



# INCENTIVIZING DIGITAL PAYMENTS

Lucky Grahak Yojana

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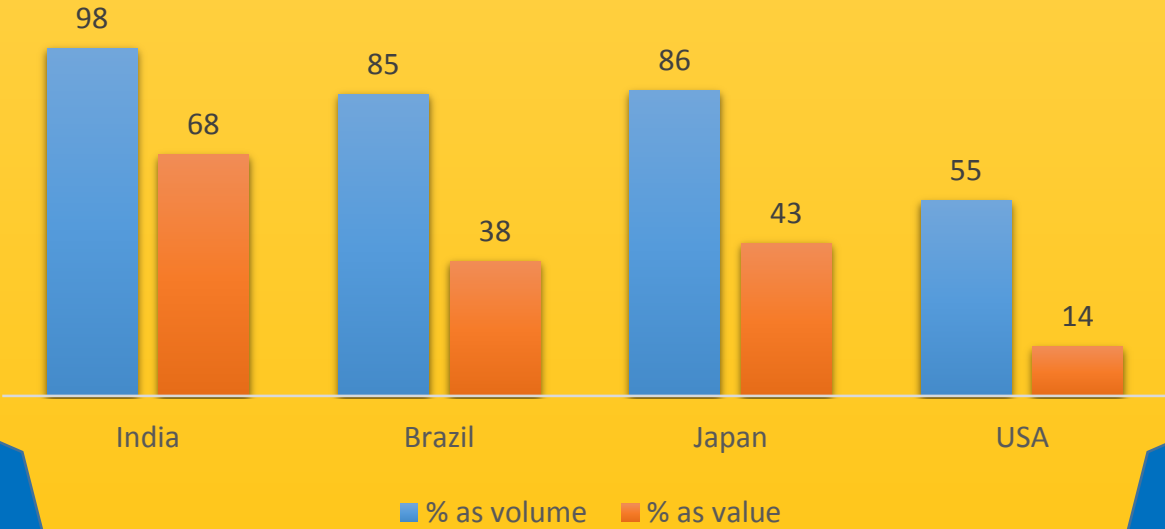
Digi-धन Vyapar Yojana

# Current Scenario

Only 5% of PCE in India is Digital

1 Billion+ Mobile Connections

### Usage of Cash in Consumer Payments



Low Taxation Base

371+ Million Smartphones

Large Informal Economy

25 Crore+ Jan Dhan Accounts Opened

# Drive Against Corruption and Black Money

25 crore Jan Dhan Accounts

Statutory Status to Aadhar

Introduction of RuPay Cards

Income Declaration Scheme

Demonetization of High Value Notes



# My Mobile...My Bank...My Wallet

## Transactions without Cash It's Possible!



# Incentives to Promote Digital Payment

- 1 lakh Villages to be provided with 2 PoS machines
- Regional Rural Banks & Cooperative Banks to issue 4.32 crore "Rupay Kisan Cards"
- 10% discounts at fuel purchase, highway tolls, rail tickets and insurance premiums
- No service tax on all digital transaction upto Rs. 2000
- PSBs advised to reduce PoS rentals to Rs. 100 per month
- Free accident insurance cover of up to Rs. 10 lakh for online rail tickets
- No transaction fees for payments made through digital means by Central Government Departments and PSUs



### UPI

It is as easy as sending a message from your phone!  
Every bank has its own mobile app – so it's now possible to transact on your smart phones

- Register your mobile number in the Bank or ATM
- Download the UPI app on your mobile
- Make your unique ID
- Set your UPI pin

✔ You can now transact from anywhere!



### Cards, POS

Make basic payments at most places with your prepaid, debit or credit card

- Swipe your card
- Put in your pin
- Get a receipt

✔ It's done!  
You can even transact with your card online!



### USSD

It is as easy as checking your prepaid balance from your phone!  
It is possible to transact even on normal mobile phones

- Link your mobile number to your bank account
- Dial \*99# from your phone
- Fill in the first 3 letters of your bank against Short Name OR first 4 letters of IFSC
- Choose "Fund Transfer-MMID" option
- Enter the payee's mobile number and MMID
- Enter the amount and your MPIN, leave a space and enter the last 4 digits of your account number

✔ You have just transferred your money!

