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Mission to increase digital transactions to 2,500 crore; 20 lakh Aadhaar Pay machines

By [Surabhi Agarwal](#), ET Bureau | Updated: Feb 01, 2017, 01:12 PM IST

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NEW DELHI: In what will give a further impetus to [digital transactions](#) modules such as [Aadhaar Pay](#) and [Unified Payment Interface \(UPI\)](#), finance minister [Arun Jaitley](#) announced setting up of a mission to promote cashless transactions with a target of touching 2,500 crore transactions in the year 2017-18.

“This will be done through UPI, [USSD \(Unstructured Supplementary Service Data\)](#), Aadhaar Pay, credit/debit cards, [IMPS Immediate Payment Service](#) etc.,” said Jaitley while presenting the [Union Budget](#) for the 2017-18 in the Parliament on Wednesday.

He said that the government's early work on the JAM trinity (Jan Dhan Accounts, Aadhaar and Mobile) has helped the current push for dig transactions. “The launch of the BHIM (Bharat Interface for Mobile) app has unleashed the power of mobile phone for doing payments.” The common app for UPI called BHIM was launched by the Prime Minister on December 30.

Jaitley said that currently 125,000 people have adopted BHIM and two new scheme to promote it further will be launched. The two schemes include a referral bonus scheme for individuals and a cashback scheme for merchants. He added that biometric based Aadhaar Pay will be launched shortly and will come to the aid to those who don't have access to credit/debit cards, mobile wallets etc.

“Banks are adding 10 Lakh more Point of Sale (PoS) machines, we are encouraging roll out of 20 lakh Aadhaar based PoS machines by September 2017,” said Jaitley.

He added that when small and micro companies transact digitally, it helps them to get credit. Credit institutions such as SIDBI will be encouraged to give out [soft loans](#) to such entities based on their transaction history.

Given that there has been an exponential rise in digital transactions, Jaitley also said that digital payment grievance infrastructure will be strengthened. He also mentioned that a Computer Emergency Response Team will be established for the financial sector.

Jaitley also said that steps will be taken to mandate that petrol pumps, block offices, [road transport](#) offices and hospitals to have a facility to accept cashless payments. “A mandate to all government offices to accept money through cashless means beyond a prescribed limit is under consideration,” he added.

In order to make sure that is no shortage of machines which facilitate cashless transactions, excise, CVD and SAD duties on PoS card reading machines, finger print readers and iris scanner will be reduced. Jaitley added that proposal to exempt parts of components that go into these machines will also be considered.

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