



GOVERNMENT OF GOA,  
FINANCE DEPARTMENT,  
DEBT MANAGEMENT DIVISION.

SECRETARIAT, PORVORIM, BARDEZ - GOA. 403521

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No. 6/33/2016-FIN(DMU)/446

Dated:- 11/01/2017

To

The General Manager & Convener SLBC (Goa),  
Lead Bank Department, Second Floor,  
Local Head office, Plot No. C-6,  
"G" Block Bandra, Kurla Complex,  
Bandra (East) Mumbai,  
400 051 .

**Sub: - Promotion of Digital Payments - reg...**

Sir,

I am directed to forward herewith the copy of letter No. 216/2/1/2016-CA,IV dated 29/11/2016 on the subject cited above along with its enclosures received from Under Secretary, Government of India, Cabinet Secretariat, Rashtrapati Bhawan, New Delhi, with a request to include the said matter as a regular agenda in the fourth coming SLBC meetings.

Yours faithfully,

(Michael M. D'Souza)

**Additional Secretary (Finance)**

**Encl:** As above.

**Copy to: -**

1. Guard file
2. O/c.

भा. स्टे. बँक / STATE BANK OF INDIA				
ग्राम. व्य. वि. / RURAL BUSINESS UNIT				
मु. स्था. प्र. का. / MUMBAI LHO				
20 JAN 2017				
स.प्र. (क.व.वि.) D.G.M (ABU)	स.प्र. (क.व.वि. & प्र.क.) AGM (ABU & LHO)	स.प्र. (क.व.वि.) C.M (ABU)	स.प्र. (क.व. वि.) C.M (LHO)	स.प्र. (क.व.वि. & प्र. का.) C.M (ABU & NPA)

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SLBC

Swif. R

SECRET

U/o Chief Secretary  
Entry No.: 140972268/  
Date: 2/12/16

F. No. 216/2/1/2016-CA.IV  
Government of India/ भारत सरकार  
Cabinet Secretariat/ मंत्रिमण्डल सचिवालय  
Rashtrapati Bhawan/ राष्ट्रपति भवन

Copy No. \_\_\_ of 48  
FINANCE (DEBT MANAGEMENT)  
DIVISION  
2431/L  
6/12/16

Secretary (Finance)  
Inward No.: 3021  
Date: 05/12/16

New Delhi, the 29<sup>th</sup> November, 2016

Subject: - Promotion of digital payments.

Please find enclosed herewith a copy of the minutes (DoC.No. 60/2016-CA.IV) of the meeting of Committee of Secretaries (CoS) held under the chairmanship of Cabinet Secretary, on **Thursday, the 24<sup>th</sup> November, 2016 at 3:00 p.m.** in the Committee Room, Cabinet Secretariat, Rashtrapati Bhawan, on the subject mentioned above for information and necessary action. Action taken on the recommendations of the GoO may kindly be uploaded on e-SamikSha web portal.

*Susheel Kumar*  
(Susheel Kumar)

Under Secretary to the Government of India  
Tel: 2301 8342

Governor, Reserve Bank of India  
Chairman, Railway Board  
Principal Adviser, NITI Aayog  
Secretary, D/o Financial Services  
Secretary, M/o Micro, Small & Medium Enterprises  
Secretary, M/o Petroleum & Natural Gas  
Secretary, D/o Posts  
Secretary, D/o Investment & Public Asset Management  
Controller General of Accounts  
Director General, UIDAI  
Secretary, D/o Economic Affairs  
MD & CEO, National Payments Corporation of India  
Chairman, National Institute of Public Finance and Policy

**Participated through Video Conference:**

Chief Secretary, Government of N.C.T. of Delhi  
Chief Secretary, Government of Tamil Nadu  
Chief Secretary, Government of Karnataka  
Chief Secretary, Government of Maharashtra  
Chief Secretary, Government of Telangana  
Chief Secretary, Government of Gujarat  
Chief Secretary, Government of Kerala  
Chief Secretary, Government of West Bengal

