RuPay card

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About RuPay card:

- It is an Indian domestic card scheme conceived and **launched by the National Payments Corporation of India (NPCI).**
- Its mission is to fulfil the Reserve Bank of India's vision of having a domestic, open-loop and multilateral system of payments in India.
- It works to enable electronic payment at all Indian banks and financial institutions.
- **Benefits of RuPay Card**
    - **Lower cost and affordability:** Since the transaction processing will happen domestically, it would lead to a lower cost of clearing and settlement for each transaction. This will make the transaction cost affordable and will drive the usage of cards in the industry.
    - **Customized product offering:** RuPay, being a domestic scheme is committed towards the development of customized product and service offerings for Indian consumers.
    - **Protection of information related to Indian consumers**: Transaction and customer data related to RuPay card transactions will reside in India.

Key facts about NPCI

- It is an umbrella organisation launched in 2008 by the Reserve Bank of India (RBI) and the Indian Banks' Association (IBA) under the provisions of **the Payment and Settlement Systems Act, 2007.**

- It is owned by a consortium of banks, and is aimed at creating robust payments and settlement systems.

Q1) What is the role of RBI?

The Reserve Bank of India (RBI) is the central bank of India and plays a crucial role in the country's monetary and financial system. Established in 1935, the RBI is responsible for formulating and implementing monetary policy, regulating and supervising banks and financial institutions, issuing and managing the country's currency, and maintaining the stability and integrity of the financial system.

Source: RBI permits banks to issue RuPay prepaid forex cards