

## Digital Payments - Progress Report

### 1. Summary Data Annual

#### Annual Data 2016-17 and 2015-16

	2015-16 April to March	2016-17 April to March	Growth Rate (Percentage)
Volume (Million)	7046.6	10928.6	55.1
Value (Billion)	1723425	2141071	24.2

Source: RBI – Provisional Data

### 2. Summary Data Monthly

#### Monthly Data April 2017 and April 2016

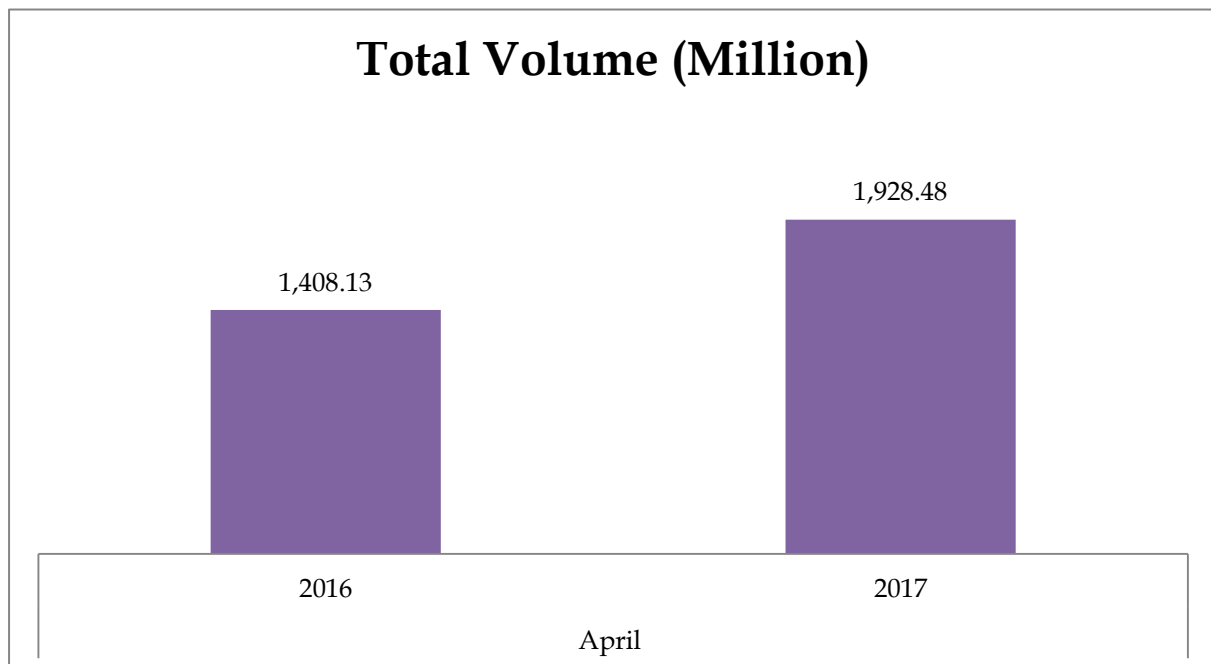
	April 2016	April 2017	Growth Rate (Percentage)
Volume (Million)	1408.13	1928.48	37.0
Value (Billion)	159410.36	193423.72	21.3