*Secy CFM*

*AS/CF*

*Int. Finance*

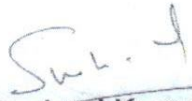
*AA*

*Prasad*

SECRET

Chief Secretary, Government of Uttar Pradesh  
Chief Secretary, Government of Assam  
Chief Secretary, Government of Odisha  
Chief Secretary, Government of J&K  
Chief Secretary, Government of Bihar  
Chief Secretary, Government of Punjab  
Chief Secretary, Government of Jharkhand  
Chief Secretary, Government of Madhya Pradesh  
Chief Secretary, Government of Chhattisgarh  
Chief Secretary, Government of Rajasthan  
Chief Secretary, Government of Himachal Pradesh  
Chief Secretary, Government of Andhra Pradesh  
Chief Secretary, Government of Arunachal Pradesh  
Chief Secretary, Government of Goa  
Chief Secretary, Government of Haryana  
Chief Secretary, Government of Manipur  
Chief Secretary, Government of Meghalaya  
Chief Secretary, Government of Mizoram  
Chief Secretary, Government of Nagaland  
Chief Secretary, Government of Sikkim  
Chief Secretary, Government of Tripura  
Chief Secretary, Government of Uttarakhand

Copy also forwarded to:  
Principal Secretary to the Prime Minister

  
(Susheel Kumar)

Under Secretary to the Government of India

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SECRET

A9/c

CABINET SECRETARIAT  
RASHTRAPATI BHAWAN

**MINUTES OF THE MEETING OF COMMITTEE OF SECRETARIES**

Doc. No. 60/ 2016-CA.IV

Copy No.....of 48

Venue: Conference Room, Cabinet Secretariat, Rashtrapati Bhawan

Date of meeting: Thursday, the 24<sup>th</sup> November, 2016

Time of Meeting: 3.00 P.M.

**PRESENT**

Shri P.K. Sinha, Cabinet Secretary  
Shri Ratan P. Watal, Principal Adviser, NITI Aayog  
Ms. Anjuly Chib Duggal, Secretary, D/o Financial Services  
Shri Krishan Kumar Jalan, Secretary, M/o Micro, Small & Medium Enterprises  
Shri K.D. Tripathi, Secretary, M/o Petroleum & Natural Gas  
Shri B.V. Sudhakar, Secretary, D/o Posts  
Shri Neeraj Kumar Gupta, Secretary, D/o Investment & Public Asset Management  
Shri M. Jamshed, Member (Traffic), Railway Board  
Shri S. Das, Managing Director, Centre for Railway Information System, M/o Railways  
Shri M.J. Joseph, Controller General of Accounts  
Dr. A.B. Pandey, Director General, UIDAI  
Shri Ajay Tyagi, Additional Secretary, D/o Economic Affairs  
Shri S.N. Tripathi, Additional Secretary, M/o Micro, Small & Medium Enterprises  
Shri S.K. Gupta, Chief Project Officer, National Payments Corporation of India  
Shri A. Giridhar, Joint Secretary, Cabinet Secretariat  
Shri A.P.Hota, MD & CEO, National Payments Corporation of India  
Shri Amitesh Kumar Sinha, Director, Cabinet Secretariat  
Shri Ashish Aggarwal, Consultant, National Institute of Public Finance and Policy

**Participated through Video Conference:**

Shri R. Gandhi, Dy. Governor, Reserve Bank of India  
Shri S.S Mundra, Dy. Governor, Reserve Bank of India  
Shri K.K. Sharma, Chief Secretary, Govt. of N.C.T. of Delhi  
Dr. P. Rama Mohan Rao, Chief Secretary, Govt. of Tamil Nadu  
Shri Shubhash Chandra Khuntia, Chief Secretary, Govt. of Karnataka  
Shri Swadhin S. Kshatriya, Chief Secretary, Govt. of Maharashtra  
Dr. Rajiv Sharma, Chief Secretary, Govt. of Telangana  
Dr. J.N. Singh, Chief Secretary, Govt. of Gujarat  
Shri S.M. Vijayanand Chief Secretary, Govt. of Kerala  
Shri Basudeb Banerjee, Chief Secretary, Govt. of West Bengal  
Shri Rahul Bhatnagar, Chief Secretary, Govt. of Uttar Pradesh  
Shri Vinod Kumar Pipersenia, Chief Secretary, Govt. of Assam  
Shri Aditya Prasad Padhi, Chief Secretary, Govt. of Odisha  
Shri Brij Raj Sharma, Chief Secretary, Govt. of J&K  
Shri Anjani Kumar Singh, Chief Secretary, Govt. of Bihar  
Shri Sarvesh Kaushal, Chief Secretary, Govt. of Punjab  
Ms. Raj Bala Verma, Chief Secretary, Govt. of Jharkhand

