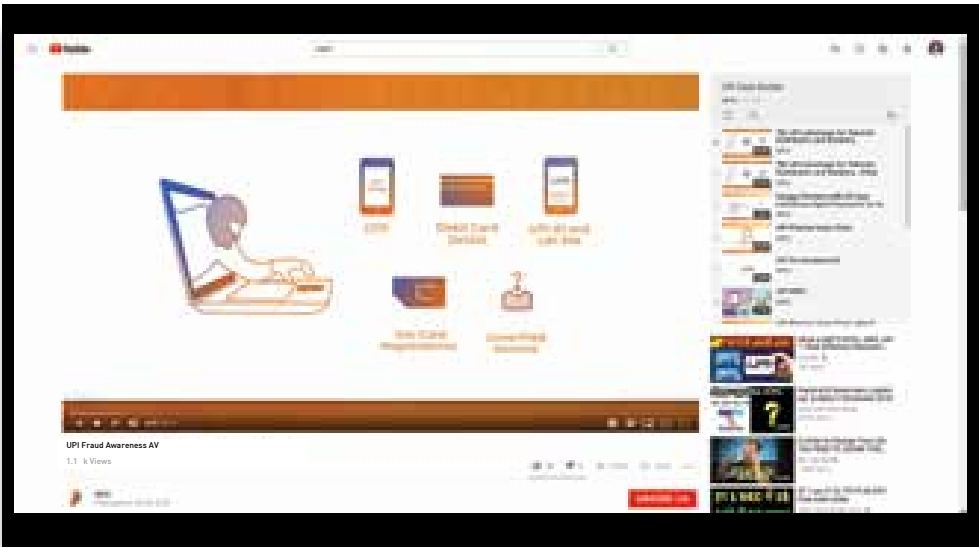




UPI advantage for Telecom distributors & retailers video.



UPI Fraud awaerness video



UPI for Insurance video

# UPI 2.0 can turn into a mega citizen-scale pay system

*India capable of replicating China's digital economy — better & faster*

India enters 2019 on the cusp of a digital revolution, mainly due to major influencers. First, we have a regulator defining the landscape by innovation-led policies, fuelling new-age business models and maintaining security and risk management standards to highest levels. Second, we have a government that is focused on moving towards a digital or less-cash economy. Third, we have banks embracing technology to accelerate digital payments, proliferation of financial inclusion and superior customer services. And last, we have fin-tech innovators who are re-imagining solutions for our day-to-day problems and providing superior consumer experience for digital payments.

The Unified Payments Interface (UPI), the most advanced payment system in the world, was launched in 2016, designed on the principles of interoperability, consumer choice and forging partnerships between banks and fin-techs, leveraging each other's strengths. The RBI's payment system division DPSS, under the governorship of Raghuram Rajan, played a key role in bringing banks together to promote this initiative. Support of the Indian Banks' Association (IBA) and leading lenders has been a critical factor in its success. In the second half of 2018, the National Payments Corporation of India (NPCI) launched UPI 2.0 with the support of regulatory teams under former RBI governor Urjit Patel and deputy governor B P Kanungo to incorporate path-breaking features.

Several milestones were achieved in domestic payments last year: India's RuPay Card crossed 100 million and Bharat BillPay on-boarded



## viewpoint

**Dilip Asbe**  
The writer is the  
MD & CEO of NPCI

over 100 billers in its ecosystem. The Aadhaar payments services, too, surpassed 100 million unique customers every month. After demonetisation, the UPI-based 'Bharat Interface for Money' (BHIM) app, launched by Prime Minister Narendra Modi, has acted as a catalyst to nudge many third-party providers to launch the UPI app. We are

judgment. However, we are working to create alternatives, but it may take time.

While it was a practice to look towards the latest trends in Silicon Valley in the US, with UPI, the West has turned to partner with India for innovation. Many global giants (Google, WhatsApp, Amazon, Samsung, Truoceller, Xiaomi, etc) and Indian unicorns (Paytm, PhonePe, Hike, etc) have joined the UPI bandwagon in collaboration with banks.

Unlike China that opens mobile payments mostly under two players in a closed-loop manner, the RBI has been

QR codes, and c) card-based payments.

In the coming years, we will see a significant shift to a mobile-first strategy with consumers using functionality-rich and user-friendly apps for P2P (peer-to-peer) or P2M (peer-to-merchant) payments. The electrification of all kinds of C2G (citizen-to-government) payments is a big opportunity I'm glad to see the efforts from all government divisions pushed by the ministry of electronics and information technology (MeitY) and the department of financial services (DFS).

If the growth momentum continues, we hope that the use of UPI will take the shape of citizen-scale payments system. Volumes may come down in the short term once firms go slow on promotional offers. However, the outlook is very strong for medium to long term. We have started an awareness campaign to protect customers from social frauds. But, more needs to be done. Now that diverse payment platforms are available to customers, our goal would be to drive adoption among the masses. We have the potential and capability to do what China has done to build its digital economy; better and faster. Startups/fin-techs, in collaboration with banks, should build specific use cases to drive adoption that will be the main attraction of 2019.

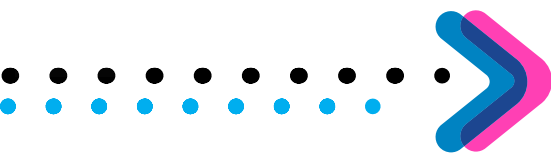
UPI volumes may come down in the short term once cos go slow on promotional offers. However, the outlook is very strong for medium to long term

now seeing the results. Sticking to the design principle of "consumer choice", there are now over 50 BHIM UPI apps provided by banks or third-party providers to customers of 100 banks.

The Supreme Court's decision to limit the use of Aadhaar database was a setback. The fintech community is relying on the government to identify a solution to use Aadhaar systems based on voluntary sharing by the customer. The NPCI had to stop the e-NACH (National Automated Clearing House) using e-sign due to the SC

clear from the start to set UPI as an interoperable system. When it comes to mobile payments and financial inclusion using Aadhaar, India has an edge due to innovation.

While there are multiple ways for making payments, the market is broadly divided into three parts — a) financial inclusion that covers the JAM trinity, i.e. Jan-Dhan, Aadhaar and mobile (additionally, it covers Direct Benefit Transfers, e-KYC, etc), b) mobile and internet payments powered by UPI, BHIM (Immediate Payment Service), net/mobile banking and interoperable



## The Hindu

# NPCI unveils ‘more secure’ UPI with overdraft facility

RBI's calibrated approach resulted in UPI 2.0, says Patel

**SPECIAL CORRESPONDENT  
MUMBAI**

The National Payments Corporation of India (NPCI) has upgraded the unified payments interface (UPI) with enhanced security features and overdraft facilities.

Unveiling the UPI 2.0 on Thursday, RBI Governor Urjit Patel said that the upgraded UPI was the result of the calibrated approach adopted by RBI in the initial years as a developer and in the later years as a catalyst and facilitator.