Source: Database of Indian Economy- RBI – Provisional Data

### 3. Growth Trends

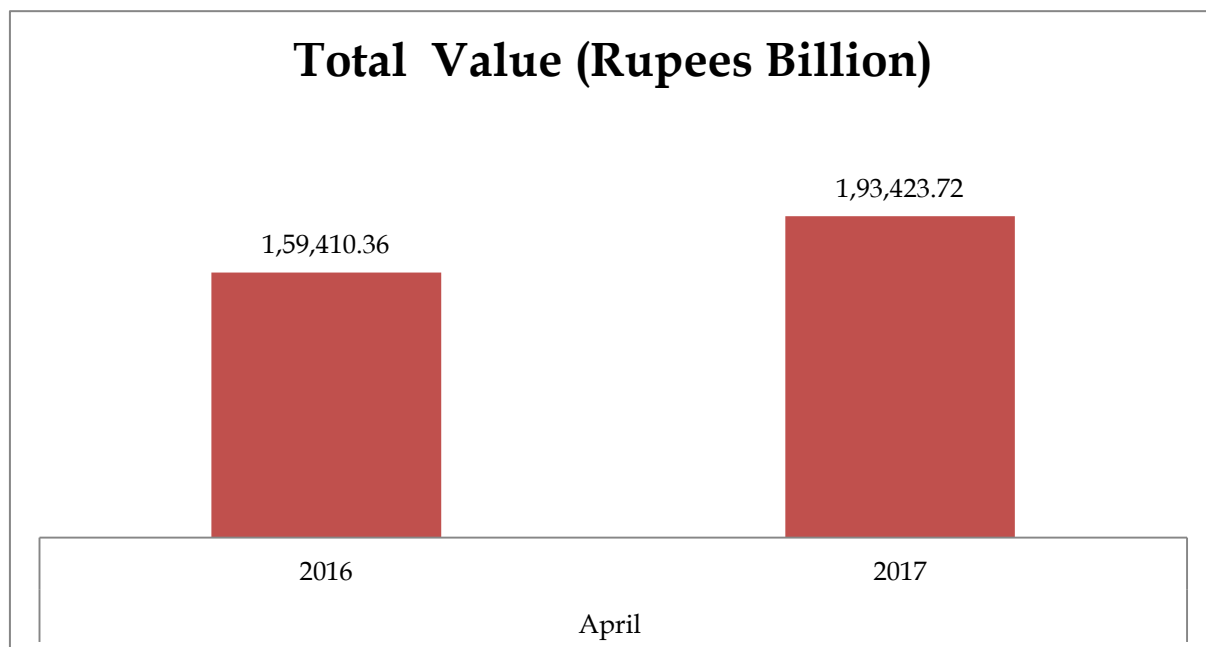
#### April 2017: Volume of transactions

- In the month of April 2017, the total Volume of Digital Payments touched about 1.9 billion as compared to 1.4 billion in April 2016 registering a growth of 37%.



#### **April 2017: Value of Transactions**

- In the month of April 2017, the total value of Digital Payments touched Rs. 193423.72 billion as compared to 159410.36 billion in the April 2016 registering a growth of 21.3%.



#### **4. Digital Payment Drivers**

- In April 2017, Pre-paid Payment Instrument (PPI) segment was the major driver. During the month PPI's recorded a growth of 408.3% in volume terms & 122% in value terms.

#### **5. Data Tables (April 2017) enclosed**

- Table 1- Summary Data on Digital Payments
- Table 2 - Detailed Data on Digital Payment

#### **6. Legend Enclosed**

- Definition of Digital Payments
- Coverage of Data on Digital Payments

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### Summary Table 1

Payment System Indicators							
Month/Year		Item	April			% Change 2017/ 2016	% Change 2016/ 2015
			2015	2016	2017		
1	Volume (Million)	RTGS	7.9	8.33	9.54	14.6	5.4
	Value (Rupees Billion)		82,958.17	86,459.34	1,11,743.7 0	29.2	4.2
2	Volume (Million)	CCIL Operated Systems	0.23	0.26	0.25	-5	13.8
	Value (Rupees Billion)		65,647.89	72,044.93	80,878.53	12.3	9.7
3	Volume (Million)	Paper Clearing	94.37	88.26	99.97	13.3	-6.5
	Value (Rupees Billion)		7,650.61	7,108.17	7,351.49	3.4	-7.1
4	Volume (Million)	Retail Electronic Clearing	211.4	316.89	431.1	36	49.9
	Value (Rupees Billion)		6,586.90	9,169.02	13,700.63	49.4	39.2
5	Volume (Million)	Cards	753.85	925.1	1,035.38	11.9	22.7
	Value (Rupees Billion)		2,297.09	2,630.24	2,877.17	9.4	14.5
6	Volume (Million)	Prepaid Payment Instrument s (PPIs)	74.36	69.3	352.23	408.3	-6.8
	Value (Rupees Billion)		27.57	46.72	103.71	122	69.5
7	Volume (Million)	Grand Total	1,142.11	1,408.13	1,928.48	37	23.3
	Value (Rupees Billion)		1,47,409.8 8	159410.36	1,93,423.7 2	21.3	8.1

