

A.R. NIVETHITHAA

BE 1ST YEAR

V.V. COLLEGE OF ENGINEERING

TISAIYANVILAI



DIGITAL FIANCIAL LITERACY

India is a developing economy with focus on achieving sustainable development. To achieve sustainable development, it is important that all sections of the society get equal opportunity and participate in nation building.

Lack of awareness of digital financial literacy, especially among the rural population is a major challenge in the country, more so in light of the Government's recent demonetization and plans to make India a cashless economy. There is an urgent need to create awareness among the citizens, especially in rural and semi-urban areas regarding digital finance services and also enable/support in access to digital finance services options.



Digital financial inclusion refers to digital access to and use of formal financial services by excluded and marginalised sections of society. To serve this purpose, the services introduced are known as Digital Financial Services (DFS). These are designed to suit customers' needs and are delivered responsibly at a cost which is both affordable to customers and sustainable for providers. There are three key components of any such digital financial services: a digital transactional platform, retail agents, and the use by customers and agents of a device, usually a mobile phone, to transact via the platform



It's a means by which unbanked population is increasingly gaining access to financial services through digital channels. Banks, microfinance institutions, mobile operators, and third party providers are leveraging mobile phones, point-of-sale devices, along with networks of small-scale agents, to offer basic financial services at greater convenience, scale and lower cost than traditional banking allows.



The major types of DFS

1. Cards
2. USSD
3. AEPS
4. UPI
5. Wallet





CARDS



WHAT ARE CARDS?


- These are usually issued by banks and can be classified on the basis of their issuance, usage and payment by the card holder.
- There are three types of cards:
 - Debit cards,
 - Credit cards and
 - Prepaid cards



BANK CARDS

Type of Cards

DEBIT CARD	Issued by the Bank where you have an account.
CREDIT CARD	These are issued by banks / other entities approved by RBI. Unlike debit cards, in case of credit cards, a customer can also withdraw beyond the amount of money present in his bank account.
PRE-PAID CARD	These are pre-loaded from a customer's bank account. Can be used for limited amount of transaction.