### ‘Setting standards’

He said the payments systems in India were not only comparable to any system anywhere in the world, but also set standards for others

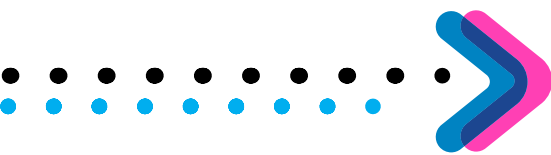


Urjit Patel

to emulate. He also outlined the need for ensuring adequate importance to cybersecurity, adding that all efforts needed to be channelled to this area. Costs should not be an inhibiting factor to this critical area, Dr. Patel said. “In addition to current and savings accounts, customers can link their overdraft ac-

count to UPI,” NPCI said in a statement. Nandan Nilekani, advisor – Innovation and non-executive Chairman, Infosys, lauded the payment systems vision of the Reserve Bank in creating robust and varied payment products and infrastructure.

He thanked Dr. Patel and the RBI for the innovation-fostering approach which resulted in India having many payment systems that were state of the art and cost-effective. “UPI is a path-breaking innovation that is unprecedented globally. Its high volume, low cost and highly scalable architecture built on an open source platform is key to India’s transformation to a digital payment economy,” Mr. Nilekani said.



# The Times of India

## Upgraded UPI has more features like in credit cards

TIMES NEWS NETWORK

Mumbai: The Unified Payments Interface (UPI) platform, which allows account holders to send money to others instantly and without bank details, has undergone a major upgrade that will make payments for purchases easier and cheaper.

**UPI 2.0 also allows merchants to send e-bills and travel or movie tickets to the payments app**

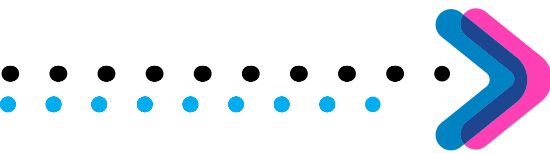
per. New features include allowing a lot of payment facilities currently available only in credit cards and an option that allows merchants to send electronic bills and other documents to the payments app.

UPI 2.0 was launched on Thursday by RBI governor Urjit Patel, NPCI adviser Nandan Nilekani and SBI chairman Rajnish Kumar. Nilekani said, "The RBI has done a commendable job under governor Patel in spearheading account aggregator structures."

A bulk of the UPI transactions today take place through Paytm, PhonePe and Google Tez apps. Patel said that the launch has been the result of the calibrated approach adopted by the RBI — in the initial years as a developer and in later years as a catalyst and facilitator.

UPI 2.0's features include an option to link overdraft accounts, enabling customers to use their bank credit lines to make payments. It also has a one-time mandate feature that enables merchant to 'block' funds in a customer's account without collecting it, like the security deposit that banks block on credit cards. The 'Invoice in the box' feature will enable customers to receive bills and travel or movie tickets. To improve security, UPI 2.0 provides for a 'signed' QR code that will ensure that there is no 'phishing' through fake QR codes.

NPCI MD & CEO Dilip Asbe said, "The rollout may take two to three months as banks and third-party app providers upgrade one by one."



# NPCI Launches New-look UPI with Overdraft Facility

Nandan Nilekani expects the interface to clock billion transactions a month within a year

Pratik.Bhakta@timesgroup.com

Bengaluru: If Unified Payments Interface revolutionised the peer-to-peer digital payments ecosystem in the country, National Payments Corporation of India has now launched an updated version of the payment railroad, mainly to drive merchant payments on UPI.

The updated UPI, commonly referred to as UPI 2.0, was launched on Thursday by the Reserve Bank of India governor Urjit Patel along with State Bank chairman Rajnish Kumar and Infosys non-executive chairman Nandan Nilekani.

ET had written in its July 31 edition that UPI was set to be launched in the second half of August with a few limited features with around 10 banks. Banks like SBI, ICICI Bank, Axis Bank, HDFC Bank, Yes Bank are the first batch of lenders to be going live on UPI 2.0.

With features such as overdraft facility on UPI, block payments for purchasing stocks during IPO, or bringing in a signed intent, UPI is set to introduce new features, mainly to ease merchant payments on the platform.

Commenting on the progressive role played by the central bank in the entire UPI journey, Nilekani said: "The RBI has played a phenomenal role in the evolution of the payment mechanism. Also, having a company like NPCI is very critical because unlike other countries we have done a great job in keeping the payment railroad open, thereby not creating a duopoly and monopoly." Nilekani also touched upon the role of the central bank in spearheading the account aggregation guidelines.

In the context of the strong growth seen by the platform over the past two years,

## UPI 2.0: What's in Store

### OVERDRAFT FACILITY

Customers can link their overdraft account to UPI, beyond only savings & current ac/s

### INVOICE IN THE INBOX

Consumers can check the invoice before making payment

### SIGNED INTENT AND QR

Additional security layer on UPI to ensure that the merchant QR code is a verified one

### ONE TIME MANDATE

Customers can create a payment commitment and execute transactions when goods are actually purchased, can be used during IPO, to buy stocks

### LIMIT OF TRANSACTIONS EXTENDED TO ₹2 LAKH FROM ₹1 LAKH



Nilekani said with UPI clocking around 250 million transactions per month already, it should clock a billion transactions per month within a year.

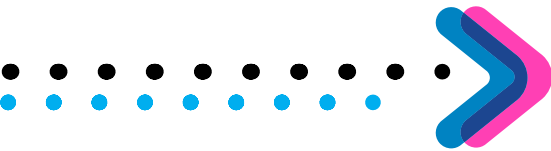
"Large number of banks, merchants, third-party players and consumers trusted this platform which resulted in substantial growth in terms of volume and value of transactions since its inception. With the launch of UPI 2.0, we hope to touch new milestones by expanding UPI's presence, especially in person-to-merchant payment space," said Dilip Asbe, chief executive officer, NPCI.

UPI 2.0 was announced by the previous managing director of NPCI AP Hota way back in 2018, saying the intent was to launch the update in 2017, but it took a

long time for the tech platform to be developed and stabilised, especially with explicit permissions required from the central bank. One of the biggest misses for UPI 2.0 was the feature of recurring payments which could have driven transactions for use cases such as mutual fund payments, loan repayments, etc.

While few features have been missed, the industry is gearing up for a whole set of new features on UPI after the update.

"The linking of overdraft will help the flow of credit with ease based on transaction history, and combined with one-time mandate can throw up many innovative use-cases (on UPI)," said Akhil Handa, head of fintech and new business initiatives at Bank of Baroda.



# The Economic Times



## Transactions Via UPI Hit 312 m in Aug

Unified Payments Interface, the bank-to-bank account settlement mechanism run by the National Payments Corporation of India, has crossed an important milestone of 300 million monthly transactions. UPI registered 312 million transactions in August, NPCI data show, up 32% from July, when it clocked 235.6 million transactions, reports Pratik Bhakta.

## UPI Transactions Cross 300M

Pratik Bhakta  
@timesgroup.com

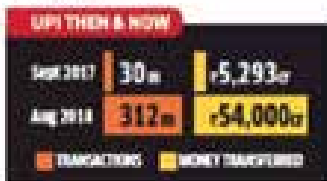
Bengaluru: Unified Payments Interface (UPI), the bank-to-bank account settlement mechanism run by the National Payments Corporation of India, has crossed 300 million monthly transactions.

