FROM THE MD & CEO's DESK

Dear Readers,

I am happy to share with you that Unified Payments Interface (UPI) is ready for the public launch. UPI is perceived as game changer for transforming India in digital financial services. 24 X 7 real time Pay and Collect services, interoperable across the banking industry is something unique and would be a leapfrog event for the country. Simultaneously, NPCI is taking the final steps to start a pilot for BBPS project with 7-8 BBPS operators. When BBPS is fully operational, it would transform the bill payment landscape by unifying all billers and customers through a national level platform.

RuPay customer base has crossed 285 million now, its transaction volumes on ATMs, PoS terminals and e-commerce have doubled as compared to the previous year. Several banks have welcomed RuPay PaySecure's new transaction flow and are extending enhanced user experience to their customers. We are happy to note that even PMJDY customers are transacting online. I would also like to encourage everyone to utilise numerous offers that are powered with RuPay. Card plus OTP appears to be the simplest possible solution in e-commerce transactions confirming to 2FA guidelines of RBI.

Immediate Payment Service (IMPS) is gradually becoming the preferred option among consumers as the need for real-time fund transfers arise. IMPS recorded 31.65 million transactions in the month of July, highest being over 1.5 million transactions on a single day.

We had organised 'Blockchain Ideathon' event by inviting over 40 banks comprising of PSUs, private sector, foreign, cooperative, Regional Rural Banks segments and 11 Blockchain technology companies in July. The focus was to brainstorm about the blockchain technology and churn out ideas towards application of such technology in retail payments in future. The general perception is that once all the banks are on 'blockchain', the relevance of institutions like NPCI will no longer be there. The Ideathon clearly indicated that NPCI can play a key role in developing standards for financial transactions and re-emerge as a key player even under blockchain environment.

Lastly, I am happy that to share that NPCI's CSR volunteers paid a visit to the school children of Kathkari Tribe in Navi Mumbai. The officers of NPCI had a ground level feel of the environments in the remote corners of the country. Such interface with "Bharat" would continue even further for India and Bharat to be one.

Best wishes,

A P Hota

RuPay Prepaid card & Gift card launch by South Indian Bank

South Indian Bank launched Prepaid card & Gift card on RuPay platform. The cards were jointly launched by Mr. A.P. Hota, MD & CEO, National Payments Corporation of India (NPCI) and Mr. V. G. Mathew, MD & CEO of South Indian Bank. The **SIB Prepaid Card** is a re-loadable payment instrument like debit or credit card on RuPay platform. It comes with a maximum validity of three years along with top-up facility in multiples of Rs. 100. The card can be seamlessly used at ATM's, Points of Sales (PoS) terminals at merchant outlets and e-commerce websites across the country. The **SIB Gift Card** is a prepaid, non-re-loadable card on RuPay Platform. There is no need to have an account with SIB to purchase this gift card. The maximum validity period is one year. The card can be used at PoS terminals, merchant outlets and e-commerce websites across the country.

NPCI enables over 200 District Central Co–operative Banks with RuPay

NPCI enabled over 200 District Central Co-operative Banks (DCCBs) under RuPay Debit Card network. With this development, NPCI now digitises about two-thirds of 675 districts in the country through its network of Regional Rural Banks (RRBs), State Cooperative Banks, Urban Cooperative Banks and Scheduled Cooperative Banks with electronic payment mechanisms. Major states covered are Maharashtra, Uttar Pradesh, West Bengal, Uttarakhand, Andhra Pradesh, Bihar, Karnataka, Gujarat, Kerala, Odisha, Haryana, Himanchal Pradesh, Chhattisgarh, Punjab, Rajasthan and Telangana. Customers of DCCBs experience state-of-the-art services. Over 280 million RuPay card holders have an access to 2.2 lakh plus ATM's and over 12 lakh Point of Sale (PoS) terminals across the country.

RuPay
Kaamyabi Manaao, Haq Se.