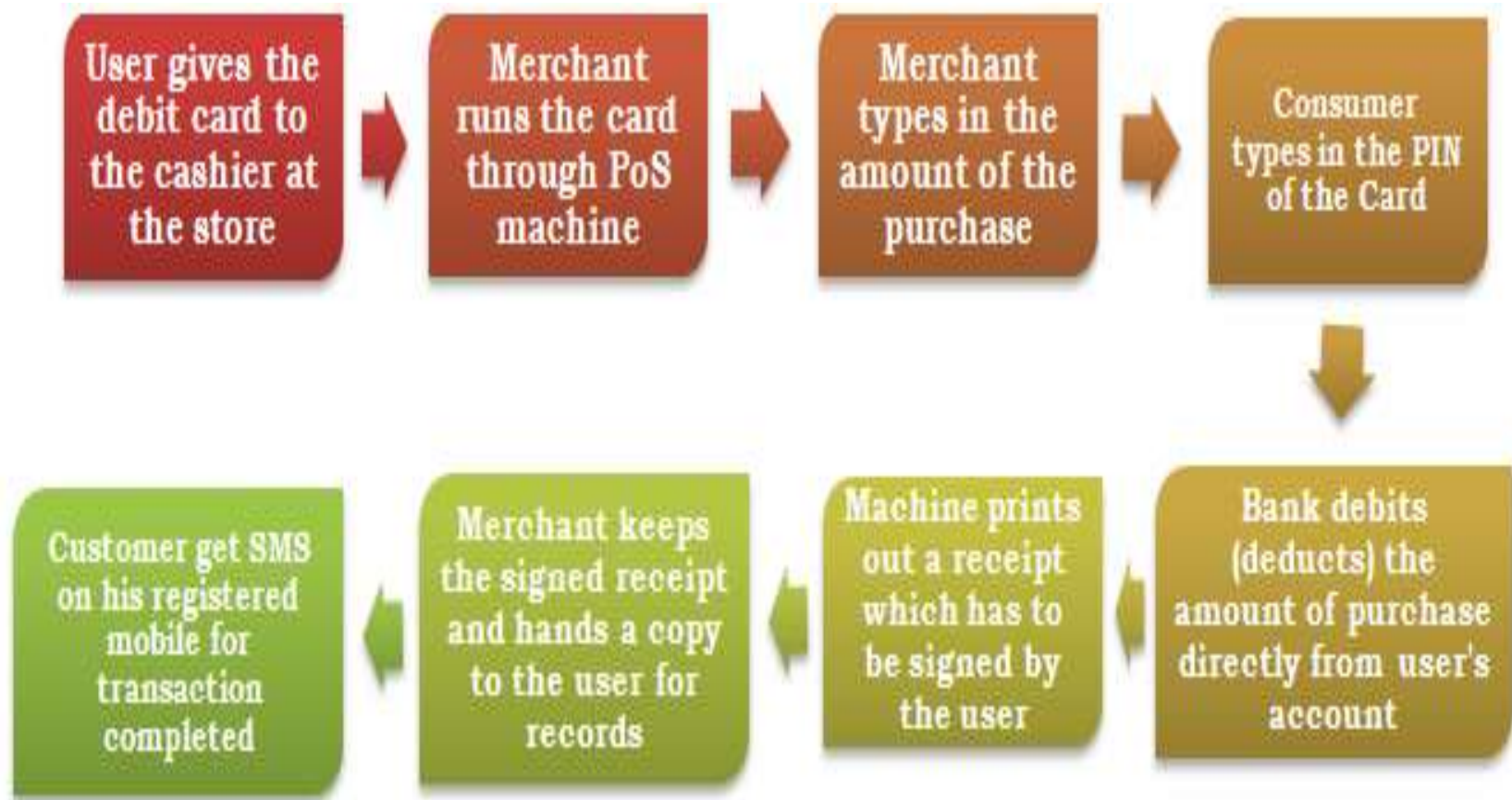


HOW TO USE DEBIT/CREDIT CARDS?

- To withdraw money from an ATM, user needs to insert his/her debit/credit card and type in your unique PIN Number (4 digits) which is provided by the bank. The maximum amount that can be withdrawn per day is set by the bank.
- With debit card, user can also use the ATM to carry out other financial and non-financial transactions such as finding out bank balance, depositing cheque or money, getting a mini statement, etc. without visiting the bank branch.



PROCESS FLOW FOR SHOPPING AT MAJOR RETAIL STORES



Why should I use these cards?

- Use your card to shop anywhere.
- Can be used to pay at shops, ATMs, wallets, Micro ATMs, online shopping.
- Both Debit and Credit cards can be used to withdraw cash from ATM, purchase of goods and services at Point of Sale (POS) and online purchase.
- Can be used to pay all kinds of utility bills
- Consumer can book Tickets (Airline/Railway/Bus), book hotels, and can use at restaurants to make payments.
- Use your card to pay for any service at any location where there is a Card reader / POS machine

How to get a Card?

- Consumers can apply for Debit/ Rupay/Credit cards at all the Public and Private sector Banks.
- Citizens can get a debit card by submitting the application to his respective bank branch.
- Citizens can also exchange their debit cards with Rupay Card
- Citizens who do not have bank account has to first open the account to get the card.
- As per Government orders, all the Jhan Dhan account holders will be issued Rupay Cards.

My Mobile... My Bank... My Wallet...

Transactions without Cash

It's Possible!

Cards, PoS

Make basic payments at most places with your prepaid, debit or credit card

- Swipe your card
- Put in your pin
- Get a receipt

✓ It's done!

You can even transact with your card online!