UPI registered 312 million transactions in August, NPCI data show, up 32% from July, when it clocked 235.6 million transactions. Bankers said the jump in transactions was driven mainly by wider adoption and people repetitively using UPI for their payment needs. To put UPI's latest numbers in context, in September last year, UPI registered 30 million transactions and ₹5,293 crore in money transferred. In

### Money Maker

₹1,800 Average transaction size of UPI payments in August

₹10,000 Average amount paid through IMPS between April and June



August this year, about ₹54,000 crore of money was transferred on UPI. "Foundation of peer-to-peer payments in UPI has helped. Now, the effort will be to expand in the person-to-merchant space," said Dilip Asbe, chief executive officer of NPCI, in a pre-

vious interaction with ET. "We hope to cross 100 million users on UPI over the next two years." The average transaction size of UPI payments in August was ₹1,800, similar to that in previous months. The Immediate Payment Service, or IMPS, is traditionally used for larger transactions. Between April and June, the average IMPS transaction was ₹10,000, RBI data show.

"UPI has emerged as the payment option for small-value recurring transactions for Indian consumers. It can truly challenge cash," said a senior banker with a private bank.

The UPI story in India has also emerged as a pseudo battlefield for global tech companies and Indian tech startups.

NPCI has also done its part by bringing in updates to the UPI railroad.

## RuPay Making Solid Gains in Payments Ecosystem

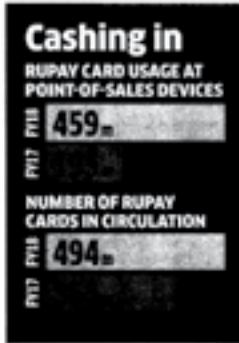
Pratik Bhakta  
@timesgroup.com

Bengaluru: At a time when the Indian payments ecosystem is abuzz with news around entry of global technology giants, RuPay—the country's domestic card scheme—is making slow strides to emerge as one of the major forms of digital payments especially in smaller locations.

Data from National Payments Corporation of India (NPCI), which manages the RuPay card scheme, shows that RuPay card usage at point-of-sale devices has jumped 135% to 459 million transactions in financial year 2018 against 156 million last year.

The trend has maintained the previous year figure as well when it jumped more than 600% from around 25.4 million PoS transactions in financial year 2016. Further the number of RuPay cards in circulation are also growing consistently having reached 494 million in financial year 2018 up 35% against 365 million in the previous year.

"We are trying to push up adoption of RuPay cards among users for merchant transactions directly rat-



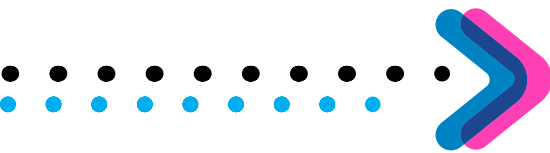
her than for ATM withdrawals only. We had run a promotional scheme with Big Bazaar very recently and we have plans to run such cashback and promotional schemes with major retailers in the future as well," said Dilip Asbe, chief executive officer, NPCI. RuPay is also running offers for transactions across ecommerce portals like BookMyShow, Redbus, MakeMyTrip, BigBasket and many others, attempting to push usage at

ecommerce websites as well as at retail offline points.

Further data around RuPay card usage at ecommerce websites shows a 137% jump to reach 208 million transactions in financial year 2018 against just ₹7.5 million in 2017. In terms of value of payments the transactions stood at ₹16,600 crore against ₹5,504 crore this year before, a jump of 180%. Industry executives in the payments space who process card transactions also said that RuPay has been showing strong adoption among the masses especially with payments slowly going digital in rural India.

For Bengaluru-based payment gateway startup Razorpay, RuPay claims for 21% of the transactions through their platform against 32% for Mastercard and 45% for Visa.

Further NPCI in order to push adoption of RuPay is trying to issue a common card for both ATM and PoS transactions and also for the country's National Common Mobility programme. Under this scheme, consumers will use the same card for both payments at merchant outlets, cash withdrawals at ATMs along with contactless payments at metro stations.



# Hindu Business Line

## With the launch of UPI 2.0, digital payments to get a boost in India

NPCI plans to expand UPI's presence in person-to-merchant payment space: CEO

### OUR BUREAU

Mumbai, August 18

The National Payments Corporation of India (NPCI) on Thursday launched Unified Payments Interface (UPI) 2.0, which allows customers to link their overdraft account to UPI, create one-time mandates and pre-authorise transactions for payment at a later date, and check the invoice sent by the merchant prior to making a payment.

UPI is a system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing and merchant payments under one hood. It also caters to the peer-to-peer collect request, which can be scheduled and paid as per requirement and convenience.

NPCI is an umbrella organisation for all retail payments in India. UPI version 1 was launched in April 2016.

"A large number of banks,

merchants, third-party players and consumers trusted this platform, which resulted in substantial growth in terms of volume and value of transactions since its inception.

"With the launch of UPI 2.0 we hope to touch new milestones by expanding UPI's presence especially in the person-to-merchant payment space," Dilip Asbe, MD and CEO, NPCI.

### Transactions rise

UPI transactions have increased manifold since its inception in 2016. In FY2016-17, the number of UPI transactions were at 1,786 crore, aggregating to ₹6,947 crore. UPI has recorded transactions worth ₹45,845 crore and 235 million in terms of value and volume in July 2018.

RBI Governor Urjit Patel said the UPI launch has been the result of the calibrated approach adopted by the Reserve Bank - in the initial



Dilip Asbe, MD and CEO, NPCI

years as a developer - and in the later years as a catalyst and facilitator. "The payment systems in India are not only comparable to any system, anywhere in the world, they also do set standards and good practices for others to emulate," he said.

Nandan Nilekani, Advisor, Innovation, NPCI, said: "UPI's high volume, low cost and highly scalable architecture built on an open source platform is key to India's transformation to a digital payments economy."

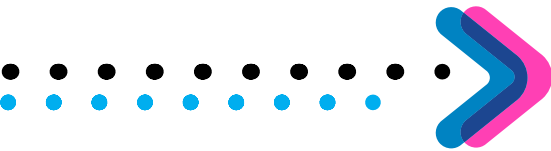
UPI 2.0 member banks as on date are: State Bank of India, HDFC Bank, Axis Bank, ICICI Bank, IDBI Bank, RBL Bank, YES Bank, Kotak Mahindra Bank, IndusInd Bank, Federal Bank and HSBC.

In addition to current and savings accounts, NPCI said customers can link their overdraft (OD) accounts to UPI in its latest version. Customers will be able to transact instantly, and all benefits associated with the OD account will be made available to users.

"UPI mandate could be used in a scenario where money is to be transferred later by providing commitment at present. UPI 2.0 mandates are created with one-time block functionality for transactions. Customers can pre-authorise a transaction and pay at a later date," NPCI said in a statement.