Source: Database of Indian Economy, RBI

**Table 2**

<b>Payment System Indicators</b>							
<b>Month/Year</b>		<b>Item</b>	<b>April</b>			<b>% Change 2017 / 2016</b>	<b>% Change 2016 / 2015</b>
			<b>2015</b>	<b>2016</b>	<b>2017</b>		
<b>1</b>	<b>Volume (Million)</b>	<b>1 RTGS</b>	7.90	8.33	9.54	14.6	5.4
	<b>Value (Rupees Billion)</b>		82,958.17	86,459.34	1,11,743.70	29.2	4.2
<b>2</b>	<b>Volume (Million)</b>	<b>1.1 Customer Transactio ns</b>	7.54	7.97	9.23	15.8	5.7
	<b>Value (Rupees Billion)</b>		54,876.54	55,515.68	73,603.70	32.6	1.2
<b>3</b>	<b>Volume (Million)</b>	<b>1.2 Interbank Transactio ns</b>	0.36	0.35	0.31	-11.7	-0.9
	<b>Value (Rupees Billion)</b>		10,323.29	12,895.59	14,908.49	15.6	24.9
<b>4</b>	<b>Volume (Million)</b>	<b>1.3 Interbank Clearing</b>	0.001	0.001	0.002	59.4	-16.5
	<b>Value (Rupees Billion)</b>		17,758.34	18,048.07	23,231.51	28.7	1.6
<b>5</b>	<b>Volume (Million)</b>	<b>2 CCIL Operated Systems</b>	0.23	0.26	0.25	-5.0	13.8
	<b>Value (Rupees Billion)</b>		65,647.89	72,044.93	80,878.53	12.3	9.7
<b>6</b>	<b>Volume (Million)</b>	<b>2.1 CBLO</b>	0.02	0.01	0.01	6.5	-19.0
	<b>Value (Rupees Billion)</b>		14,589.10	12,227.47	21,151.19	73.0	-16.2
<b>7</b>	<b>Volume (Million)</b>	<b>2.2 Govt. Securities Clearing</b>	0.07	0.10	0.08	-23.9	41.5
	<b>Value (Rupees Billion)</b>		19,754.22	24,716.41	24,111.22	-2.4	25.1
<b>8</b>	<b>Volume (Million)</b>	<b>2.2.1 Outright</b>	0.06	0.09	0.07	-30.1	45.5
	<b>Value (Rupees Billion)</b>		7,329.24	11,476.80	7,482.65	-34.8	56.6
<b>9</b>	<b>Volume (Million)</b>	<b>2.2.2 Repo</b>	0.009	0.010	0.014	32.7	13.6
	<b>Value (Rupees Billion)</b>		12,424.98	13,239.61	16,628.57	25.6	6.6
<b>10</b>	<b>Volume (Million)</b>	<b>2.3 Forex Clearing</b>	0.14	0.15	0.16	7.2	3.6
	<b>Value (Rupees Billion)</b>		31,304.57	35,101.05	35,616.13	1.5	12.1

11	Volume (Million)	3 Paper Clearing	94.37	88.26	99.97	13.3	-6.5
	Value (Rupees Billion)		7,650.61	7,108.17	7,351.49	3.4	-7.1
12	Volume (Million)	3.1 Cheque Truncation System (CTS)	80.91	78.95	95.26	20.7	-2.4
	Value (Rupees Billion)		6,414.51	6,257.62	6,990.65	11.7	-2.4
13	Volume (Million)	3.2 MICR Clearing	0.00	0.00	0.00		
	Value (Rupees Billion)		0.00	0.00	0.00		
14	Volume (Million)	3.2.1 RBI Centres	0.00	0.00	0.00		
	Value (Rupees Billion)		0.00	0.00	0.00		
15	Volume (Million)	3.2.2 Other Centres	0.00	0.00	0.00		
	Value (Rupees Billion)		0.00	0.00	0.00		
16	Volume (Million)	3.3 Non-MICR Clearing	13.46	9.31	4.71	-49.4	-30.8
	Value (Rupees Billion)		1,236.10	850.55	360.84	-57.6	-31.2
17	Volume (Million)	4 Retail Electronic Clearing	211.40	316.89	431.10	36.0	49.9
	Value (Rupees Billion)		6,586.90	9,169.02	13,700.63	49.4	39.2
18	Volume (Million)	4.1 ECS DR	19.69	2.03	0.19	-90.8	-89.7
	Value (Rupees Billion)		152.10	14.38	1.21	-91.6	-90.5
19	Volume (Million)	4.2 ECS CR (includes NECS)	4.86	1.38	0.49	-64.4	-71.5
	Value (Rupees Billion)		128.10	34.30	9.68	-71.8	-73.2
20	Volume (Million)	4.3 EFT/NEFT	83.53	111.84	143.17	28.0	33.9
	Value (Rupees Billion)		6,043.58	8,324.52	12,156.17	46.0	37.7
21	Volume (Million)	4.4 Immediate Payment Service (IMPS)	12.37	26.78	65.08	143.0	116.6
	Value (Rupees Billion)		100.89	210.44	562.06	167.1	108.6

