Category: A New Economy for the Middle East and North Africa

Panel Session: Finance And Development

Presented By: Ragavan Venkatesan, Head Digital Payments & Alternate Channels- IDFC Bank
Email: Ragavan.Venkatesan@idfcbank.com
Hon’ble Prime Minister Shri Narendra Modi formally launched the IDFC Bank at 7 RCR on 19th October 2015.

IDFC Bank headquartered in the financial capital of India, Mumbai.

**Board of Directors - IDFC Bank**

- **Ms Veena Mankar** (Independent Non-Executive Chairperson)
- **Dr. Rajiv B. Lall** (Founder MD & CEO of IDFC Bank)
- **Mr. Anand Sinha** (Former Deputy Governor RBI)
- **Mr. Avatar Monga** (Exec. Director IDFC Bank and Former MD Bank of America, India)
- **Mr. Sunil Kakar** (MD & CEO of IDFC Limited)
- **Mr. Abhijit Sen** (Retired CFO Citi Group India)
- **Ms. Anindita Sinharay** (Director in the Department of Financial Services, Ministry of Finance, GoI)
- **Mr. Ajay Sondhi** (Founder and CEO of Sentinel Advisors Pte)
- **Mr. Rajan Anandan** (Vice President and Managing Director of Google South East Asia and India)

**# Shareholding pattern**

- **IDFC Promoters** 52.90%
- **Retail** 14.60%
- **Corporate Bodies** 18.10%
- **MF** 2.40%
- **FDI/FII/NRI/FN/FPI/Overseas Bodies** 3%
- **Fis/Insurance/Bank** 1.50%
- **GoI** 7.70%

1. Financial Education
   - Financial Tripod

2. Financial Literacy
   - Viability
   - Operational Risks
   - Governance of remote network
   - Product & Process to Suit target segment

3. Financial Inclusion
   - Challenges: Supply side
   - Challenges: Demand side
   - i) Availability of financial services to all segments of population
   - ii) at an affordable cost
   - iii) In a transparent manner
   - iv) by mainstream Institutional players.
Key to Success: Collaboration of all Stakeholders

1. Government
   - Central Government (DFS, DBT mission)
   - State Government (Schemes)

2. Regulator
   - Central Bank (RBI)
   - IRDA, SEBI, TRAI other regulators

3. Financial Institutions
   - Banks
   - Insurance Companies
   - MFIs & other FIs
   - Industry Associations (IBA)

4. Special Institutions
   - UIDAI (Aadhaar) Unique, Online & Real Time, authentication platform
   - NPCI - National Retail Payments body

5. Technology Enablers
   - Tech. Service Partners
   - Standardized last mile device access points

Finance & Development: Financial Inclusion / Digital Banking / Payments
Nearly 1.2 Billion have formal recognition in the system

De-dupe to issue an online verifiable identity

Hassle-free Cost effective verification/authentication system

Low-Cost, High-Volume ubiquitous transaction platform

POI & POA

Digital Payment Network

For all retail e-payment systems in India.

99*99# - Aadhar linked subsidy information
1. Any resident with Aadhaar can automatically receive money. – Single Financial Address

2. If a resident already has an Aadhaar-linked account, the money is transferred into that account.

3. If the resident does not have an account, we open an account through the Branch/BC channel and provide him/her APBS and AEPS services.

Governments, organizations, and individuals can transfer money to residents by specifying the Aadhaar number and amount.
AEPS: IDFC MicroATM (Bank-in-a-Box)

Interoperable Payments - Deposits/Withdrawal

Direct Benefit Transfer (DBT) facility

Instant Account Opening - e-KYC

Multiple Identifiers for Txn.: Aadhaar No.; Mobile No.; Debit card No; Account No

Wireless, Portable system

Financial Inclusion - Device

- Cash Withdrawal (interoperable)
- Cash Deposit (interoperable)
- Balance Enquiry (interoperable)
- Fund transfer/Remittance (NEFT/IMPS)
- Aadhaar Seeding
- Best Finger Detection
- eKYC based Saving Account Opening
- Other services: FD/RD deposits, statement etc.
SOCIAL SECURITY PENSION / DISABILITY Allowance-DBT..Andhra Pradesh-India

Servicing ~3.8M customers every month

70% other bank customers using this platform

Employment generation

Reduced leakages

Reduced Transaction cost

Convenient & Secure Txn.
Vasudhara Dairy Milk MicroATM...village Mogarwadi-Gujarat

ATM facility at door step

1000 villages ties with IDFC

24X7 accessibility
Oil Marketing Companies- Distribution Network as Banking Outlets

Digitized 2,500 + IOCL points across India for XTRAPOWER Recharge

Hub & Spoke with Mass Mkt. BCs

Over INR 5 Cr/DAY FUEL PURCHASE
Aadhaar Enabled Public Distribution System (AePDS), Krishna District, AP

COUNT

3,500
AePDS points

feature
Cashless Collection of Payments
BHIM IDFC Aadhaar Pay....a merchant payment solution

How IDFC Aadhaar Pay works?

1. Merchant registers for IDFC Aadhaar Pay - the country’s first such solution for cashless payments
2. Mobile phone is linked to a STGC certified Aadhaar biometric reader – the merchant outlet becomes an IDFC Aadhaar Pay Merchant point
3. Customer makes payment by entering his/her Bank’s name and Aadhaar authentication
4. Customer walks away with cashless purchases

IDFC Bank launches IDFC Aadhaar Pay to enable small and mid-sized retailers to accept cashless payments

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<thead>
<tr>
<th>Description</th>
<th>Aadhaar Pay</th>
<th>Wallets</th>
<th>POS</th>
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<tbody>
<tr>
<td>Customers Don't Need Smart Phone and App</td>
<td>✔</td>
<td>✗</td>
<td>✔</td>
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<tr>
<td>Customers Don't Need Connectivity</td>
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<tr>
<td>No Monthly Charges to Merchants</td>
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<td>Customers Need Not Carry Card and Remember the PIN</td>
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<tr>
<td>Funds Received in Merchant’s Account Instantly</td>
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