Mandates can be created and executed instantly. On the date of actual purchase, the amount will be deducted and received by the merchant/individual user.

UPI 2.0 also has a feature where customers can check the invoice sent by the merchant prior to making a payment. This is aimed at helping customers to view and verify the credentials and check whether it has come from the right merchant.



# Hindu Business Line

## Real-time payment service IMPS ranked No 1 globally

**COURTESY**  
Mumbai, September 27  
India's Immediate Payment Service (IMPS) is way ahead of similar real-time payment programmes around the world, including those in countries such as the United States and China, according to a new report.  
IMPS, which runs through the United Payment Interface, is ranked first on the Faster Payments Innovation Index by US-based financial services technology firm FIS.  
Australia's New Payments Platform and Singapore's Fast and Secure Transfers service received 4+ ratings on the index, which rates programmes on an index of 1 to 5.  
"India's IMPS took home the report's only 5 rating for the second year in a row," said the flavour of fact report, adding that it is the fastest-growing immediate payment system in the world.  
"It continues to be one of the most sophisticated and evolved faster payments schemes in the world," it further said.  
**Daily transactions**  
Despite half the country's population still offline or without internet access, daily transactions on the IMPS rose to close to 28 lakh every day this year from 20 lakh in 2017, it added. More than \$1.4 crore is transferred daily through the service.  
"IMPS has allowed money transfer apps to feature chatbot capabilities. This further encourages public use of real-time innovation," it said.  
The findings are a thumbs-up to the Centre, which has taken a number of measures to

boost digital transactions as part of efforts to cut down on black money and lower the currency in circulation.  
The report further said that India will continue to be at the forefront of innovations in the payments industry.  
"We expect the volumes of faster payments to continue growing in India for at least the next five years, driven largely by the increasing presence of technology giants in India's digital payments space, and the open architecture and interoperability that UPI offers," it added.  
The payments system, which was launched in 2010, operates almost 24x7 with nearly all major banks participating. Customers can use a mobile phone, internet connection and a bank account to instantly transfer money using IMPS.  
As part of the report, FIS identified 40 active real-time payment programmes around the world, compared to 25 in 2017, and nearly three times as many as in 2014 when the first report came out.  
It also found five payment programmes under development, with another 16 likely to go live in the next 12 to 18 months.  
As many as 12 other programmes received 4+ or 4 ratings in this year's index. These include China, which now makes 1.59 crore faster payments transfers every day; Single Euro Payments Area (SEPA) Instant Credit Transfer Scheme, which expects to have 34 countries live with real-time payments by 2019; and the United States, which saw the launch of its first real-time payments system in late 2017.

## IPOs: Welcome to the world of UPI

Lead managers should educate investors on the benefits of payment through apps

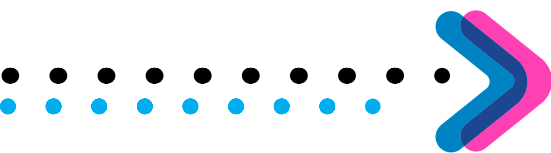
### RINGSIDE VIEW

**BY ANURAG KUMAR**  
Mumbai, 27  
Market regulator SEBI recently proposed allowing investors to use the Unified Payments Interface (UPI) while holding the shares in initial public offerings. The aim is to reduce the timeline of public issues by 10% when the equity shares would be listed on the exchanges on the third day from the day the IPO closes for subscriptions, a five-month paper released by SEBI said.  
The market regulator said that while ASBA — Application Supported by Bank's Account — helped reduce the timeline for

new lists, UPI could help to further bringing down the overall IPO timeline.  
SEBI, however, said since UPI had a cap of ₹2 lakh for money transfer, institutional investors and high net worth individuals would be allowed to bid using the existing ASBA process.  
What is UPI?  
Unified Payments Interface is a payment system through which investors can link more than one bank account in their smart-phone app and make fund transfers instantly without having to provide PIN, credit or account number.  
An investor will only have to use a virtual address, known as a Virtual Payment Address (VPA),

which is like our email ID, to carry out the transaction. VPA is an identifier that is created by the user by linking her bank account to the mobile payment application.  
UPI, which was developed by the National Payments Corporation of India (NPCI), is regulated by the RBI.  
Some of the UPI apps available are BHIM, PhonePe and Google Pay.  
**IMPs' experience**  
Already a whole lot of fund houses, including Aditya Birla Sun Life AMC, Kotaka Mutual AMC, DSP, ICICI, LIC, SBI AMC, Mirae Asset AMC, Quantum AMC and Reliance Nippon Life AMC, offer UPI as a payment option. Earlier, it used to take about two days to get units in your portfolio or money in

your account after the final transaction. Under UPI, the transaction process will get completed almost instantly.  
**Assurances to keep**  
Despite ASBA in place, not many investors are making the best of it. Most of them still prefer cheque payments while applying for IPOs, making the process inefficient.  
The main reason for this is lack of awareness.  
With the government and SEBI focusing on strengthening digital payments, it is high time merchant, bankers and lead managers take a lead role in educating investors of the benefits of the UPI payment mode. This will not only serve SEBI's purpose of shortening the IPO timeline, but also boost investor participation.



# The Financial Express

## UPI Banking

UPI 2.0 will bolster the digital payments advance

**T**HE SECOND VARIANT of the United Payments Interface, UPI 2.0, has been launched. UPI today powers banking applications like iMobile and the likes of WhatsApp Pay and Google's Tez. With UPI transactions' total value registering a more than three-fold increase since the turn of the year, rising from ₹13,144 crore in December 2017 to ₹45,845 crore in July 2018, the popularity and penetration of UPI-based payments has been phenomenal. Despite the volume of such transactions having fallen between June and July of this year, the average value of a UPI transaction has also increased from ₹1,025 in January to ₹1,945 in July.

UPI 2.0 doubles the transaction cap to ₹2,00,000. The new version is set to provide for linking of overdraft (OD) accounts, along with enabling blocking the transaction amount agreed to in a customer's account till the service being offered in exchange is fully provided. For instance, UPI 2.0 will allow an Uber to block the fare amount in a customer's mobile wallet being used to avail of its services till the ride is complete. UPI 2.0 is geared to incorporate more merchant-to-peer transactions—today, this accounts for just 10% of the total UPI transactions, as per *Business Standard*. With more merchants able to transact with you via UPI, chances are your usage of UPI will also go up. The launch of UPI in August of 2016 led to the more than three-fold rise in the volume of transactions conducted via mobile banking applications (from below 100 million in August 2016 to above 300 million as of June 2018). However, UPI still doesn't have a crucial feature—allowing an intended receiver of money the option to refuse a payment.

## IMPS crosses 100-m mark

FE BUREAU  
Mumbai, May 11

**TRANSACTIONS MADE USING** the Immediate Payment System (IMPS) crossed the 100-million mark in March to clock a total volume of 110.15 million transactions worth ₹1.04 lakh crore, data released by the Reserve Bank of India (RBI) showed.

According to data available on the National Payments Corporation of India (NPCI) website, the payment mode retained its momentum in April as well, recording 109.55 million transactions worth ₹1.02 lakh crore during the month.