22	Volume (Million)	5 Cards	753.85	925.10	1,035.38	11.9	22.7
	Value (Rupees Billion)		2,297.09	2,630.24	2,877.17	9.4	14.5
23	Volume (Million)	5.1 Credit Cards	57.74	73.42	107.06	45.8	27.2
	Value (Rupees Billion)		181.51	230.11	333.76	45.0	26.8
24	Volume (Million)	5.1.1 Usage at ATMs	0.43	0.59	0.48	-18.6	37.4
	Value (Rupees Billion)		2.29	2.86	2.33	-18.7	25.2
25	Volume (Million)	5.1.2 Usage at POS	57.31	72.83	106.58	46.3	27.1
	Value (Rupees Billion)		179.22	227.25	331.43	45.8	26.8
26	Volume (Million)	5.2 Debit Cards	696.11	851.68	928.32	9.0	22.3
	Value (Rupees Billion)		2,115.58	2,400.13	2,543.41	6.0	13.5
27	Volume (Million)	5.2.1 Usage at ATMs	615.76	733.40	660.32	-10.0	19.1
	Value (Rupees Billion)		2,000.73	2,252.10	2,168.60	-3.7	12.6
28	Volume (Million)	5.2.2 Usage at POS	80.35	118.28	268.00	126.6	47.2
	Value (Rupees Billion)		114.85	148.03	374.82	153.2	28.9
29	Volume (Million)	6 Prepaid Payment Instruments (PPIs)	74.36	69.30	352.23	408.3	-6.8
	Value (Rupees Billion)		27.57	46.72	103.71	122.0	69.5
30	Volume (Million)	6.1 m-Wallet	67.05	48.76	320.87	558.0	-27.3
	Value (Rupees Billion)		11.96	22.93	74.42	224.6	91.7
31	Volume (Million)	6.2 PPI Cards	7.26	20.49	31.32	52.8	182.1
	Value (Rupees Billion)		13.64	21.68	27.45	26.6	59.0
32	Volume (Million)	6.3 Paper Vouchers	0.04	0.04	0.04	-9.0	-0.6
	Value (Rupees Billion)		1.97	2.11	1.85	-12.6	7.4
33	Volume (Million)	7 Mobile	19.75	48.67	106.18	118.2	146.4

	Value (Rupees Billion)	Banking	188.62	524.83	1,612.17	207.2	178.3
34	Volume (Million)	8 Cards Outstanding	585.92	696.05	898.33	29.1	18.8
	Value (Rupees Billion)		-	-	-		
35	Volume (Million)	8.1 Credit Card	21.29	24.86	31.32	26.0	16.8
	Value (Rupees Billion)		-	-	-		
36	Volume (Million)	8.2 Debit Card	564.64	671.19	867.00	29.2	18.9
	Value (Rupees Billion)		-	-	-		
37	Volume (Million)	9 Number of ATMs (in actuals)	190813	213073	221959	4.2	11.7
	Value (Rupees Billion)		-	-	-		
38	Volume (Million)	10 Number of POS (in actuals)	1125952	1403438	2614584	86.3	24.6
	Value (Rupees Billion)		-	-	-		
39	Volume (Million)	11 Grand Total (1.1+1.2+2+3+4+5+6)	1,142.11	1,408.13	1,928.48	37.0	23.3
	Value (Rupees Billion)		1,47,409.88	1,59,410.36	1,93,423.72	21.3	8.1
40	Volume (Million)	4.5 National Automated Clearing House (NACH)	90.96	174.85	222.17	27.1	92.2
	Value (Rupees Billion)		162.23	585.39	971.50	66.0	260.8

Source: Database of Indian Economy, RBI

## Digital Payments - Legend

### 1. Digital Payments - Definition

The Payment and Settlement Act, 2007 has defined Digital Payments. As per this any "electronic funds transfer" means any transfer of funds which is initiated by a person by way of instruction, authorisation or order to a bank to debit or credit an account maintained with that bank through electronic means and includes point of sale transfers; automated teller machine transactions, direct deposits or withdrawal of funds, transfers initiated by telephone, internet and, card payment.

