UPI123Pay

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<u>In news-</u> The Reserve Bank of India has recently launched two key initiatives named UPI123Pay- Option to make Unified Payments Interface (UPI) payments for feature phone users, and DigiSaathi – a 24×7 Helpline.

<u>About UPI123Pay-</u>

- At present, efficient access to UPI is available on smartphones.
- UPI can be accessed through NUUP (National Unified USSD Platform) using the short code of *99#. But this option is cumbersome and not popular.
- Considering that there are more than 40 crore feature phone mobile subscribers in the country, **UPI123pay will materially improve the options for such users to access UPI.**

- **UPI123Pay includes four distinct options as below:**

1. **App-based Functionality:** An app would be installed on the feature phone through which several UPI functions, available on smartphones, will also be available on feature phones.

2. **Missed Call:** This will allow feature phone users to **access their bank account and perform routine transactions such as receiving, transferring funds, regular purchases, bill payments, etc**., by giving a missed call on the number displayed at the merchant outlet. The customer will receive an incoming call to authenticate the transaction by entering UPI PIN.

3. **Interactive Voice Response (IVR):** UPI payment through **pre-defined IVR numbers would require users to initiate a secured call from their feature phones** to a predetermined number and complete UPI on-boarding formalities to be able to start making financial

transactions without internet connection.

4. **Proximity Sound-based Payments:** This uses sound waves to enable contactless, offline, and proximity data communication on any device.

- Hence UPI for feature phones, i.e., UPI123Pay is a **three-step process** – call, choose and pay.
- Before starting to make the payment, it is required that the user links his/her bank account with the feature phone.
- Further, using his/her debit card, he/she will be required to set a UPI PIN.
- Once the UPI PIN is set, the user can use his/her feature phone to transact just like a smartphone user.
- The feature phone user will be required to call on the IVR number and select the phone depending on the service required such as money transfer, LPG gas refill, FasTag recharge, mobile recharge, balance check etc.
- To transfer money, one will have to select the phone number of the person to whom money is to be transferred, enter the amount and UPI PIN.
- To pay a merchant, he can use an app based payment method or missed call payment method.
- He/she can also use voice based methods to make the digital payments.
- **The availability of the service on feature phones without an internet connection could help it penetrate into rural areas of the country,** enhancing financial inclusion and digital adoption, while also driving payments' volumes on the platform.

The 24×7 Helpline – 'DigiSaathi'-

- It **provides a channel to obtain help on the entire gamut of digital payments.**
- **DigiSaathi will assist users with their queries on digital payments via website & chatbot facility and through toll-free calls** where users can dial or call out

the options / products for which the information is required.

- Automated responses on information related to digital payment products and services are available in Hindi and English through multiple options.

Unified Payments Interface (UPI)-

- UPI is a system that **powers multiple bank accounts into a single mobile application** (of any participating bank), merging several banking features, seamless fund routing & merchant payments into one hood.
- It also caters to the "Peer to Peer" collect request which can be scheduled and paid as per requirement and convenience.
- The interface is regulated by the RBI and works by instantly transferring funds between two bank accounts on a mobile platform.
- In India, it is owned and developed by National Payments Corporation of India (NPCI).
- NPCI conducted a pilot launch with 21 member banks in 2016.