

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA
UNSTARRED QUESTION NO. 2932
ANSWERED ON TUESDAY, MARCH 29, 2022 / 8 CHAITRA, 1944 (SAKA)

UPI launched by RBI

2932. Shri Y. S. Chowdary:

Shri M. Shanmugam:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has launched new service Unified Payments Interface (UPI) for digital users which will work on simple mobile phones;
- (b) if so, the details thereof;
- (c) the number of users, it is estimated to cover in rural and urban areas in the country; and
- (d) in what way it is different from RuPay card service?

Answer

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR BHAGWAT KARAD)**

(a) to (c) As apprised by Reserve Bank of India (RBI), it has issued press release dated March 08, 2022 on launch of UPI for Feature Phones i.e. UPI123pay which provides multiple options for feature phone users to make UPI payments. 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. It includes four distinct options as below:

- **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.
- **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.
- **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 pre-determined number and complete UPI on-boarding formalities to be able to start making financial transactions without internet connection.
- **Proximity Sound-based Payments:** This uses sound waves to enable contactless, offline, and proximity data communication on any device.

(d) RuPay debit card is linked to a bank account. These cards are used to carry out transactions either online or at merchant locations by presenting the card whereas RuPay credit cards are issued without any link to an underlying bank account. On the other hand, UPI transactions are undertaken using mobile phones – smart phones and / or feature phones. UPI also uses an underlying bank account for transactions.
