

Testwale Current Affairs PDF

Current Affairs search results for: " UPI records 6 billion transactions in July"

1. SBI, ICICI Bank and Axis Bank to launch Rupay based Credit card on UPI platform by March 2023 (Dec. 26, 2022)

SBI, ICICI Bank and Axis Bank to launch Rupay based Credit card on UPI platform by March 2023

The leading credit card issuers in India **State Bank of India (SBI), ICICI Bank and Axis Bank** will soon issue RuPay credit cards on [Unified Payment Interface \(UPI\)](#) by March 2023. At present three Public sector banks Union **Bank of India, Punjab National Bank** and Indian **Bank** and private sector Bank **HDFC bank** have gone live on the RuPay credit card segment on the UPI platform.

In June, the Reserve Bank of India allowed linking of credit cards to UPI, which was thus far being used as a "pay now" facility. The move will provide additional convenience to users and enhance the scope of digital payments.

Credit cards are a type of unsecured loan provided by the banks to its account holder as well as non-account holders for purchasing goods and services. It provides a time period within which if the customer repay the amount then the customer will not have to pay interest to the bank.

RuPay is a technology platform which provides end to end security solutions for online financial transactions. RuPay does not provide credit cards. **Credit cards can be issued only by banks in India.** When a person uses a RuPay credit card issued by a bank then the bank will use the technology network of RuPay. Here RuPay is responsible for the end to end technology connection so that the transaction is done smoothly. The bank pays Ru Pay for every transaction done

RuPay and UPI has been developed by the **National Payment Corporation of India.** At the present moment transactions done on UPI are free and there are no charges levied on it.

2. RBI allows blocking of funds for multiple auto-debits in UPI, expanded BBPS to non-recurring payments (Dec. 7, 2022)

RBI allows blocking of funds for multiple auto-debits in UPI

Reserve Bank of India (RBI) Governor **Shaktikanta Das** has announced that the scope of [Unified Payments Interface \(UPI\)](#) transactions will be expanded to allow 'single-block-and-multiple-debits'. Also the scope of [Bharat Bill Payments System \(BBPS\)](#) will now be expanded to handle both recurring and non-recurring payments for both businesses and individuals. The National Payments Corporation of India (NPCI) will implement these changes for both UPI and BBPS in the next **six months.**

These were announced as part of the monetary policy announced by the governor on 7 December 2022.

Proposed changes in the UPI

- UPI currently includes functionality to process payment mandates for recurring as well as single-block-and-single-debit transactions.

- The new facility will enable a customer to block funds in his/her account for specific purposes, which can be debited whenever needed.
- It means that customers can now allot a certain amount to a specific purpose or merchant by giving their consent.
- For future transactions, money can be debited by the merchant without the additional requirement of authentication, making payments faster.
- Over the past year, the RBI expanded the scope of UPI to allow transactions in **offline mode** as well as through **feature phones**.
- In June this year, RBI allowed linking of **RuPay credit cards to UPI**.

BBPS scope expanded to non-recurring payments

- RBI also said that the scope of Bharat Bill Payments System (BBPS) will now be expanded to handle both recurring and non-recurring payments for both businesses and individuals.
- At present, BBPS handles recurring bill payments (like fess, water bill, telephone bills etc.) for merchants and utilities and does not cater to non-recurring bills.
- It also does not cater to bill payments or collections such as payment of fees for professional services, education fees, tax payments, rent collections, etc. for individuals even if those are recurring in nature.
- Now BBPS is being enhanced to include all categories of payments and collections, both recurring and non-recurring, and for all categories of billers (businesses and individuals).

On Know Your Customer

- The RBI governor Shaktikanta Das also said customers do not need to visit the bank to update their KYC (Know Your Customer) details.
- He said that customers can re-KYC (know your customer) **online except where there is a change of address**. He said that if the banks are forcing the customer to come to the branch then the customer can complain against the bank with the RBI.
- As per RBI's KYC norm guidelines, banks need to periodically update customer identification documents of their account holders.

3. UPI records 6 billion transactions in July (Aug. 2, 2022)

The Unified Payments Interface (UPI) saw over 6 billion transactions in July, the highest ever by India's leading digital payments platform since its inception in 2016.

Important facts

- According to data released by the National Payments Corporation of India (NPCI), which operates the platform, UPI handled 6.28 billion transactions totaling Rs 10.62 trillion.
- Month-on-month, the volume of transactions was up 7.16% and value increased 4.76%.
- Year-on-year (YoY), transaction volume nearly doubled, while transaction value grew by 75%.
- UPI crossed 1 billion transactions for the first time in October 2019, almost three years after its launch.

- In October 2020, the UPI processed more than 2 billion transactions.
- In the next ten months, the UPI processed 3 billion transactions.
- It took only three months for UPI to reach from 3 billion to 4 billion transactions per month.
- The incremental one billion transactions were achieved in just six months' time.
- Apart from some reduction during the first two waves of the pandemic, UPI transactions are on the rise as the economy recovers.

About UPI

- Unified Payments Interface (UPI) is a single platform that integrates various banking services and facilities under one umbrella.
- It is developed by National Payments Corporation of India (NPCI).
- The names of the top UPI apps currently are - PhonePe, Paytm, Google Pay, Amazon Pay and BHIM.
- NPCI launched UPI in 2016 with 21 member banks.

National Payments Corporation of India (NPCI)

- It is an umbrella organisation for operating retail payment and settlement systems in India.
- It has been launched by the 'Reserve Bank of India' (RBI) and 'Indian Banks' Association' (IBA) under the 'Payment and Settlement Systems Act, 2007'.
- It is a 'non-profit' company established under the provisions of section 25 of the Companies Act 1956.
- It aims to provide the infrastructure for physical and electronic payments to the entire banking system in India.