Among all the modes of retail digital payments that got a push from demonetisation, IMPS seems to have succeeded the most in keeping up the momentum. For the last few months, it has seen volumes surging over 80% on a year-on-year (y-o-y) basis.

While the growth seen by the Unified Payments Interface (UPI) channel was several times higher—transaction volumes jumped 30 times between March 2017 and March 2018—IMPS has been in existence for longer than UPI.

Interestingly, though UPI has overtaken IMPS in terms of volumes and now sees monthly numbers of the order of 150-170 million, IMPS continues lead in value terms. The monthly value of UPI transactions has been in the range of ₹10,000-30,000 crore since December.

One of the reasons for this is the ₹20,000 per-transaction limit on UPI transactions, which automatically makes IMPS the default option for larger-ticket transactions.

Mobile wallets bore the brunt of the new KYC requirement, with volumes dipping 12.6% y-o-y to 268.79 million in March.

The value of transactions, however, rose 38% to ₹10,097 crore.

The volume of credit and debit card transactions at point-of-sale (PoS) machines rose 18% y-o-y to 446.19 million, while the value of transactions rose 26% to ₹86,165 crore.

The volume of National Electronic Fund Transfer (NEFT) transactions rose 13.6% y-o-y to 212 million in March, while the value of transactions rose 38% to ₹22.54 lakh crore between March 2017 and March 2018.

# The Financial Express

## UPI takes off

Compared to a year ago, value of transactions up by over 13 times

**O** PINIONS DIFFER ON whether or not demonetisation was a success or a disaster, but there can be little doubt the government's digitisation drive has been a huge success. It is, of course, true that the usage of debit and credit cards to pay retailers (or at Point of Sale, in jargon) was rising by leaps and bounds even before demonetisation — such usage jumped from ₹114,207 crore in FY11 to ₹399,589 crore in FY16 (pre-demonetisation) and to ₹919,035 crore in FY18. What has really taken off, apart from greater use of debit and credit cards at PoS outlets is the use of the National Payments Corporation of India's (NPCI) Unified Payments Interface (UPI). Between August 2017 and August 2018 alone, the number of UPI transactions rose 18.8 times to 312 million, and the value of transactions rose 13.1 times to ₹54,212 crore. Indeed, on a monthly basis, the value of transactions is rising by 18-20%; they rose 18.3% in August over the previous month, 12.3% in July, 22.7% in June and 23.2% in May. All of this, it is interesting to note, has taken place even before WhatsApp's payments took off since the issue of where the data has to be stored has still not been resolved.

NPCI does not give official data on how much of UPI transactions are made to merchants, but unofficial estimates are this is around 20-25%; the rest are peer-to-peer transfers. Had UPI not been available, the settling would have been done by either withdrawing cash from a bank/ATM or via cheques. If a fifth of all UPI transactions are made to merchants, or at PoS outlets, this means ₹8,167 crore of payments were made in June via UPI as compared to ₹94,199 crore via debit and credit cards. That is not a small achievement in such a short time, and when you add the ₹14,632 crore of transactions via wallets in June to this — once again, it is not clear how much this was peer-to-peer and how much to merchants — the number is even more impressive.

If the government wants UPI-based payments to continue to grow their share, it needs to ensure UPI commissions are kept to the minimum. Indeed, it can defray the costs for transactions below a certain size; if merchants don't need to pay a commission, they will prefer using UPI solutions to debit/credit cards. Also, the government will have to ensure enough merchant establishments across the country have UPI-based QR codes of the sort that PayTM has ensured its merchant-users have. Once users can scan the QR code, it makes payments easier. UPI 2.0 allows more features to make payments to merchants easier, but PayTM-style QR codes are very convenient. Theoretically, banks can on-board merchants and get them to use UPI's QR codes, but since banks offer both card-based solutions as well as UPI ones, it is not clear how aggressively they will push this. And if UPI solutions, such as BHIM, learn from PayTM and allow more payments such as for utilities and start giving attractive cashbacks — like on movie tickets — this will make UPI 2.0 even more attractive.

## NPCI launches UPI 2.0, adds feature to block funds for future use

RE BUREAU  
Mumbai, August 14

**THE NATIONAL PAYMENTS** Corporation of India (NPCI) has developed Unified Payments Interface (UPI) 2.0 — an upgraded version of Unified Payments Interface (UPI) service, which will allow users to block funds for a future transaction and pay without the need. This facility is an optional feature. Users can also use UPI 2.0 to make payments to merchants.

The upgrade will also enable customers to link their existing accounts to UPI in addition to current and savings accounts. Customers will be able to connect existing

and all benefits associated with the UPI account will be available to them, including making UPI 2.0 an additional digital channel to access the UPI account. The feature is aimed at users who may not have a credit card but would like to use a credit facility while making digital payments.

In addition, while making a merchant payment, UPI 2.0 users will be able to access a digital order which will help them view and verify the merchant's credentials and ascertain if the invoice has come from the correct merchant. Customers can pay seamlessly once they have verified the account and other details in the service. However,

**The upgrade will also enable customers to link their existing accounts to UPI in addition to current and savings accounts**

the facility will work only for those users where the merchant's credentials are verified. Customers can also use the service to check the authenticity of merchants. While scanning a QR code, it will offer the user information to confirm if the

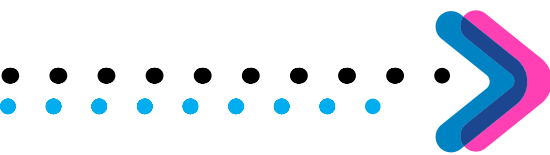
merchant is a verified UPI merchant. These transactions will also be processed faster as customers will not have to enter the app password in case of a future transaction. NPCI will also add UPI 2.0, and the upgrade to the payments channel will help expedite transactions, especially in the peer-to-peer transfer (P2P) payment system. "While the first three systems take care of the business aspect, the fourth feature of the upgrade is to enhance the security of transactions," he added.

Reserve Bank of India (RBI) governor Mahesh Kumar has also endorsed the launch of the service, stating the need for ensuring ade-

quate measures to be applied in cyber security, stating that all efforts need to be channelled to this area and that costs should not be an inhibiting factor to this critical area.

The banks that have joined UPI 2.0 are the State Bank of India (SBI), HDFC Bank, Axis Bank, ICICI Bank, Citibank, JPM Chase, YES Bank, Kotak Mahindra Bank, IndusInd Bank, Federal Bank and IDFC. Other banks are likely to join in the next few months.

UPI was launched on April 11, 2016. It recorded 2.99 million transactions worth ₹40,043 crore in July 2018.



# NPCI launches UPI 2.0 with overdraft facility

Komal Gupta  
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NEW DELHI

After a delay of several months, an upgraded version of the Unified Payments Interface (UPI), UPI 2.0, was launched on Thursday at a private event in Mumbai. Select members from the National Payments Corp. of India (NPCI), banks and the Reserve Bank of India (RBI) were present at the event.