SECRET

Shri Anthony J.C. Desa, Chief Secretary, Govt. of Madhya Pradesh  
 Shri Vivek Kumar Dhand, Chief Secretary, Govt. of Chhattisgarh  
 Shri O.P. Meena, Chief Secretary, Govt. of Rajasthan  
 Shri V.C. Pharka, Chief Secretary, Govt. of Himachal Pradesh  
 Shri Satya Prakash Tucker, Chief Secretary, Government of Andhra Pradesh  
 Shri Ramesh Negi, Chief Secretary, Government of Arunachal Pradesh  
 Shri R.K. Srivastava, Chief Secretary, Government of Goa  
 Shri D.S. Dhesi, Chief Secretary, Government of Haryana  
 Shri O.N.K. Singh, Chief Secretary, Government of Manipur  
 Shri K.S. Kropka, Chief Secretary, Government of Meghalaya  
 Shri Lalmalsawma, Chief Secretary, Government of Mizoram  
 Shri Pankaj Kumar, Chief Secretary, Government of Nagaland  
 Dr. A.K. Srivastava, Chief Secretary, Government of Sikkim  
 Shri Lok Ranjan, Principal Secretary, Government of Tripura  
 Shri Shatrughna Singh, Chief Secretary, Government of Uttarakhand

**Subject: Promotion of digital payments.**

A meeting of Committee of Secretaries (CoS) was held under the chairmanship of Cabinet Secretary on 24.11.2016 at 3:00 PM in the Committee Room, Cabinet Secretariat, Rashtrapati Bhawan on the subject mentioned above. Chief Secretaries and other senior officers of the States and Dy. Governor, RBI also attended the meeting through Video Conferencing.

2. Initiating the discussion, Cabinet secretary stated that various measures have been taken or being considered by the Central Government to promote digital payments, such as waiver of MDR charges on Debit Cards, Convenience Charges on Railway tickets and transaction charges on ATM withdrawals, etc. He further stated that this opportunity may be utilized to promote digital payments in a mission mode to transform India into a less cash economy. He requested Chief Secretaries of States to organise camps involving District Collectors and SDMs for creating awareness among RuPay card holders, SHGs and students on digital transactions. He further requested that States should utilize the presence of a majority of 1.7 lakh Common Service Centres (CSCs) in rural areas for organising awareness campaigns. Bankers may ensure that all RuPay Cards and their PINs are delivered to the account holders expeditiously and activated. He further stated that Banks may hold awareness camps about the use of RuPay Cards not only for use at ATMs but also for merchant payments. He exhorted Chief Secretaries of States to organise camps involving Bankers, Trade Associations under the aegis of SLBC to create awareness and register traders for digital payments. He stated that all Departments of Government of India, States/UTs and their associated offices have to convert their payment and receipts systems into digital mode. He stated that NPCI should make Mobile Banking more user-friendly and popularize UPI on a mission mode. He requested CGA to establish necessary infrastructure and accounting procedure for digital payments and receipts in all Central Government Departments.

3. Secretary, Financial Services stated that Banks need to deploy adequate number of Bank Mitras for popularization and activation of RuPay cards. Seeding Bank accounts including NREGA, JAN DHAN accounts with Aadhaar and mobile numbers of the users shall be taken up on a mission mode to enable implementation of Aadhaar Enabled Payment System.

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4. Secretary, DIPAM stated that Common Service Centres (CSCs) in rural areas may be utilized for creating awareness on digital payment options including mobile banking for basic mobile users who do not have smartphones. Secretary, MeITy stated that CSCs will be provided with necessary material and guidance for assisting the members of public and merchants to register for digital options and seeding of their Aadhaar and Mobile number. CEO/UIDAI informed that 108 crore Aadhaar numbers have been issued out of which 35 crores are linked with bank accounts which is increasing by one crore every month. Secretary, Petroleum informed that digital payment percentage is only 20% at petrol pumps and other outlets. It was observed that dealers should arrange for POS machines at their outlets in a big way to increase digital payment beyond 80%. It was also observed that Secretary, MoRTH and MoUD may examine the possibility of providing multiple use Cards for Toll payment, Metro tickets etc.

5. Member Traffic, MoR stated that 58% transactions in reserved passenger segment, is being done digitally and to increase it further, more POS machines are being deployed at all ticket Counters. He further stated that two POS machines will be deployed at each of the suburban stations for sale of monthly season tickets. It was observed that Ministry of Rlys may provide digital options to passengers for buying unreserved tickets on mobile phones and also carry out campaign to convert 42% of reserved ticketing from cash to digital mode by enabling all available digital platforms including e-Wallets.