MD & CEO at the Google–BCG's 'Digital Payments 2020' report launch event & panel discussion

Google India and Boston Consulting Group had partnered to create a comprehensive overview of the Digital Payments ecosystem in India. A research report titled 'Digital Payments 2020: The making of a $500 Billion Ecosystem in India' was unveiled in Mumbai. Our MD & CEO, Mr. A P Hota was invited to participate with esteemed panelists to discuss the future of digital payments in India. The report highlighted several trends set to transform the payments landscape in India over the next five years. Unified Payments Interface (UPI) and Bharat Bill Payment System (BBPS) were also featured in the report which is perceived as game changers. Mr. Dilip Asbe, COO, NPCI was one of the steering committee member for the report.

IMPS clocks 31.65 million transactions in July 2016

Immediate Payment Service (IMPS) recorded 31.65 million transactions in the month of July, highest being over 1.5 million transactions on July 4, 2016. IMPS continue to be the preferred option for real time payments among consumers. Several banks are extending customised services of IMPS to cater to the need of their customers.

IMPS
IMMEDIATE PAYMENT SERVICE

Banks implement RuPay EMV platform

International cash withdrawals and transactions on Point of Sale (PoS) terminals will now be seamless and secure for Catholic Syrian Bank customers as the bank has enabled RuPay Platinum EMV International Debit card. Corporation Bank, Karur Vysya Bank and Bank of India also enabled RuPay EMV chip-based cards for their customers. All payment needs will be at ease and more secured on RuPay EMV platform. RBI has advised banks towards issuance of EMV chip and PIN cards pertaining to Security and Risk Mitigation Measures for Card Present and Electronic Payment Transactions.

NFS participating banks extend Mobile Banking Registration service through ATMs

YES Bank has enabled Mobile Banking Registration (MIR) service both as an issuer and acquirer on National Financial Switch (NFS) network. With this development, any NFS member bank customer can register for mobile banking across all YES Bank ATMs. South Indian Bank (SIB) has also enabled this value added MIR service along with Aadhaar Number Seeding facility, thereby empowering customers to also check Aadhaar Seeding status across all SIB ATMs. Besides that Standard Chartered Bank and Lakshmi Vilas Bank also went live with MBR in the previous month. NFS is the largest network of shared Automated Teller Machines (ATMs) in India. It manages more than 95% of the domestic interbank ATM transactions. As per RBI's instructions, all banks participating in the NFS should do the needed changes and enable capability in customer registration for mobile banking at all their ATMs.

NFS
NATIONAL FINANCIAL SWITCH

*e*NEWSLETTER

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NPCI
भारतीय राष्ट्रीय भुगतान निगम
NATIONAL PAYMENTS CORPORATION OF INDIA

COO participates at the Credit Suisse – Fintech Day

The Financials / Banks Equity Research Team at Credit Suisse Securities (India) published a report on Digital Banking and Fintech. They had invited prominent thought leaders and innovators in the digital and payment space to grace Fintech Day conclave held on July 22 in Mumbai. Mr. Dilip Asbe, COO, NPCI addressed the forum packed with domestic and foreign institutional investors to talk on Indian payments system and initiatives that NPCI is taking to buil a less-cash society.

NPCI participates at the TiE Chennai Fintech & CAMS

In an effort to spread awareness about building a cashless society, NPCI participated at the event on the theme "Leveraging Billion Unique ID's" organised by CAMS and TiE (The Indus Entrepreneur's) Chennai Chapter. The chapter is focused on inspiring, educating and mentoring entrepreneurs in Chennai and Tamil Nadu. Mr. Ramesh Vijayakumar, Sr. Manager, Business Development familiarised the audience with NPCI products and services. About 150 corporate, SME & senior management officials of various banks attended the informative event held on July 21 in Chennai.

NPCI organises CTS Fraud Awareness and E–Baat workshop

Fraud Awareness and E-Baat workshop pertaining to Cheque Truncation System was organised on July, 4 at Vadodara by NPCI. About 80 bankers attended the workshop held at Makarpura Industrial Estate Co-op Bank. It was focused to familiarise bankers with different kinds of CTS potential cheque frauds, prevention support system, CTS – 2010 standards and different ways to mitigate frauds.