RBI governor Urjit Patel, State Bank of India (SBI) chairman Rajnish Kumar and Nandan Nilekani, the non-executive chairman of Infosys Ltd, and the innovation advisor at NPCI, formally launched the product. NPCI is the umbrella organization for all retail payments in the country. It also manages the UPI mobile platform, which facilitates instant fund transfers between two bank accounts, without revealing the details of the accounts.

Several features were added to UPI 2.0, including an overdraft facility, which enables customers to link their over-



The newly launched UPI 2.0 will have invoice in inbox feature.

draft account to UPI and carry out transactions instantly. The one-time mandate feature allows customers to pre-authorize a transaction and pay at a later date, while the invoice in the box feature allows customers to check the invoice sent by merchants prior to making a payment. The signed intent and QR feature enables customers to check the authenticity of merchants while scanning QR codes.

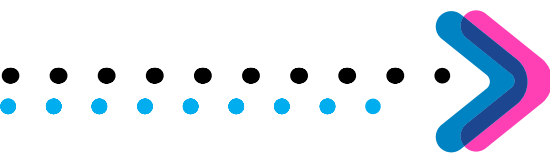
11 banks, including SBI, HDFC Bank, Axis Bank, ICICI Bank and IDBI Bank, have integrated with UPI 2.0: NPCI

"Large number of banks, merchants, third-party players and consumers trusted this (UPI) platform, which resulted in substantial growth in terms of volume and value of transactions since its inception. With the launch of UPI 2.0 we hope to touch new milestones by expanding UPI's presence especially in the person-to-merchant payments space," said Dilip Asbe, managing director and chief executive officer,

NPCI.

As of now, 11 banks, including SBI, HDFC Bank, Axis Bank, ICICI Bank and IDBI Bank, have integrated with UPI 2.0, said NPCI in a statement. According to Nilekani, UPI is a path breaking innovation that is unprecedented globally. "Its high-volume, low-cost and highly scalable architecture built on an open source platform, and is key to India's transformation to a digital payment economy."

Although the much-expected recurring payments feature is missing from UPI 2.0, it comes with several improvements, said Harshil Mathur, CEO and co-founder of Razorpay, a payments solution provider. "The new version of UPI allows higher transaction limits and has more secure QR-based payments. These added features go on to make UPI a more attractive option. Currently, UPI drives about 8-9% of our transaction volumes and with the merchant friendly features of UPI 2.0, we are looking forward to achieving promising growth here."



# How UPI payment option is making mutual fund investments faster

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As digital transactions slowly but surely gain steam in the country, mutual funds too are opening up newer digital avenues for investors. The aim is to make investing as easier as possible. According to the Reserve Bank of India and the National Payments Corp. of India (NPCI), the value of digital transactions went up to Rs207.98 crore in 2017-18 from Rs66.34 crore in 2013-14.

Last year, IDFC Asset Management Co. Ltd and LIC Mutual Fund Asset Management Co. Ltd added the Unified Payments Interface (UPI) option, in addition to the net-banking and debit card options for online investment. Ever since, more fund houses have joined in. Aditya Birla Sun Life AMC, Reliance Nippon Life AMC, Motilal Oswal AMC, Quantum AMC and Baroda Pioneer AMC now offer UPI as a payment option.

## REDUCING TIME

It takes about 2-3 days to get units in your portfolio after the final transaction. Redemption, too, takes about 2-3 days.

Last year, instant redemption facility became a reality when some fund houses started offering it. Capital markets regulator Securities and Exchange Board of India (Sebi) weighed in and laid down guidelines about the manner in which fund houses should offer this facility. At the moment, only liquid funds are allowed to provide instant redemption.

By offering UPI, fund houses are trying to reduce the time for investing in a scheme to within 24 hours.

## Why you should use UPI to invest in MFs

While UPI reduces the transaction time in mutual fund investments, it mainly benefits liquid funds as of now

Transaction time under internet banking

2-3 days

Transaction time under UPI

Within 24 hours

Fund category that benefits most from UPI

Liquid funds

Why? Liquid funds do not allot units unless they receive the money in their accounts. Other funds, do not allot fund, in a similar scenario, if the investment is above Rs2 lakh

You can invest only the lakh through UPI

Where UPI works

Not all fund houses have signed up yet

## Fund houses offering UPI currently



## HOW IT WORKS

At present, if you visit your fund house's website to buy a scheme, you can invest through internet banking, debit card, national electronic funds transfer (NEFT), Real Time Gross Settlement (RTGS) system or UPI.

If you choose UPI, you need to have a virtual payments address (VPA) with your bank, assuming that your bank is on NPCI platform. The UPI interface, built by the NPCI was setup to unify all retail payment mechanisms under one roof, has been introduced to facilitate transfer of payments from one person to another, more seam-

lessly (without asking for too many details) and faster.

Get your VPA through your bank app or the BHIM app on your smartphone. Once you submit your VPA to your fund's website, the fund house

sends you a text message and an alert on your app about the transaction. You need to approve it. Log in to your app, authorize the transaction and money gets instantly transferred to your fund house.

## WHAT WORKS?

But why would you choose UPI when you can transfer money using internet banking? As per MF rules, if you

invest an amount greater than Rs2 lakh, units are allotted only after your money gets deposited in the fund house. For amounts up to Rs2 lakh, units are allotted even if it takes a day or two for your fund house to get your money.

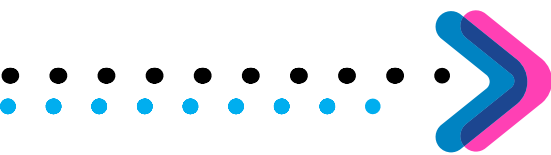
But in a liquid fund, no matter how much you invest, units will only be allotted to you once your fund house gets your money. And here's where UPI makes a difference. If you buy liquid fund units through a simple internet banking transfer, then there are chances that your fund house will get money only the next day, especially in cases where funds get routed through an aggregator. Under UPI, money gets transferred instantly.

"Say, you invest on a Friday using internet banking option. Your fund house will get your money on Monday and (as per MF rules that apply to liquid funds), you get previous day's net asset value (NAV), that is Sunday's NAV. But if you invest using the UPI option, money gets transferred on Friday itself and you get Thursday's NAV," said Jimmy Patel, chief executive officer, Quantum AMC, which launched its UPI facility in March 2018.

"There is also no need to remember your bank's internet username and password when you use UPI. Just remember your VPA, which is like an email ID," said Sandeep Sidka, chief executive officer, Reliance Nippon Life AMC.

## WHAT DOESN'T?

At present, you cannot buy units worth more than Rs2 lakh with UPI. NPCI has fixed this limit. Not all funds are on the UPI platform as yet, but industry experts said more fund houses are expected to join in.



## The Asian Age

# NPCI eyes credit card segment biz

**Mumbai, May 9:** After a sluggish start, National Payments Corporation is targeting to ramp up its play in the credit cards segment, a top official said on Wednesday.

