

NPCI e-Newsletter

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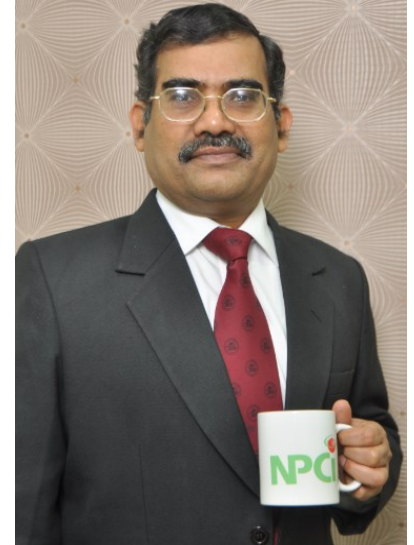


भारतीय राष्ट्रीय भुगतान निगम
NATIONAL PAYMENTS CORPORATION OF INDIA

From the MD & CEO's Desk

In January this year NPCI completed three years of operation. Contribution made by NPCI for payment system development during this short period is visible to everyone. Apart from making the NFS ATM switching service robust and resilient with almost 100 percent availability and chargeback ratio of 0.03 percent, several other products have been successfully launched.

When Government of India launched Aadhaar based Direct Cash Transfer system on January 1, 2013, NPCI's Aadhaar Payments Bridge was used as the platform. In three months of operation, nearly 3 lakh electronic benefit transfers for Rs 40 crore had been made. NPCI also rolled out its new National Automatic Clearing House System in December last year and the Aadhaar Payment Bridge System/Platform was migrated to this new platform in January, 2013. In the coming months, newly setup National ACH system would see more products roll outs and more banks joining the scheme.



Usage of IMPS has been growing. Consider that IMPS is no longer limited to mobile channel; but emerged as a channel agnostic real time funds transfer system, Reserve Bank permitted the name of IMPS to be changed from Inter-bank mobile Payment Service to Immediate Payments Service. With enablement of account number and IFSC code as the beneficiary address, there has been sudden jump in usage. Our initial observation that customers may prefer to mask their account information with mobile number and MMID has been proved to be incorrect. It is hoped that with the mid-course correction in design, the usage of IMPS will get a fillip. NPCI is fully committed for nurturing this money transfer system - which is unique in many respects and received acclaim from other parts of the globe including the banks in developed countries.

RuPay - India's own card network is now a reality. Nearly 2 million cards are in the hands of the customers and we notice around 23,000+ transactions a day in the NFS network. POS acceptance has also been growing and as on 31st March 2013, the RuPay cards are accepted on 1.49 lakh terminals. Acceptance on all the 7 lakh terminals in India is a few months away. But good news is that by mid-May 2013, the RuPay cards would be accepted for on-line transactions on the internet. This will make RuPay accepted on all three channels of acceptance - ATM, POS and e-Commerce. Kisan cards issued by banks are mostly on the domestic card brand. Cheque Truncation system would be rolled out. It has been completed in southern grid and volumes are migrating to CTS in those cities. CTS Western Grid will get implemented in Mumbai during the April-June quarter and other locations would also get added.

A very busy period ahead for NPCI..

It gives me great pleasure to share comments put by many international visitors that they have not seen any payment system company having rolled out so many products at such a short time. I give this credit to my dedicated colleagues in NPCI and enthusiastic support received from member banks. NPCI would like to play a transformational role and not just a processor of payment transactions. The ambitious goal of NPCI is to touch every Indian with one or the other payment service at least once a day by 2020.

- A P Hota

IMPS campaign spreads to rural Odisha



Nearly 175 school teachers in rural Odisha were happy to see their salary credit alerts after they registered for IMPS workshop. Some also made remittance to their relatives and friends.



Two workshops were organized in two blocks with these school teachers, in where block development officer and SBI branch manager were presented to see the development.



Transaction crosses 30K per day.. and adding

Slowly and steadily the visibility of RuPay brand is increasing. With RuPay cards in the hands of more than 2 million customers and accepted on all the ATMs in the country as well as 150,000+ POS terminals, the daily average volume of transactions through NFS network touched 22,000 mark in the month of March 2013. Cooperative banks are the biggest group of banks using RuPay card.

