

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION No. 479

TO BE ANSWERED ON 26th FEBRUARY, 2016 (FRIDAY)/PHALGUNA 7, 1937
(SAKA)

**National Payment Corporation
Question**

479. DR. GOKARAJU GANGA RAJU:

Will the Minister of FINANCE be pleased to state:

- (a) whether the National Payment Corporation has submitted a proposal to connect all cash deposit machines through the National Finance Switch to enable cash deposit machines inter-operable cash transfer and allow a customer of particular bank to deposit cash in his account from any bank's machine;
- (b) if so, the details thereof;
- (c) whether the RBI is planning to allow buyers correspondence of one bank to offer payment services to other lenders for better efficiency; and
- (d) if so, the details thereof?

Answer

**The Minister of State in the Ministry of Finance
(SHRI JAYANT SINHA)**

(a) and (b) National Payments Corporation of India (NPCI) has been granted in principle approval by Reserve Bank of India for introducing interoperable cash deposits under National Finance Switch network on May 20, 2015.

(c) and (d) Reserve Bank of India (RBI) has informed that it has granted "in-principle" approval to the following three entities to set up and operate Trade Receivables Discounting System (TReDS).

- I. NSE Strategic Investment Corporation Limited (NSICL) and Small Industries Development Bank of India (SIDBI), Mumbai
- II. Axis Bank Limited, Mumbai
- III. Mynd Solutions Pvt. Ltd., Gurgaon, Haryana.

TReDs is a payment system authorised under the Payment and Settlement Systems Act, 2007 for providing the institutional mechanism to facilitate the financing of trade receivables of micro, small and medium enterprises (MSMEs) from corporate and other buyers, including government departments and public sector undertakings (PSUs) through multiple financiers.
