

NPCI e-Newsletter

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From the MD & CEO's desk



Dear Readers

NPCI has been growing from strength. Several payment system analysts researching on payment systems worldwide have expressed their deep appreciation of the speed and meticulousness with which we have been progressing. RuPay - the domestic card payment network which is a form of adventure for NPCI is also maturing fast and now covers all the three channels - ATMs, PoS and e-Commerce.

NPCI has set an ambitious goal of "Touching every Indian by 2020." The objective is that every adult Indian will have one or another payment system product of NPCI directly or indirectly by March 2020. This would require NPCI to be on the cutting-edge payments technology with focus on innovation and execution excellence.

We request suggestions from anyone, on making this dream a fast reality, directly to my email id - aphota@npci.org.in

Wishing you all great success in the new financial year 2014-2015.

A P Hota

NPCI achieves ISO 9001:2008 (QMS) & ISO 22301:2012 (BCM) certifications



NPCI has been awarded ISO 9001:2008 certification for Quality Management Standard (QMS) that defines implementation on customer satisfaction, process approach, conformance to regulatory requirements and active involvement of top management and employees.



NPCI has also achieved ISO 22301:2012 certification for Business Continuity Management Standard (BCMS). The certification demonstrates that it can protect against, prepare for, respond to, and recover when disruptive incidents arise. This states that all products & services are secure, user-friendly, automated and available round the clock.

Leadership Conclave of NPCI

The senior leadership of NPCI gathered at a 3 day conclave with the theme of performance-led work culture and strategy for building a Great Place to work. The strategy for “Touching every Indian by 2020” and how to succeed with progressive plans were also discussed.



NPCI posts ATM awareness campaign on Facebook

“Do change your ATM PIN frequently and don’t share your ATM/Debit card details with anyone” - are some of the important instructions flashing on Facebook, initiated by NPCI as part of ‘Customer Awareness Campaign.’ The campaign, which was launched on March 14, is directed at reducing/mitigating ATM frauds and making the customers aware of their rights and responsibilities. Gaining visibility, the campaign has more than 25,000 fan base, till date,

and has been viewed by 83,000 Facebook users. (<https://www.facebook.com/NPCI.NFS>)

Card to card transfer through NFS

NFS launched its fifth service on NFS card to card funds transfer. This value added service got kicked-off with two banks – Andhra Bank and Union Bank. Both the banks are innovative in their approach. Union Bank was very keen to start the service to make their ATMs true to their name of “Sampoorna ATM.”

An Evening with Shri Narayana Murthy



An interface with Shri NR Narayana Murthy, ex-chairman of NPCI, and the senior bankers had been organized on March 14, 2014. Besides sharing his rich experience in building leaders, Shri Murthy stressed on – “leaders should have conviction and courage to do what is right; they should take the storm with all toughness and build strength to take extreme challenges.” The dignitaries who shared the dais with Shri Murthy to express their thoughts were Shri H R Khan, Deputy Governor, RBI, Shri G Padmanabhan, Executive Director and Shri Rishi Pillay, CEO, BankServe, South Africa.

Kalupur, the first co-operative bank in Gujarat to launch RuPay Debit card

Ahmedabad-based Kalupur Urban Co-Operative Bank Limited (Kalupur Bank) launched RuPay debit cum ATM card on March 19, at Ahmedabad. Kalupur Urban Co-op Bank is the leading urban co-op bank with their own data centre, new-generation core banking solution and wide range of cards and fraud mitigation solutions. The bank is on the verge of launching mobile banking solution.



Axis Bank becomes first private bank to launch RuPay Kisan card

Axis Bank has launched Kisan card on the RuPay platform to facilitate easy agriculture lending to farmers through ATMs. RuPay Kisan card, which will be issued to farmers on their crop loan accounts, provides 24x7 disbursement facility, allowing them to use their loan limit by withdrawing cash up to ₹1 lakh per day. The idea of introducing such a card is to offer a branch less, convenient and secure banking solution to agrarian consumers and provide facilities through India’s own card. Axis Bank has a large plan



for financial inclusion and use of state-of-the-art banking technology in rural areas.