Shopping Online with RuPay Card

Soon, you would be able to make transactions online through RuPay cards and buy your stuff from e-com platform. RuPay card will be accepted at all channels - ATM, PoS and e-Com. The e-Com solution being implemented is called PaySecure and is more user friendly and faster than the existing 2-Factor authentication solution being used by banker. The service would be operational by mid-May 2013.



Swipe RuPay cards in Big Bazaar (BB) outlets -

Next time you visit any Big Bazaar outlet in the country, prefer swiping your RuPay card. Thanks to ten banks including SBI and Axis Bank, RuPay cards are now accepted at 150,000 plus outlets in the country. Shortly the terminals of HDFC Bank, ICICI Merchant Services and HSBC would also get activated for RuPay.

Maharashtra Grameen Bank, first RRB under NFS

Maharashtra Grameen Bank becomes the first Regional Rural Bank (RRB) to join NFS using the core banking solution of an application service provider and not the CBS of the sponsor bank. This required a complex integration process to make the project a success.



APB platform drives Govt DCT Scheme

In January 2013– the first month of launch of Direct cash Transfer scheme through Aadhaar, more than 72,000 transactions made to beneficiaries under various schemes were processed. The volume jumped to 160,000+ during the month of 2013 for Rs 40 crore.



1200 plus Clearing Houses in India

As per latest data, there are as many as 1216 Clearing Houses in the country. Sixty six of these centres will be under Cheque Truncation System in the initial phase. The remaining centres would continue under Express Cheque Clearing Service till they are also brought under CTS in due course under RBI's Three Grid Approval.

Pungrain gains momentum with RuPay Card

Just in two months' time, transactions amounting over Rs 5,000 crore have been settled by one of the government procurement agencies in Punjab in much easier way with the help of RuPay card. The project is all set to expand its reach to all five grain procurement agencies in Punjab in next procurement season scheduled in April 2013. The projects is aimed at providing convenient payment services to agencies for grain procurement.

NFS creates benchmark to global standards

IN the journey of operational excellence, the National Financial Switch (NFS) reached a new level of chargeback ratio comparable internationally. The ratio achieved during March 2013 was at 0.03 level, which is considered as international benchmark in ATM switching. NFS aims at creating a new benchmark of 0.025 by December 2013 that can set a new benchmark for ATM networks in other countries.



SEBI team visits NPCI Chennai office

Securities and Exchange Board of India team paid a visit to our Chennai office to study whether CTS system can be utilized for document management in capital markets. Shri M Balachandran, Director, NPCI who also happens to be a member of SEBI committee, accompanied SEBI officials.

Awards & Appreciations



← **Shri N R Narayana Murthy**, our chairman of the board, is honoured with the James C Morgan Global Humanitarian Award on November 15, 2012 at the Santa Clara Convention Centre, Silicon Valley, USA. The award, sponsored by Applied Materials, honors individuals whose broad vision and leadership help to alleviate humanity's greatest challenges.

Bank of Maharashtra RuPay Kisan card was unveiled by Hon'ble FM, **Shri P. Chidambaram** on November 24, 2012 at the Annual Bankers' Conference (BANCON) in Pune. ⇒



← **Shri A.P. Hota MD&CEO** was conferred the Aadhaar Excellence Award from Hon'ble Prime Minister, Dr. Manmohan Singh at Dudu, Jaipur on the occasion of 2nd anniversary of UIDAI on October 20, 2012.

Dr. Rajendran, Head – Network, IS & DC is honoured as one of the outstanding CIOs by International Data Group in the 7th Annual CIO100 Awards held in 2012

Shri Tanmay Panda, Head – HR & Corporate Communications received the **Talent & HR Leadership Award** conferred by the World HRD Congress in partnership with ET Now on Feb. 15, 2013 at Taj Lands End. World HRD Congress felicitates 40 Most Talented HR Leaders in India each year. He was privileged to be bestowed this honour in an august conclave of eminent HR professionals.

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