2. **Real Time Gross Settlement (RTGS)** which can be defined as the continuous (real-time) settlement of funds transfers individually on an order by order basis (without netting). 'Real Time' means the processing of instructions at the time they are received rather than at some later time; 'Gross Settlement' means the settlement of funds transfer instructions occurs individually (on an instruction by instruction basis). Considering that the funds settlement takes place in the books of the Reserve Bank of India, the payments are final and irrevocable.

3. **Clearing Corporation of India Ltd (CCIL):** CCIL is a Central Counterparty (CCP) which was set up in April 2001 to provide clearing and settlement for transactions in Government securities, foreign exchange and money markets in the country. CCIL acts as a central counterparty in various segments of the financial markets regulated by the RBI viz. the government securities segment, collateralised borrowing and lending obligations (CBLO) - a money market instrument, USD-INR and forex forward segments. Moreover, CCIL provides non-guaranteed settlement in the rupee denominated interest rate derivatives like Interest Rate Swaps/Forward Rate Agreement market. It also provides non-guaranteed settlement of cross currency trades to banks in India through Continuous Linked Settlement (CLS) bank by acting as a third party member of a CLS Bank settlement member. CCIL also acts as a trade repository for OTC interest rate and forex derivative transactions.

4. **Cheque Truncation System (CTS)** is the process that obviates the need to move the physical instruments across bank branches. This reduces the time required for their collection and brings elegance to the entire activity of cheque processing. <https://rbi.org.in/Scripts/FAQView.aspx?Id=63>

5. **Electronic Clearing Service (ECS)** is an electronic mode of payment / receipt for transactions that are repetitive and periodic in nature. ECS is used by institutions for making bulk payment of amounts towards distribution of dividend, interest, salary, pension, etc., or for bulk collection of amounts towards telephone / electricity / water dues, cess / tax collections, loan instalment repayments, periodic



investments in mutual funds, insurance premium etc. Essentially, ECS facilitates bulk transfer of monies from one bank account to many bank accounts or vice versa. ECS includes transactions processed under National Automated Clearing House (NACH) operated by National Payments Corporation of India (NPCI).

**6. National electronic funds transfer (NEFT)** is a nation-wide payment system facilitating one-to-one funds transfer. Under this Scheme, individuals, firms and corporates can electronically transfer funds from any bank branch to any individual, firm or corporate having an account with any other bank branch in the country participating in the Scheme. Under NEFT, the transactions are processed and settled in batches. There is no limit – either minimum or maximum – on the amount of funds that could be transferred using NEFT. However, for cash-based remittances, the maximum amount per transaction is limited to ₹ 50,000. <https://rbi.org.in/Scripts/FAQView.aspx?Id=60>.

**7. Immediate Payment Service (IMPS)** offers an instant, 24X7, interbank electronic fund transfer service through mobile phones. IMPS transfers money instantly within banks across India through mobile, internet and ATMs. This facility is provided by NPCI through its existing NFS switch. [http://www.npci.org.in/documents/IMPS\\_FAQs.pdf](http://www.npci.org.in/documents/IMPS_FAQs.pdf).

**8. Pre-paid Payment Instruments (PPI)** are payment instruments that facilitate purchase of goods and services, including funds transfer, against the value stored on such instruments. The value stored on such instruments represents the value paid for by the holders by cash, by debit to a bank account, or by credit card. The pre-paid instruments can be issued as smart cards, magnetic stripe cards, internet accounts, internet wallets, mobile accounts, mobile wallets, paper vouchers and any such instrument which can be used to access the pre-paid amount (collectively called Prepaid Payment Instruments hereafter). The pre-paid payment instruments that can be issued in the country are classified under three categories viz. (i) Closed system payment instruments (ii) Semi-closed system payment instruments and (iii) Open system payment instruments.