Basic work-outs while at work, makes NPCI fit

Rolling-on neck, twisting back, stretching shoulder, extending arms & back were some of the work-outs that team members learned while at work place, in a day-long wellness program “Fitness at Work”. Team members at Goregaon and BKC office, on March 18, stretched out a bit to learn how to be fitter at their workstation, and boost productivity. NPCI has partnered with one of the health service providers to amplify each team member’s health conditions by stipulating a free medical check-up in the year.

NPCI joins RBI & SBI to extend e-BAAT program in Bhubaneswar



As part of financial inclusion initiative, NPCI along with RBI and SBI have organized e-BAAT (Electronic Banking Awareness & Training) program at two cities of Bhubaneswar to showcase the usefulness of e-banking/payment products and facilities, therefore, leading to less cash society. The programme, held at Khordha and Dhenkanal on March 10 & 12, was intended to create awareness among different target groups on usage of electronic banking products, delivery channels and its security aspects. IMPS team presented various advantages

of e-banking products including - Net banking, Mobile payments, Debit, Credit & Prepaid cards, ATMs, PoS, NEFT, RTGS, IMPS, ECS and domestic Money Transfer.

IMPS add members & PPIs to widen its reach

IMPS has made a new addition to its growing family by adding Ratnakar Bank as the 60th member bank & mobile commerce solution ltd- Vodafone m-pesa as

the 5th PPI. The five PPIs are Oxycash, Airtel Money, Vodafone- mPesa, GI Cash and Itz Cash.

Shri P Srinivas joins NPCI Board



Shri P Srinivas, who has over 33 years of banking experience in various capacities, has joined NPCI Board member representing Bank of Baroda. Shri Srinivas has extensively worked on core banking solutions, IT, Operations, Accounts & credit cards.

New Senior Official at NPCI



Shri Rajeeth Pillai has joined NPCI as Head- NACH. He brings with him rich banking experience of more than 16 years. Prior joining NPCI, he was with HSBC and before that he was with FIG, HDFC Bank for most of his career.

NPCI conducts first-ever internal quiz contest

NPCI conducted its first-ever online quiz contest on March 26 to find out internal brain masters. The contest turned out to be a huge success, where most team members participated to answer 15 basic questions on NPCI. The five winners- Pranesh Bansal,

Switching Technology, Chennai; Durgesh Shekhar, Info Security, Goregaon; Abhishek Nayak, Risk Management, BKC; Keyur Khoont, NFS Operations, Goregaon; and Sumit Kashyap, Switching Technology, Goregaon- gave all correct answers in less than a minute. The management has rewarded these winners and recognized 26 participants, who scored all right answers, with special prizes.

National Financial Switch (NFS)

National Financial Switch (NFS) switch manages more than 90% of interbank ATM transactions in the country. Almost all the banks in the country with carded customers and ATMs numbering 277 are part of the network. NFS has established a strong and sustainable operational model with in-house capabilities and today can be compared at par with other major and well-established switch networks.

One of the major advantages of NFS is its cost effective transaction pricing model as compared to other networks. NFS's unique pricing strategy with reasonable transaction cost, no fee on dispute management or decline transactions and fee payable only by the Issuing bank has made it one of the most attractive network. Also, there are no charges for MIS reporting, fraud & risk monitoring and member support. NFS' economical membership and switching fee has further made it the most competitive and attractive network.

Key differentiators of NFS network -

- DMS facilitates complete transaction life-cycle management which includes all the stages of dispute handling i.e. chargeback, representment, pre-arbitration and arbitration along with debit/credit adjustments.
- Supports good faith claims handling and settlement which enables banks to address disputes received after the stipulated timelines for raising dispute is expired.
- System validation at each stage of dispute cycle with respect to turnaround time as well as sequence of dispute cycle.
- Calculation and settlement of customer penalty for delayed acceptance of ATM cash withdrawal complaints i.e. at pre-arbitration stage. This helps the issuing bank to not only comply with RBI circulars but also to collect the penalty amount from acquirers for crediting it to the customer.
- User friendly, web based access to direct member and sub-member banks for dispute and exceptional handling.
- Regular training and ongoing support to member banks on DMS, Settlement, Reconciliation and Dispute management processes.
- NFS team members meet member banks at regular intervals and take feedback on services provided by the network and works on the suggestions of members to continuously improve the settlement and dispute management process. Timely changes are made to enable the members comply with regulatory requirements.
- NFS team undertakes various initiatives and works closely with member banks for achieving superior dispute and decline targets of less than 1% for technical declines and less than 10% for business declines.