USSD

(UNSTRUCTURED SUPPLEMENTARY
SERVICE DATA)

WHAT IS USSD?

- This service allows every customer to access banking services with a single number irrespective of the telecom service provider, make of the mobile handset or the region
- It is offered through a National Unified USSD Platform (NUUP) on a short code *99#
- It can be used for payments upto Rs. 5000 per day per customer



WHAT DO YOU NEED?

- Account in a bank
- Any mobile phone on GSM network
- Consumers Account should have registered mobile number in the bank

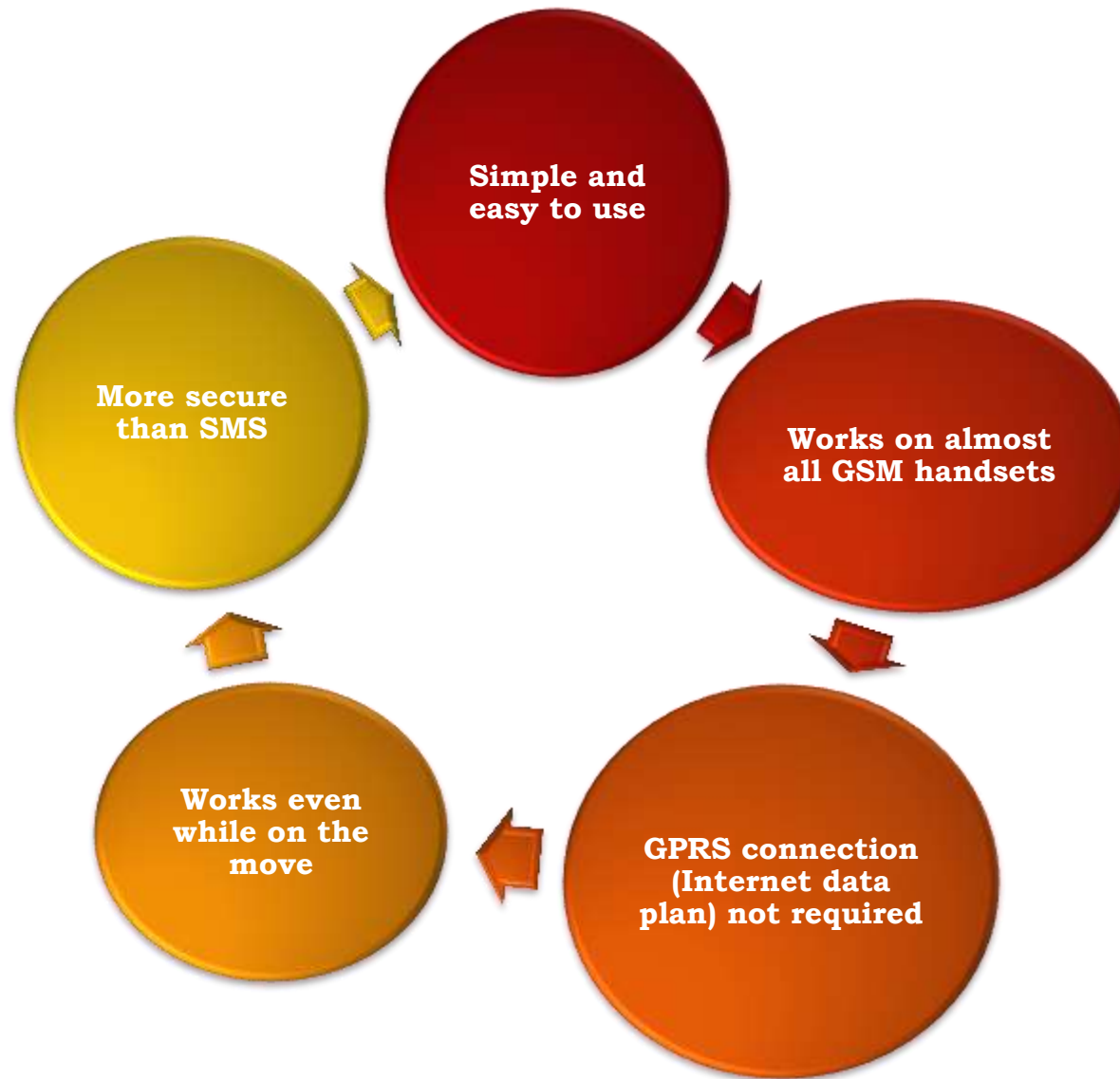


HOW DO I USE IT?