6. Chief Secretaries of States stated that various measures have been taken by State Governments for promoting digital transactions for payments and receipts. They stated that withdrawal of MDR charges and other transaction charges till 31.12.16 for promoting digital payment is helpful and that such charges may be waived beyond 31.12.2016 also. It was observed that Finance Ministry, Banks and RBI may examine the feasibility of rationalizing MDR Charges for making digital payment more affordable and to impose an upper limit on MDR charges in absolute terms apart from percentage cap per transaction. CGA informed that a meeting in this regard is fixed on 25.11.16 at RBI, Mumbai. Chief Secretaries informed that many small traders and vendors are looking for installing POS machines but the supply of POS machine is limited. They stated that Micro ATMs should be given to BCs for facilitating AEPS and more BCs should be enrolled to achieve the objective of financial inclusion. It was observed that Banks may consider to enroll local persons including traders as BCs where banking facilities are not available. Chief Secretaries of Odisha, Manipur, and Mizoram stated that due to poor internet connectivity, digital payment coverage in their State is, not taking off. Chief Secretaries of most of the States requested that Banks may be directed to take prompt action in activation of Rupay Cards. Chief Secretary, Telangana stated that interoperability of e-wallets offered by different Banks and non-banking Companies will very helpful in promoting digital payment. It was observed that State Governments may nominate Nodal Officers for promoting digital payments immediately.

7. After detailed deliberations, CoS recommended the following:

- (i) The State Governments may give wide publicity to measures being taken by Central Government to promote digital payments, such as waiver of MDR charges by Banks on Debit Cards, Convenience Charge by Railways, waiver of transaction charges on ATM withdrawals, etc.

- (ii) The State Government may also consider arranging camps involving District Collectors and SDMs for creating awareness among RuPay card holders, SHC and students on digital transactions.
- (iii) The State Governments may organise camps involving Bankers, Trade Associations under the aegis of SLBC to create awareness and to register traders to adopt digital payments through POS machines/e-Wallets.
- (iv) Banks may ensure that all RuPay Cards and their PINs are delivered to the account holders expeditiously and activated. Camp approach may be adopted for quick results.
- (v) Banks may hold awareness camps to popularize the use of RuPay Cards for Merchant payments apart from ATM transactions.
- (vi) States may consider mobilizing all Departments on mission mode to convert all their payment and receipts systems into digital mode on all available platforms.
- (vii) Banks may take proactive action to seed the accounts including NREGA accounts with Aadhaar and Mobile numbers in a mission mode to enable implementation of Aadhaar Enabled Payment System.
- (viii) Chief Secretaries may utilize the presence of a majority of 1.7 lakh Common Service Centres (CSCs) in rural areas for organizing awareness campaigns for various section of populations. Many of them can be used for activating RuPay Cards, BCs and micro ATMs.
- (ix) States may nominate Nodal Officers to coordinate the efforts to promote digital payments.
- (x) Railway Board may consider providing digital payment option to passengers for buying unreserved segments of tickets on mobile phones and to carry out campaign to convert remaining 42% of reserved ticketing from cash to digital mode by enabling all available platforms such as e-Wallets, net banking and UPI etc.
- (xi) Banks may consider making local persons including traders as BCs where banking facilities are not available.
- (xii) Finance Ministry, Banks and RBI may rationalize MDR Charges to make digital payment more affordable and also examine the possibility of imposing an upper limit on MDR charges in absolute terms apart from percentage cap per transaction.
- (xiii) NPCI may consider making Mobile Banking including USSD and e-Wallets more users friendly.
- (xiv) CGA may establish necessary infrastructure for digital payments and receipts in all Central Government Departments. CGA may also issue guidelines for accounting of MDR charges in Govt. Accounts.
- (xv) Secretary, MoRTH and MoUD may consider providing multiple use Cards for Toll payment, Metro tickets etc. as is being done at Ahmedabad and Cochin, apart from promoting RFID Tags in a big way.
- (xvi) Secretary, DoT may make special efforts to improve connectivity in far flung and remote areas with special emphasis on NE States, Andaman & Nicobar Islands and Lakshadweep. Apart from Long term measures to improve Infrastructure, Short term measures like providing mobile towers etc. may be undertaken urgently.

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