Digital financial technologies for sustainable development in Asia and the Pacific

by

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Digital India........

I dream of a Digital India where the world looks to India for the next Big Idea

Hon’ble Prime Minister Shri Narendra Modi inaugurated the 'Digital India Week' in Delhi on 1st July 2015
Challenges faced by India before 2014

- Cash Dependent Society
- Deficiency of Trust in digital payments
- Financial Inclusion
- Inadequate Infrastructure – Acceptance and High Speed Network
- Lack of participation - Start-ups, Fin-techs, Big-techs
- Lack of Incentives for Digital Payments
- Simplified and affordable Payment Products / Platforms
Enhanced Access and Service Excellence (EASE) Reforms in Banking

The EASE Reforms Index and the first EASE Report were released by the Hon'ble Finance Minister on 28.2.2019.

EASE 1.0 and EASE 2.0 laid a firm foundation while EASE 3.0 focused on the transformation of Public Sector Banks.

EASE 4.0 dwellèd into smart banking, resilient technology and data enabled agriculture financing.

EASE 5.0, developed for new age reforms like Big Data Analytics, Data Aggregations and collaborations with various players including eCommerce giants, Fintechs, Startups, NBFCs.

In the upcoming EASE 6.0 four themes identified viz.
- Delivering excellence in customer service with digital enablement
- Digital and analytics-driven business improvement
- Tech and data enabled capability building
- Developing people and enhancing HR operations
10 lakh = 1 million
1 crore = 100 lakh = 10 million

Performance of Scheduled Commercial Banks

Asset quality has improved significantly, with Net NPAs declining from Rs. 2.04 lakh crore (1.67%) in March 2022 to Rs. 1.36 lakh crore (0.95%) in March 2023.

Provision coverage ratio (PCR) increasing from 86.9% in March 2022 to 90.9% in March 2023, reflecting increased resilience.

Gross NPA ratio reducing from 9.07% as on March 2019 to 3.87% as on March 2023 and SCBs have recovered a total amount of Rs. 7.16 lakh crore during the last five financial years.

SCBs have effected record recovery of Rs. 1,51,428 crore during last five financial years through SARFAESI.
DIGITAL TRANSACTIONS: TARGET VS. ACHIEVED

1 crore = 10 million
Growth in Number of BHIM-UPI Transactions (in crore)

FY 20-21: 2,233
FY 21-22: 4,597
FY 22-23: 8,375
FY 23-24 (till 15th Oct'23): 6,440

1 crore = 10 million
Strengthening Digitisation with UPI

Over 7,000 crore transactions worth ₹ 108 lakh crore till October, 2023 (FY 2023-24)

Money transfer to Savings Account
Payment to merchant sites
Scan & Pay

No loss of interest
Free Fund Transfer
Collect and send requests
Instant transfer

10 lakh = 1 million
1 crore = 100 lakh = 10 million
No charges for opening & maintaining of account
No minimum balance
Free RuPay debit card
Accidental insurance cover of Rs. 2 lakh on RuPay card
Interest on deposit
Access to pension and micro-insurance products
DBT benefit to Beneficiaries of government schemes
Facility of making digital payments
Easy transfer of money across India
Overdraft facility* upto Rs. 10,000 to eligible account holders

Achievements up to 22.11.2023

<table>
<thead>
<tr>
<th>No. of accounts</th>
<th>Percentage of women beneficiaries</th>
<th>Percentage of beneficiaries in rural/semi-urban</th>
<th>No. of RuPay cards</th>
<th>Total deposit balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>50.99 crore</td>
<td>55.5%</td>
<td>66.8%</td>
<td>34.63 crore</td>
<td>₹2,10,214 crore</td>
</tr>
</tbody>
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Follow us on
1 trillion equals 1 lakh crore
Minimum guaranteed pension ranging between Rs. 1000 and Rs. 5000 per month from the age of 60
After subscriber's demise, spouse will get same pension
After the demise of subscriber and the spouse, the pension corpus accumulated till 60 years would be returned to the nominee
Flexible contribution option - monthly, quarterly or half yearly

Total subscribers enrolled till 30.11.2023
597.31 lakh
1 trillion equals 1 lakh crore
Loans between Rs. 10 lakh and Rs. 1 crore

For setting up a greenfield enterprises in manufacturing, trading or service and Activities allied to agriculture.

Eligible borrowers:
SC/ST/Women entrepreneurs above 18 years of age

Achievements up to 24.11.2023
Total amount sanctioned
47,073 crore (approx)
Pradhan Mantri Jeevan Jyoti Bima Yojana

Achievements up to 22.11.2023
Cumulative enrolment 18.58 crore
Cumulative No. of Claims disbursed 7.18 lakh of ₹ 14,360 crore

Life cover for one year
Insurance coverage of Rs. 2,00,000/-
Annual Renewal
Eligibility age for entry: 18 to 50 years
Affordable premium Rs. 436 per annum
Enrolment can be done at Bank Branches / BC points / Post Office

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One Nation One Card for Billions
Contribution of UPI Transaction in Total Digital Transactions (in Cr)

Year: 14-15, 15-16, 16-17, 17-18, 18-19, 19-20, 20-21, 21-22, 22-23

- Total Financial Transaction Volume
- UPI

- % Share of UPI

Yearly Data:
- 14-15: 316 Cr
- 15-16: 577 Cr
- 16-17: 1,004 Cr
- 17-18: 2,071 Cr
- 18-19: 3,134 Cr
- 19-20: 4,572 Cr
- 20-21: 5,554 Cr
- 21-22: 8,840 Cr
- 22-23: 12,985 Cr

Yearly % Share:
- 14-15: 4%
- 15-16: 92%
- 16-17: 17%
- 17-18: 27%
- 18-19: 40%
- 19-20: 52%
- 20-21: 64%
- 21-22: 52%
- 22-23: 8,375 Cr
UPI Getting Global

- **Singapore**: 2020 FinTech agreement, full-fledged UPI integration is under development

- **Bhutan**: One of the first countries to adopt UPI outside India in 2021

- **Nepal**: Limited adoption exists in Nepal, with some merchants, particularly in the tourism sector, accepting UPI payments

- **UAE**: Launched in 2022 through collaborations with two agencies, available for specific transactions

- **France**: During February 2024, UPI reached Europe, with the Eiffel Tower and select merchants accepting UPI

- **Mauritius and Sri Lanka**: Adopted UPI during February 2024
How RuPay and UPI Benefitted the Users in?

• Facilitating Seamless Transactions

• Enhanced Financial Access

• Promotion of Financial Inclusion

• Strengthened Economic Ties

• Innovation and Technological Advancement
Thank you