- Visit your branch to link your mobile number to your bank account (Can be done at ATM or online)
- You will get Mobile Money Identifier (MMID) and Mobile Pin (MPIN)
- Remember the MPIN



WHAT ARE THE BENEFITS OF USSD?



STEPS TO USE USSD FACILITY

1. Link your mobile number to your bank account
2. Dial *99# from your phone
3. Fill in the first 3 letters of your bank against short name or first 4 letters of IFSC
4. Choose “Fund-Transfer-MMID” option
5. Enter the payee’s mobile number and MMID
6. Enter the amount and your MPIN, leave a space and enter the last 4 digits of your account number.



SERVICES AVAILABLE

Non- Financial services:

- **Balance Enquiry** - User can check the available balance of the bank account linked to the mobile number.
- **Mini Statement** - User can generate mini account statement for the bank account linked to the mobile number.
- **Know MMID *(Mobile Money Identifier)** - User can know the MMID allotted by the bank to the account during mobile banking registration.
- **Generate/Change M-PIN** - User can Generate/Change the M-PIN (Mobile PIN) which is like a password and used for authenticating financial transactions.



Financial services

- **Fund Transfer using Mobile No. and MMID-** User can transfer funds by using MMID and Mobile number of the Beneficiary.
- **Fund Transfer using IFSC and Account No. -** User can transfer fund by inputting IFS code and Account number of the Beneficiary.



My Mobile... My Bank... My Wallet...

Transactions without Cash

It's Possible!

USSD

(Unstructured Supplementary Service Data)

It is as easy as checking your prepaid balance from your phone! It is possible to transact even on a normal mobile phone

- Link your mobile number to your bank account
- Dial *99# from your phone
- Fill in the first 3 letters of your bank against Short Name OR first 4 letters of IFSC
- Choose "Fund Transfer-MMID" option
- Enter the payee's mobile number and MMID
- Enter the amount and your MPIN, leave a space and enter the last 4 digits of your account number



You have just transferred your money!



AADHAAR ENABLED PAYMENT SYSTEM - AEPS



AADHAAR ENABLED PAYMENT SYSTEM - AEPS

Aadhar Enabled Payment System (AEPS) is a payment service empowering a bank customer to use Aadhaar as his/her identity to access his/ her respective Aadhaar enabled bank account and perform basic banking transactions.

- ❖ It allows bank-to-bank transaction at PoS (Micro ATM) with the help of Banking Correspondent (BC)/VLE.
- ❖ The user has to seed his/her account with their Aadhaar number at bank or with the help of BC/VLE.
- ❖ User can do as many transactions at any AEPS point without any PIN or password.



What do I need, to activate the AEPS?

- ❖ IIN (Identifying the Bank to which the customer is associated)

- ❖ Aadhaar Number

- ❖ Fingerprint captured during their enrolment

Following banking transactions can be done using an AEPS:

