

Press Release
Implementation of digital payment systems in India

1. Economic growth with financial inclusion and equity is a key priority of the Government. By enabling broader access and participation in the financial system, the Government aims to reduce income inequality, boost job creation, accelerate consumption, increase investments in human capital and help the poor families to manage risk and absorb financial shocks. Digitization of payments would significantly enhance financial inclusion by overcoming physical barriers and would thus enhance access to financial services rapidly. In addition, it would also enable formalization of all financial transactions thus increasing transparency and plugging leakages from the system.

2. NITI Aayog was entrusted with the task of undertaking a campaign to implement digital payments systems and it has been working on an awareness campaign to popularize the different modes of digital payment which are currently available viz. Cards, USSD, digital wallets, Aadhar Enabled Payment System (AEPS) and Unified Payment Interface (UPI). There is also an urgent need to spread awareness about the above initiatives in the form of a mission-mode, including sensitization of field level functionaries about the same. As NITI Aayog is mandated to act for promotion of co-operative federalism and recognizing the crucial role of State Governments in this endeavor for nation building NITI Aayog has been carrying forward its mandate in close association with the States and the respective state administrations.

3. Keeping the aforesaid in view and for boosting the adoption of digital payments systems by people at the grass root levels and small businesses, it has been decided to constitute a Committee of Chief Ministers representing different political parties to examine and implement measures to implement digital payment systems to promote transparency, financial inclusion and ensure a healthy financial ecosystem. The Committee will also include experts as special invitees. The composition of the Committee is as follows:

(i)	Shri Chandrababu Naidu, Hon'ble Chief Minister of Andhra Pradesh;	Convener
(ii)	Shri Naveen Patnaik, Hon'ble Chief Minister of Odisha	Member
(iii)	Shri Shivraj Singh Chouhan, Hon'ble Chief Minister of Madhya Pradesh	Member
(iv)	Shri Pawan Kumar Chamling, Hon'ble Chief Minister of Sikkim	Member
(v)	Shri V. Narayanasamy, Hon'ble Chief Minister of Puducherry	Member
(vi)	Shri Devendra Fadnavis, Hon'ble Chief Minister of Maharashtra	Member
(vii)	Shri Arvind Panagariya, Vice- Chairman, NITI Aayog	Member
(viii)	Shri Amitabh Kant, CEO, NITI Aayog	Member

		Secretary
(ix)	Shri Nandan Nilekani, former Chairman, UIDAI	Special invitee
(x)	Shri Janmejaya Sinha, Chiarman, Boston Consulting Group	Special invitee
(xi)	Shri Rajesh Jain, Managing Director, netCORE	Special invitee
(xii)	Shri Sharad Sharma, Co-founder, iSPIRIT	Special invitee
(xiii)	Dr. Jayant Varma, Professor (Finance), IIM (Ahmedabad)	Special invitee

5. The Terms of Reference of the Committee shall be as under:

- (i) The Committee shall identify the global best practices for implementing an economy primarily based on digital payment and examine the possibility of adoption of these global standards in the Indian context;
- (ii) The Committee shall identify and outline measures for rapid expansion and adoption of the system of digital payments like cards (Debit, Credit and pre-paid), Digital-wallets/ E-wallets, internet banking, Unified Payments Interface (UPI), banking apps etc. and shall broadly indicate the road map to be implemented in one year;
- (iii) It shall evolve an action plan to reach out to the public at large with the objective to create awareness and help them understand the benefits of such a switchover to digital economy;
- (iv) It shall prepare a roadmap for the administrative machineries in the States to facilitate adoption of digital modes of financial transactions;
- (v) Identify and address bottlenecks and indicate solutions pertaining to adoption of the steps required to move towards a digital payments economy;
- (vi) Associate the key stakeholders for implementation of the suggested steps towards a digital payments economy;
- (vii) Delineate and adopt measures evolved by the Committee of Officers constituted for the purpose;
- (viii) Examine and address any other associated issues which are not specifically mentioned herein. The Committee may devise its own procedures for conducting business/ meetings/ constitution of sub-groups, etc.