NPCI's fun visit to Kathkari Tribe's school children

About 40 NPCI volunteers paid a fun visit to the children of Kathkari Tribe's school which is run by Bethany Society in Panvel, Navi Mumbai on July 8. The enthusiastic school children entertained everyone by group dance performances and drama. They enjoyed playing games and lunch treat by NPCI while interacting with our volunteers. It was our pleasure to gift them some water bottles, stationeries and over 250 interesting books to fill up their library. This was made available through the book donation drive held internally at NPCI. The carnival then proceeded to their village to meet their families to have more fun. It was indeed a blessed day for all of us.

## Seminar on Financial Inclusion in Meghalaya

NPCI collaborated with Govt. of Meghalaya to conduct a seminar on Financial Inclusion for bank officials on July 18 at Yojana Bhawan auditorium, Secretariat of Meghalaya. The discussion focused on the banking infrastructure of Meghalaya and presentations on NPCI's products and services. The event was chaired by Shri. Sanjay Goyal (IAS) Secretary, Finance, Govt. of Meghalaya. Representatives from IDES, NPCI, RBI, NABARD, SBI, UIDAI, Govt. of Meghalaya and 60 bank officials attended the event.

Financial Literacy tour Palghar & Nasik

Financial literacy tour was carried out by members of Cooperative and Regional Rural Banks division. The members visited Cooperative Bank branches situated at Jawhar and Mokhada talukas in Palghar district and RRB's situated in Nashik district. The objective of the field visit was to observe, understand and analyse the financial inclusion achieved with the help of Govt. initiatives. PMJDY focuses upon opening of bank account for every individual taken under the scheme of PMJDY by opening banks accounts. The visit was also focused to understand the awareness levels and usage patterns of the customers with respect to ATM, PoS, IMPS, Micro ATM's etc.

RuPay eCommerce

- 10 Acquiring banks
- 140 Issuing banks
- 13 Aggregators
- 75,000+ Merchants
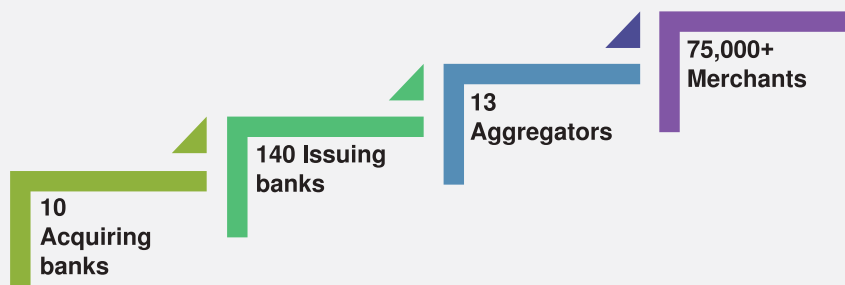
The month of July saw 17% more transactions as compared to the previous month. The changes incorporated in the transaction flow are not only scaling up the success rates but also the ease of usage for RuPay cardholders. The new transaction flow requires the cardholder to simply enter their card details and OTP to get through a RuPay e-commerce transaction.

As on date, 30 Issuing banks have already enabled the new transaction flow. This includes Indian Bank, Bank of Maharashtra, Federal Bank, SBI, HDFC Bank, Punjab National Bank, Punjab and Sind Bank, Bandhan Bank, Indian Overseas Bank, Andhra Bank, United Bank, Allahabad Bank, City Union Bank, South Indian Bank, Bank Of India, IDFC, Tamilnad Mercantile Bank, Karnataka Bank, Bank Of Baroda, Axis Bank, Vijaya Bank, Canara Bank, Union Bank of India, Karur Vysya Bank, Catholic Syrian Bank, Indusind Bank, Oriental Bank of Commerce, Syndicate Bank, Laxmi Vilas Bank and Dena Bank. During the last quarter, 39% more transactions were recorded from PMJDY accounts compared with the quarter ended March 2016.