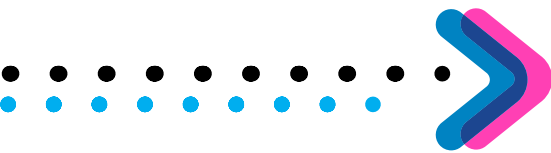
The RBI-backed national payments gateway, which pitches itself as an indigenous alternative to the foreign-owned Visa and MasterCard, has been acquired only 5 lakh customers through 12 bank alliances since the launch of the credit card last July.

The body's newly appointed MD and CEO Dilip Asbe attributed the slow start to the time taken for customer acquisition by partner banks and also rating of customers before they can avail of a card that's treated as unsecured lending.

"We have stabilised our debit business, now we are focusing on credit business," he said, without giving any targets on this side.

Mr Asbe said domestic credit card market is an under-penetrated with only 2.5 crore cards in circulation and there is a lot of possibility to grow in the segment.

When asked if the UPI-based payments service offered by Whatsapp enjoys regulatory arbitrage, he replied in the negative saying since April 16, the guidelines are universally applicable. "We believe everybody cannot do everything at the start, but now we have put up strict guidelines that unless we complete everything, we don't allow anyone to launch," he said. — PTI



# DNA

## Upgraded UPI to link current accounts

DNA Money Correspondent  
correspondent@dnaindia.net

Mumbai: The National Payments Corporation of India (NPCI) launched the Unified Payments Interface (UPI) 2.0, with features such as overdraft facility, one-time mandate, invoice and signed QR, said a press release issued by NPCI.

The service was launched by Reserve Bank of India (RBI) governor Urjit Patel along with other senior officials from NPCI and the banking industry.

Until now UPI could be linked only to savings bank accounts. In the new version, it can be linked to current accounts as well. The other features offer benefits to both individual customers as well as merchants in terms of enhanced security.

Delivering the presidential address, the governor spoke about the need for ensuring adequate importance to be ascribed to cybersecurity, stating that all efforts need to be channelled to this area and that costs should not be an inhibiting factor to this critical area.

The overdraft facility will enable customers to link their overdraft accounts to the UPI app and transact instantly. All benefits with an overdraft account will be available to users.

Akhil Handa, head - fintech and new business initiatives, Bank of Baroda, said, "The linking of overdraft will help the flow of credit with ease based on transaction history, combined with a one-time mandate can

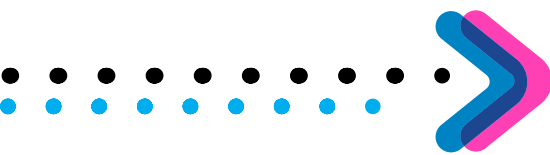


### CLICK TO PAY

- Using the one-time mandate, customers can transfer money later by providing commitment at present
- Customers can pre-authorise a transaction and pay at a later date. It works seamlessly for merchants as well as for individual users

throw up many innovative use cases. Further, the invoice in inbox feature will lead to standardisation of invoices and will offer better checks before committing a payment. The limit enhancement from Rs 1 lakh to Rs 2 lakh will also offer scope to enhance the ambit of payments that can be made through UPI. However, the standing mandate instruction is much required. Hopefully, the regulator will observe the risk associated and take a call on it."

Mandates can be created and executed instantly. On the date of actual purchase, the amount will be deducted and received by the merchant / individual user.



# Business Standard

IN A NEW AVATAR

## UPI 2.0 to make e-payments safer

PARAG MEHRA  
New Delhi, 30 August

The National Payments Corporation of India (NPCI) on Thursday launched the much-awaited Unified Payments Interface 2.0, an updated version of the country's flagship payments platform.

RBI Governor Urjit Patel and Minister Finance, Advisor (Innovation), NPCI, were present at the occasion.

The updated UPI 2.0 will soon be pushed to users through 11 partner banks, including State Bank of India (SBI). On the occasion, the RBI governor said the launch was the result of the collaborative approach adopted by the central bank. The app regulator functioned as a developer, he said, and they took on the role of a catalyst and facilitator.

UPI was launched in 2016 with much fanfare as a medium for round-the-clock instantaneous money transfers from one bank account to another.

Apart from SBI, UPI 2.0 partner banks are HDFC Bank, Axis Bank, ICICI Bank, EMI Bank, IDBI Bank, YES Bank, Kotak Mahindra Bank, IndusInd Bank, Federal Bank and HSBC.

The updated version unveiled on



Thursday has been in the media for more than six months and has features like letting the merchants attach bills along with their payment requests. This allows customers to verify the invoice and check the credentials of the merchant before making the payment.

This feature comes in the backdrop of users complaining about mismatches in display and requests received from merchants and actual bills.

Verified, or signed, QR code is another new feature. It aims to expose the truth in digital payments. With this, merchants can now be verified on UPI, letting cus-

### WHAT'S NEW

- **One-time mandate:** Ability to block a sum from account which can be collected at a later date
- **Invoice in invoice QR code:** Invoice can be verified along with collection request by merchant
- **Signed invoice QR code:** Merchants will be verified by UPI and QR codes will be digitally signed
- **Overdraft:** Ability to link overdraft accounts to UPI app

tomers check if they're paying the actual merchant or a fraudulent party. Additionally, instances of QR code tampering will come down with this feature. Customers will now be able to do transactions with verified merchants without having to enter the app code.

"The idea here is to create more faith in the system. Signed QRs will make sure that customers are reassured and merchants also know that their ability to collect payments is higher because of higher trust overall," said Dilip Asha, MD & CEO, NPCI. Asha said Reserve Bank of India has been giving time till March 31,

2024, to change all printed and digital QR codes envisaged in UPI 2.0.

By 2024, UPI recorded transactions worth ₹458 billion and 255 million in terms of value and volume, respectively, in July 2024. The UPI platform is now live with more than 95 banks, including payment and co-operative banks, reported. While organised merchants have been slow to adopt UPI, the industry expects that the new features in UPI 2.0, together with making merchant payments smoother and more efficient, will help boost merchant transactions on the platform. "The upgraded version of UPI was a much-awaited launch and we are hopeful that it will not only drive larger transaction volumes but also significantly increase P2M adoption," said Harish Mathan, CEO & co-founder of Razorpay.

The updated release of the payments system also has more consumer-friendly measures, like the overdraft facility. This implies that in addition to current and savings accounts, customers can link their overdraft account to UPI.

Additionally, the update features one-time mandate with this essentially a way to block money transaction from one account for a specific purpose or to a merchant. The amount can be deducted on a pre-specified date.