- ❖ Balance Enquiry

- ❖ Cash Withdrawal

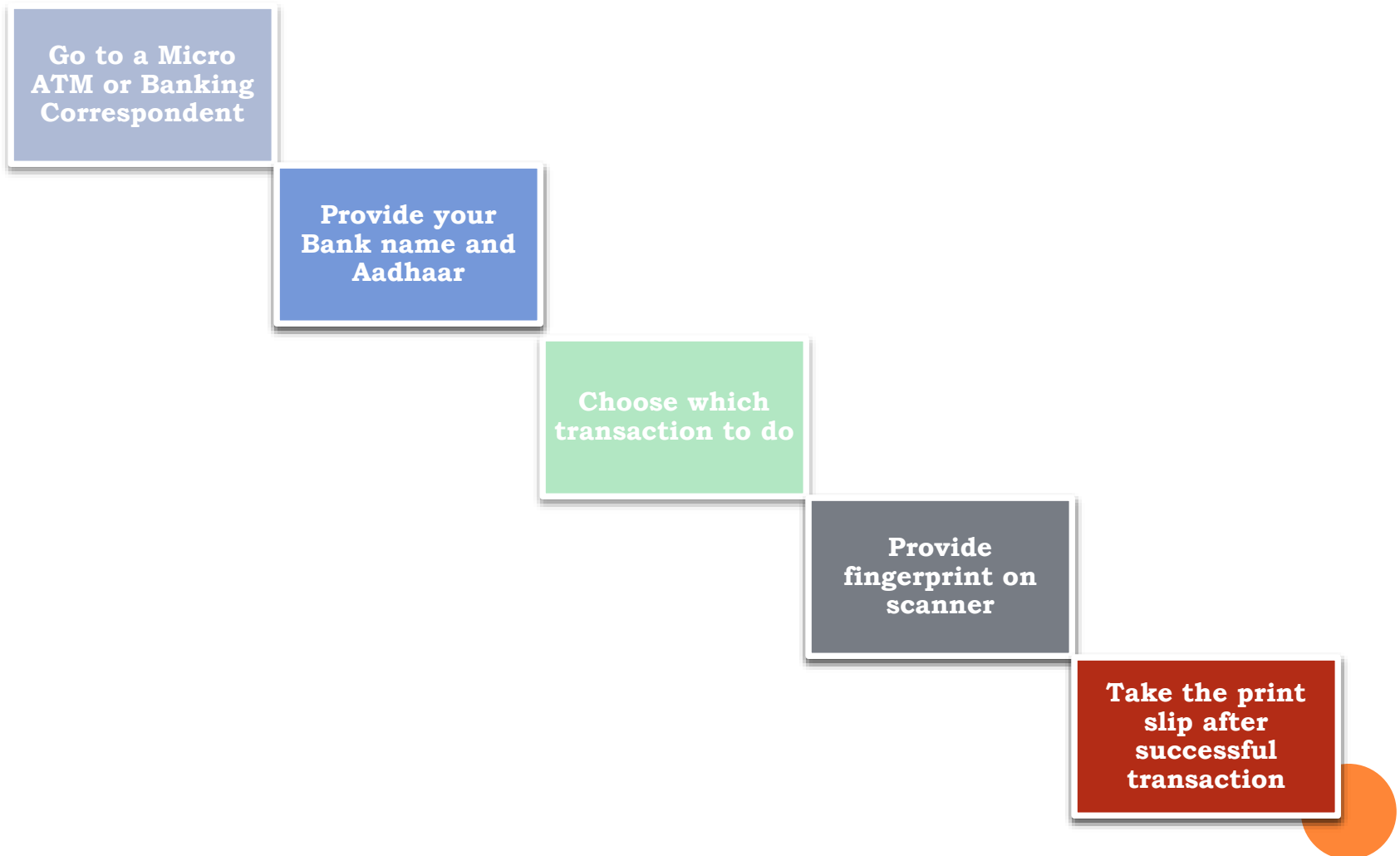
- ❖ Cash Deposit

- ❖ Aadhaar to Aadhaar Funds Transfer

- ❖ Purchase at Fair Price Shops with AEPS



Following are the key steps for an AEPS transaction



Why should I use it?

