

‘India will Take to Digital Payments Quickly’

ALL PRAISE Backing digitisation, billionaire philanthropist hails Modi government’s move to discontinue ₹1,000 & ₹500 notes

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New Delhi: The world will go cashless and India will move quite rapidly to a digital payments economy, said billionaire philanthropist Bill Gates, co-chair of the Bill & Melinda Gates Foundation. Gates, who co-runs the world’s largest private foundation, believes digital transactions will be a game changer, reducing inflation, interest rates and transaction fees.

“Digital world lets you track things,” said Gates, pointing out that Nordic countries use very little cash and are now moving debit cards to cell phones. “The world as a whole will go cashless, but predicting for any country when that will happen is very hard,” he said when

ET asked him about the future of cashless transactions and economies. “I could be wrong but I will make such a prediction,” said Gates. “Once digital payment banks are enabled in India, which should be any day, as there are eight applications from companies like Paytm and Airtel, combined with other things like direct benefit transfers, universal payments interface and Aadhaar, I think India will go digital quite rapidly. And I think it will be incredibly beneficial.”

On the government’s decision to discontinue ₹1,000 and ₹500 notes, Gates said he is favour of digitisation. “That’s a good thing to do,” Gates told a group of journalists in New Delhi on Thursday. “I have no opinion on demonetisation. You know what it is far better than I do.”



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Gates spoke on a wide range of issues, including the Donald Trump presidency. “I don’t have much to say. We will see how he governs. We are technocratic agents and work with any president, prime minister, chief minister. Some are interested, some

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are less interested. I have not met Trump. I will meet him and see if there are areas of common interest.”

Technology titan Gates believes digitisation will be good for every sector—be it finance or healthcare. “If you want ₹50 transaction to have

less than 2% overhead, to be able to send money to relatives, get money when you sell crop etc., digital platforms will let us provide greater financial services than non-digital systems will let you do,” he said.

On microfinance, Gates said, “Interest rates are very high and scalability very difficult. There are modest benefits but not as dramatic as people would like. But as you digitise things, interest rates, transaction fees go down and ability to enable savings and smart savings goes up.” The Bill & Melinda Gates Foundation started in 2000 and came to India in 2003. In India, the foundation has worked towards HIV prevention, polio eradication, child health and nutrition and runs various programmes to help vulnerable communities.