NPCI organises Blockchain Ideathon

NPCI invited over 40 banks comprising of PSU, private sector, foreign, cooperative and RRB segments and 11 blockchain technology companies for the Ideathon. Middle Management Executives were chosen as the appropriate participant profile from the banks. The participating bank employees were given an introductory presentation on the blockchain technology one week before the event. The event witnessed participation from 55 bank employees and 25 members of technology companies. The participants were divided into teams of 10 ten groups consisting of bankers and technology companies. The technology company participants moderated the ideas to an implementable technology solution. The teams were asked to deliberate on the use case for retail payments in India.

National Automated Clearing House (NACH)

National Automated Clearing House which came into existence on December 29, 2012 for processing bulk payments both for debit and credit variants, has processed 50.19 crore transactions with a value of Rs. 1,940.98 billion. NACH caters to different modes of payments i.e. Aadhaar based and Account based transactions.

In traditional debit product, transaction processing requires submission of mandates by the customer to the corporates which in turn is submitted to the destination bank. Only after that a transaction can be initiated. This method of process has its own disadvantages in terms of time lag in submitting the physical mandates to the destination banks and storage and retrieval at the destination bank. To overcome these disadvantages Mandate Management has been introduced by NPCI with the approval of RBI. Mandate Management is a part of NACH system that caters to processing mandates using the electronic images. After the mandate is processed and accepted by the bank with which the customer holds the account, transactions can be processed by the corporates.

The following are the advantages of Mandate Management system.

1. It provided a standard mandate format for various categories viz loan instalment payment (EMI), insurance premium, systematic investment plan (SIP) and utility bills.

2. Enables the destination banks to centralise the processing of mandates.

3. Electronic storage and retrieval.

4. Eliminates physical movement of mandates, consequent expenditure and risk of loss in transit of mandate form.

5. Transaction processing are linked to a valid mandate due to which no unauthorised transaction can be raised on the customer accounts.

6. Validation of transaction start date, end date, amount, corporate code, active status of mandate both at the central system and the destination bank provides added security and helps in eliminating unauthorised debits.

7. Corporate portability is a salient feature of MMS that allows the corporate to move from one bank to another seamlessly for transaction processing.

8. No separate infrastructure required for scanning of mandates and the scanners deployed by banks for Cheque Truncation System (CTS).

9. Only system in the country with credit pulls capability and electronic mandate processing.

Banks send customer alerts through SMS informing them of the receipt of the mandates as well as in the event of mandate getting rejected along with the reason of such rejection.

As per the laid down process the following is the agreed TAT for processing the mandates

Mandates up to Rs. 3 lakhs	T+5 days
Mandates above Rs. 3 lakhs	T+10 days

854 banks are live in ACH debit and are participating in the mandate management system as on July 31, 2016. All the public sector banks, foreign banks, State co-operative banks and a host of district co-operative banks, local area banks are participating in the system. There are 9.85 million active mandates as on July 31, 2016. There is a considerable improvement in the time frame in which mandates are processed by the destination bank.

CASHBACK OFFERS

Buddy

United Wallet

Citrus

OLA MONEY
powered by ZipCash

Paytm

OFFERS YOU CAN'T REFUSE!

Get assured discounts and cashback on every purchase made using RuPay Card.

MERCHANT OFFERS

MALABAR GOLD & DIAMONDS
CELEBRATE THE BEAUTY OF LIFE

GINGER HOTELS

OYO
Use Promo Code
OYORUPAY

fernsnpetals
Use Promo Code
RUPAY20

SHOPCLUES.COM
where real India shops
Use Promo Code
SCRUPAY

HAPPILY UNMARRIED
Use Promo Code
HURUPAY150
HURUPAY350

yatra.com
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PLATINUM

6073 8301 2345 6789
6073
VALID 06/14 VALID 06/24
FROM   UPTO
SANJAY VERMA
RuPay DEBIT

RuPay
Kaamyabi Manaao, Haq Se.

*Conditions Apply

– *Conceptualised by Corporate Communications Team*