- Easy to use, safe and secure payment platform to avail benefits by using Aadhaar number & finger prints.
- Based on the demographic and biometric/iris information of an individual, it eliminates the threat of any fraud and non-genuine activity.
- Facilitates disbursements of Government entitlements like NREGA, Social Security pension, Handicapped Old Age Pension etc. of any Central or State Government bodies, using Aadhaar authentication.
- Facilitates inter- operability across banks in a safe and secured manner
- Enables banks to extend financial services to the unreached clients beyond their branch network ,as beneficiaries of the BCs are mostly located at unbanked and under banked areas.
- No transaction charges are levied at present.
- No need to remember the bank account number.
- Consumers having biometric device can do the transactions at home using computer, android Phone/Tablets. Some Tablets with inbuilt biometric devices are available and can be used for doing transactions.

My Mobile... My Bank... My Wallet...


Transactions without Cash

It's Possible!

Aadhaar Enabled Payment System

Why rely on your bank, when you can bank on Aadhaar! Now link your Aadhaar card with your bank account. You can then carry out:

- Funds Transfer
- Balance Enquiry
- Cash Deposit or Withdrawal
- Inter-bank transactions

 You can avail of this service at shops too



ADHAAR ENABLED PAYMENT SYSTEM (AEPS)



UPI (UNIFIED PAYMENTS INTERFACE)



UPI (Unified Payments Interface)

- UPI stands for Unified Payments Interface. It is a system for instant, electronic payments through user's smart phone. It is an advanced version of Immediate Payment Service (IMPS) which was used to transfer money between bank accounts. Like IMPS, UPI will facilitate round-the-clock funds transfer service.

- **Features of UPI**

- It authenticates the identity of the user like a debit card does using the phone as a tool instead of a separate card.
- It works 24x7, 365 days.

