

## **Pranab Mukherjee dedicates India's own payment gateway 'RuPay' to nation**

President Pranab Mukherjee on Thursday launched a payment gateway 'RuPay', which has been set up by the National Payments Corporation of India. Like the internationally-accepted Visa and MasterCard gateway, RuPay will also facilitate ATM withdrawals, payments at merchant outlets and online purchases.

ICICI Bank, State Bank of India and Punjab National Bank, among others, are already using the gateway for clearing and settlement. The government hopes RuPay will help reduce cash transactions. It is the seventh such payment gateway in the world. Dedicating RuPay to the nation, Mukherjee said India is one of the few countries in the world to have its own card payment gateway. Public sector banks have already installed 25,331 RuPay card-enabled ATMs and 9,000 more ATMs would be installed in the current fiscal, financial services secretary GS Sandhu said at the launch.

### **HOW DOES RUPAY HOPE TO MAKE A MARK?**

1. Lower transactions cost: transaction processing will happen in India as opposed to outsider for other gateways. This will reduce clearing and settlement cost, the benefit of which will be available to customers. 40% lower cost for banks compared to international gateways.
2. Higher level of customisation: being locally developed, the National Payments Corporation is confident it will be able to offer better customisation for local needs.
3. Data protection: data will remain in India.
4. Higher penetration: right pricing of RuPay products to make them economically feasible for banks to offer to untapped population.

### **WHAT ARE THE IMMEDIATE PLANS?**

IRCTC will launch a variant of pre-paid RuPay for booking railway tickets NPCI wants to take RuPay card overseas and is already in talks with Discover Financial Services in the US and JDC in Japan for partnership.

*(Times of India)*