### Aadhaar Enabled Payment System

Why rely on your bank, when you can bank on Aadhaar! Aadhaar-Enabled Payment System – Now link your Aadhaar card with your bank account. You can then carry out:

- Funds Transfer, Balance Enquiry, Cash Deposit or Withdrawal, Inter-bank transactions

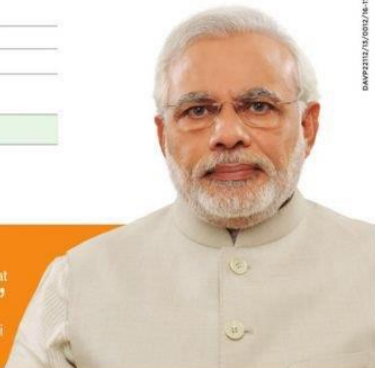
✔ You can avail of this service at stores too

### e-Wallet

It is as easy as sending photos through your phone!  
With Mobile or Computer:

- Download a wallet like SBI Buddy
- Register with your mobile number
- Link this with your debit or credit card or through net banking

✔ Your phone is now your Wallet!



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“ If all of us start transacting through online and mobile banking, it will be our great contribution towards eradicating corruption and black money from our country ”

- Narendra Modi



India moves towards  
**Cashless Transactions**  
to fight Black Money & Corruption

**SPECIAL INCENTIVES**  
to Encourage Digital Payments

**Go Digital, Get Benefits**



Discount of 0.75% on digital payment at Central Government Petroleum PSUs



10% discount for toll payment on National Highways using RFID card/Fast Tags in 2016-17.



Discount of 0.5% for monthly or seasonal tickets on digital payments from 1st Jan 2017 on suburban railway network  
Free accidental insurance upto Rs 10 lakh on buying online ticket in Railways



No service tax on digital transaction charges/MDR upto Rs.2000 per transaction



Discount or credit of upto 10% on the insurance premium sold through the customer portals of public sector insurance companies on digital payment.



Rural Regional Banks and Cooperative Banks to issue "Rupay Kisan Cards" to 4.32 crore Kisan Credit Card holders. Government will support this through NABARD.



2 POS devices will be deployed in 1 Lakh villages with population of less than 10,000. Government through NABARD will extend financial support.



Central Government Departments & PSUs to bear transactions fee/MDR charges on digital payments. State Governments being advised to do the same.

5 easy ways to go cashless...



Cards, PoS



Aadhaar Enabled Payment System



UPI Do payments through UPI App of your bank



e-Wallet



USSD Use to do transactions using Feature Phone

**My Mobile...My Bank...My Wallet**

**More convenience, More savings**

# Lucky Grahak Yojana & Digi-धन vyapar Yojana

## Promoting & Rewarding Digital Payments

### Coverage

- Digital Transactions through RuPay Cards, UPI, AEPS & USSD
- Transactions between ₹50- ₹B,000

### Awards

- Separate incentives for Consumers and Merchants
- Random draw of Digital Transaction Ids to select awardees

### Implementing Agency

- National Payment Corporation of India (NPCI)

Consumers

Transactions

Beginning

(08.11.16)

**Daily : 15000 @ ₹1000 for 100 days**  
**Weekly : 7000+ with max prize of 1 lakh**

**Lucky Grahak Yojana**

First Draw

(25.12.16)

**Digi-धन vyapar Yojana**

Weekly Awards : **7000** with max award of **₹50,000**

Merchants

**Mega Awards**  
**(14.04.17)**

*for consumers*

1. ₹1 Crore
2. ₹50 Lakh
3. ₹25 Lakh

*for merchants*

1. ₹50 Lakh
2. ₹25 Lakh
3. ₹12 Lakh

# Promoting & Rewarding Digital Payments

Estimated  
Expenditure

- ₹340 Crore

Rules

- C2M, C2G and all AEPS transactions
- Technical and Security Audit of the backend software/ infra by NPCI
- Transactions using RuPay, USSD, UPI & AEPS only

What is not  
covered

- Transactions above Rs 3000/- and below 50/-
- P2P and B2B transfers
- Transactions through Credit cards/ e wallets