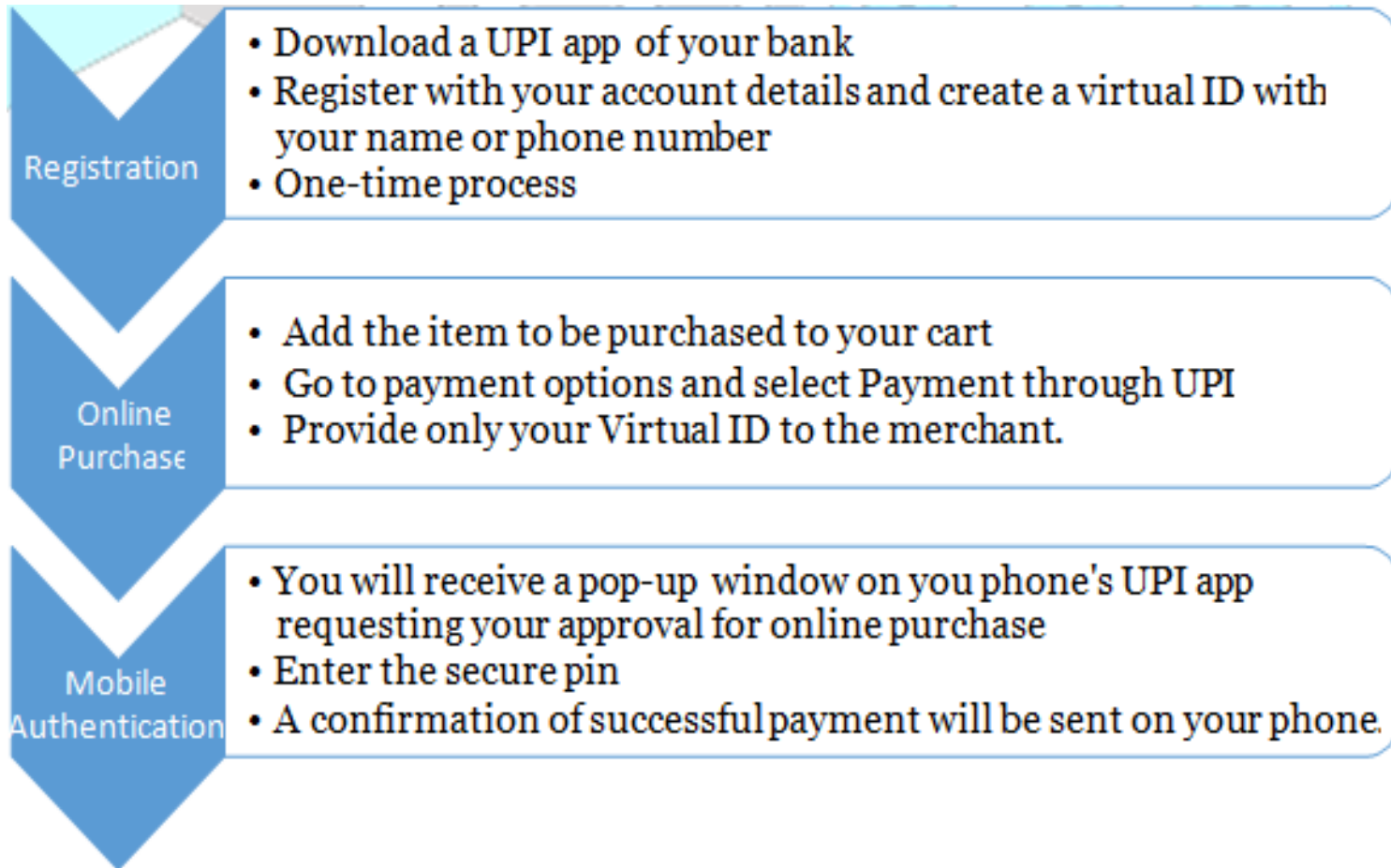
- **What do you need?**

-
- A Smartphone with UPI application (app)
- A bank account



PROCESS OF ONLINE TRANSACTION THROUGH UPI

A simple 3 step process to make Online Transactions through UPI



FEATURES AND BENEFITS OF UPI

- UPI eliminates the need to share User's name, bank account number, IFSC code, or bank branch.
- UPI also eliminates the use of physical tools like debit cards.
- No need to use multi-step processes like net-banking, which are prone to phishing due to insecure frameworks.
- Very simple application and can be used by anyone.
- Instant and secure authentication and can be initiated anywhere.
- Opens up the pathway for a completely cashless digital society.
- Can be used to send a request for money, like an invoice.
- Customers can also use UPI to make online payments of utility bills and school fees.



UNIFIED PAYMENTS INTERFACE (UPI) PAYMENT APPS

- **Smart Phone.**
- **Immediate Payment Service (IMPS)**
- **Your phone is the tool (instead of a separate card)**
- **No need to share User's name, bank account number, IFSC code, or bank branch.**
- **Can be used to send a request for money, like an invoice**
- **Customers can also use UPI to make payments of utility bills and school fees.**





Union Bank UPI App
Union Bank of India



FREE



Canara Bank UPI-
CANARA BANK



FREE



UPI Collect
ICI Bank Ltd.



FREE



UPI Money Transfer
TruPay India



Maha UPI
Bank of Maharashtra



FREE



SIB M-Pay (UPI Pay)
PayMate India



Andhra Bank ONE
ANDHRA BANK



FREE



PhonePe - India's P
PhonePe



VIJAYA UPI
Vijaya Bank



Axis Pay UPI App
Axis Bank Ltd.