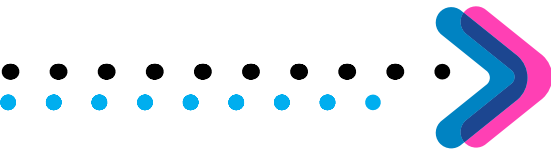
## UPI TRANSACTIONS CROSS 500 MILLION IN NOVEMBER

Transactions through the Unified Payments Interface (UPI), the flagship payments platform in the country, crossed 500 million in November, according to the data released by the

National Payments Corporation of India (NPCI). Growth in the number of

transactions, however, was only 9 per cent over the previous month. In October, the volume of transactions through the UPI was 482.36 million. The value of the UPI transactions in November stood at ₹822.32 billion, against ₹749.78 billion in October, a rise of 10 per cent. NIKHAT HETAVKAR writes





# The Economic Times

## Polls won't paralyse economic decisions: Govt to India Inc



**WINNERS TAKE CENTRE STAGE:** (From left) Film director Karan Johar, Adobe CEO Shantanu Narayen, HDFC Bank MD Aditya Puri, railway minister Piyush Goyal, M&M CMD Sanjiv Mehta, Page Industries MD Sander Geronzi, BHEL Power CMD Sumant Sinha, Vice-President Venkatesh Naidu, Finance minister Arun Jaitley, Times Group MD Vinod Jain, Godrej Group chairman AG Godrej, Bajaj Finserv MD Sanjay Bajaj, NPCI non-executive chairman Bhowanishank Mahapatra and NPCI CEO Dilip Asbe at The Economic Times Awards For Corporate Excellence in Mumbai on Saturday

Times News Network

Mumbai: Traditionally, economic decisions take back-seat during the election season due to political expedience. Not this time, say the political top brass. The government promises to go full steam ahead on economic decisions despite the elections, which are around the corner. That was the clear message from top Cabinet ministers to India Inc at the Economic Times Awards for Corporate Excellence on Saturday. "Leadership is about taking decisions, and not postponing them because there is no consensus," said Finance minister Arun Jaitley, adding that the strength of an economy is seen in how it grows during adversity. As political parties prepare for the Lok Sabha polls in 2016, ministers of the Modi government said that development is going to be a clear theme.

Pointing out that the ET Awards, which celebrate its 20th anniversary this year, was a reflection of changing contours of corporate India, Times Group MD Vinod Jain said that this government has taken a strong stand on what is turning out to be one of the world's most sought-after resources — information. "Data is the new oil," is a catchphrase today, and if it is true, India has one of the world's richest reserves. I hope our

### THE WINNERS

<b>LIFETIME ACHIEVEMENT  </b> Arun Jaitley
<b>BUSINESS LEADER OF THE YEAR  </b> Sanjay Bajaj
<b>ENTREPRENEUR OF THE YEAR  </b> Sumant Sinha
<b>GLOBAL INDIAN OF THE YEAR  </b> Shantanu Narayen
<b>BUSINESS REFORMER  </b> K C Bhas
<b>COMPANY OF THE YEAR  </b> HDFC Bank
<b>CORPORATE CITIZEN OF THE YEAR  </b> Hindustan Unilever
<b>POLICY CHANGE AGENT  </b> NPCI
<b>EMERGING COMPANY OF THE YEAR  </b> Page Industries

draft data protection law will bring in much-needed safeguards for the data of Indian citizens," said Jain. He added that a data protection regime, devised by the ITU, is already in place in the financial sector.

"These measures do not mean we are erecting trade barriers, as some have accused India of doing. They are a legitimate means of securing this valuable asset. Indeed, they represent a potential business opportunity for companies which could create the infrastructure to host and manage data within the country," Jain added.

Speaking about the government's ambitious high-

“2009-2014 is a chapter in the history of public sector banks, we cannot wish it away. We have to learn from this so that it never happens again. We are still paying for the sins. Lenthon ne khate ki, sadiyon ne sata payi (For a mistake made in moments, the punishment is borne in years)”

Arun Jaitley | FINANCE MINISTER

“I am not an ambitious politician. I have a mission. I belong to RSS and they are the mission”

Nitin Gadkari | TRANSPORT AND HIGHWAYS MINISTER

“Ours is a banking-led economy, still short of a typical market-led economy. Banks and corporates should ensure that every rupee is put to the most productive use. There is no place for 'foot-and-scoot' approach”

Venkatesh Naidu | VICE-CHANCELLOR

“Opposition is trying to find something that will stick to us, it is chasing the holy grail. They aren't going to get it”

Nirmala Sitharaman | CURRENT AFFAIRS

“I will keep my mouth zipped (as RSS). All my friends know my views on this”

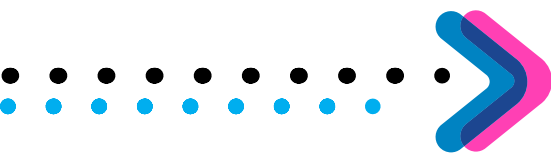
Piyush Goyal | UNION MINISTER

way project, Union road transport and highways minister Nitin Gadkari said that in two and a half years, there will be a six-lane highway from the national capital to the financial capital, which would cut down Delhi-Mumbai road travel to 12 hours. The government will award the Delhi-Jaipur stretch in the next five days, for which Rs 14,000 crore has been budgeted.

"The 2014 elections will certainly be about the economy and development. We will showcase what we have achieved with a sense of responsibility. What we have achieved are first-level changes, because of which there are a lot more

rigorous systemic transformations that are taking place," said defence minister Nirmala Sitharaman.

Echoing the government's theme of financial inclusion, the winner of ET Business Leader of the Year award, Bajaj Finserv MD Sanjay Bajaj, said, "The last 10 years have been a tremendous journey for us — from issuing a few hundred thousand loans annually in FY10 when we should do 10 million loans and policies. Of these, nearly 8 million individuals will enter the formal financial credit system, getting the first formal loan from us. This is the opportunity that the country provides."



# The Economic Times

## ET Awards 2018: NPCI is the 'Policy Change Agent' of the year



**T**he National Payments Corporation of India (NPCI) stepped up to help when the government's Digital India programme was faced with a key challenge: How to move consumers from cash to digital modes of payment? Until then, the not-for-profit organisation owned by banks was known only for the RuPay cards it issued to Jan Dhan account holders. The distant competitor to Visa and Mastercard has since emerged the driving force of the country's digital payments agenda.

From Bharat Interface for Money or BHIM to Aadhaar Enabled Payments, Aadhaar Pay and FASTags, NPCI

developed instruments that allowed the government to push digital transaction. Today, it is the umbrella organisation for operating retail payments and settlement systems in India.

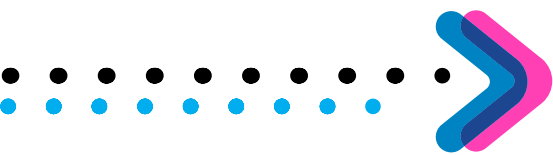
It is this massive shift in transacting behaviour that has been aided by the NPCI that won it the Policy Change Agent of the Year at the Economic Times Awards for Corporate Excellence.

Accepting the trophy were NPCI Non-executive Chairman Biswamohan Mohapatra and Dilip Asbe, the MD & CEO of the NPCI.

"The banks and Fin-tech ecosystem

have embraced our products and brought in an amazing scale in a record time. Last 10 weeks, we have processed more than a billion transactions on BHIM UPI," said Asbe. "I'd also like to take the opportunity to thank our 1.15 billion consumers globally for having taken our group to the position it is at today," he added.

The UPI is now getting replicated in several countries. It has also opened the gates for innovation with tech giants like Google and WhatsApp developing payment offerings for Indians. It is this global reach that Asbe was most proud of while receiving his trophy to a rousing applause by the audience.



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