

e-RUPI | Government of India Initiative

On 2 August 2021, the Government of India (GOI) launched its digital payment solution 'e-RUPI,' a person and purpose-specific digital payment solution. 'e-RUPI' is a cashless and contactless prepaid voucher/instrument for digital payment. It is developed by the National Payments Corporation of India on its UPI platform, in collaboration with the Department of Financial Services, Ministry of Health & Family Welfare and National Health Authority.

e-RUPI will be currently issued to facilitate direct benefit transfer (DBT) in GOI schemes like availing vaccinations, LPG benefits, ration, medical treatment, scholarships, pension, or wage disbursement. Beneficiaries can also use it for availing services under schemes meant for providing drugs and nutritional support under 'Mother and Child welfare schemes,' TB eradication programmes, schemes like Ayushman Bharat Pradhan Mantri Jan Arogya Yojana, fertilizer subsidies, etc.

Also, the private sector can leverage these digital vouchers as a part of their employee welfare and corporate social responsibility programmes.

Features of e-RUPI are highlighted below:

- It is a QR code or SMS string-based e-voucher delivered to the beneficiary's mobile (smart phone / feature phone).
- It can be shared with the beneficiaries for a specific purpose or activity (mentioned above) by GOI or organizations via SMS or QR code.
- Users can redeem the voucher without any physical card, digital payments app or internet banking access at the merchants accepting e-RUPI. Also, beneficiaries not holding any bank account can avail of the benefit. The requirement of a bank account is not a pre-condition.
- It is easy, safe, and secured as it keeps the details of the beneficiaries completely confidential. The entire transaction process through an e-RUPI voucher is relatively faster and reliable, as the required amount is already stored in the voucher.
- It can be issued only by banks authorized by RBI to issue Prepaid Payment Instruments (PPI) and who are participating as Payment Service Providers (PSP) called as 'issuers.' An issuer can track the voucher redemption.
- It can be redeemed for the purposes mentioned above, i.e. for availing GOI schemes, DBT and the private sector can use it for their employees' welfare.

e-RUPI | Government of India InitiativeBenefits for corporates

- End to end digital transactions without the requirement of physical issuance ensures cost reduction.
- The issuer can track voucher redemption.
- Quick, safe and contactless voucher distribution.

Benefits to the consumer/beneficiary

- The requirement to carry a printout of the voucher is done away with.
- Easy redemption - 2 step redemption process.
- Safe and secured - beneficiary need not share his personal details at the time of redemption; hence privacy is maintained.
- No digital or bank presence required – consumers redeeming the voucher need not have a digital payment app or a bank account.

Detailed information on e-RUPI and the related FAQs are available on:

Weblink <https://www.npci.org.in/what-we-do/upi/upi-erupi>
<https://www.npci.org.in/what-we-do/upi/faqs>

Therefore

The scheme will ensure that the actual benefit reaches the end-user/beneficiary without the interference of any middleman. Since the facility can be availed by a simple SMS/QR code sent on any basic mobile, the tech-shy population will also be included. Linkage of Aadhar to mobile numbers has proven to bring transparency and integrity to such transactions. This is indeed a step towards financial inclusion.