UPI PAY
UPI PAY



FREE



UCO UPI
UCO BANK



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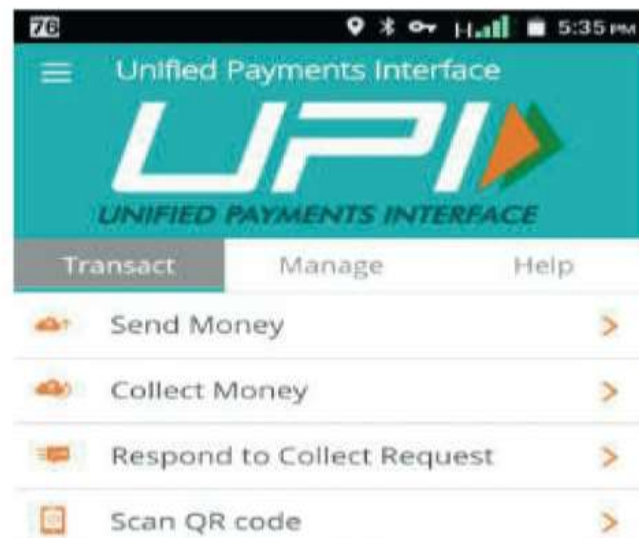
UPI

(Unified Payments Interface)

It's as easy as sending a message from your phone! Every bank has its own mobile app – so it's now possible to transact on your smart phone

- Register your mobile number at Bank/ATM
- Download the UPI app on your mobile
- Make your unique ID
- Set your UPI pin

✓ You can now transact from anywhere!



E-WALLET



WHAT IS E-WALLET

- E-wallet stands for electronic wallet
- Electronic card which is used for transactions made online through a computer or a smartphone.
- The utility of e-wallet is same as a credit or debit card. An e-wallet needs to be linked with the individual's bank account to make payments.
- The main objective of e-Wallet is to make paperless money transaction easier.



FEATURES OF E-WALLET

Type of pre-paid account in which a user can store his/her money for any future online transaction

A large orange arrow pointing downwards, connecting the first feature to the second.

Protected with password

A large orange arrow pointing downwards, connecting the second feature to the third.

User can make payments for groceries, online purchases, and flight tickets etc.

HOW DOES IT WORK?

- E-wallet has mainly two components: Software and Information
- *Software component* : Stores personal information and provides security and encryption of the data
- *Information component* : Database of details provided by the user which includes their name, shipping address, payment method, amount to be paid, credit or debit card details, etc.



HOW DO I USE E-WALLET?

For Consumer:

- Download the app on your device.
- Sign-up by entering the relevant information. The user will receive a password.
- Load money using debit/credit card or Netbanking
- After shopping online, the e-wallet automatically fills in the user's information on the payment form.
- Once the online payment is made, the user is not required to fill the order form on any other website as the information gets stored in the database and is updated automatically.



FOR MERCHANT

- Merchant downloads the app on his/her device
- Sign-up by entering the relevant information.
The user will receive a password.
- Self-declare yourself as a merchant.
- Start accepting payments.



WHAT DO I NEED TO START USING AN E-WALLET?

1. Bank Account
2. Smart phone
3. 2G/3G/4G connection
4. A free wallet app



MUST DO PRACTICES

- Register your mobile number at bank for regular information by SMS for every transaction
- Never share your PIN to anyone
- Transact at only trusted merchants
- While at ATM, ensure no one is looking over your shoulder.



My Mobile... My Bank... My Wallet...

Transactions without Cash

It's Possible!

e-Wallet

It's as easy as sending photos through your phone! Through the E-Wallet money transactions are possible with Mobile or Computer:

- Many e-wallets are available in the market
- Download a wallet like SBI Buddy
- Register with your mobile number
- Link this with your debit or credit card or through net banking



Your phone is now your Wallet!



BHIM

(Bharat Interface for Money)App

It is India's most downloaded free Android application
Possible to make quick payments using Unified Payment Interface or UPI.

1) The BHIM app is currently available on the Android platform. The version for Apple devices or iOS platform is expected to be launched soon. BHIM has been developed by the National Payment Corporation of India (NPCI).

2) UPI is built over the IMPS infrastructure and allows you to instantly transfer money between bank accounts.

3) There are no charges for making transactions through the BHIM App. But your bank might levy charge as UPI or IMPS transfer fee



○ THANK YOU

