



Ref. No. NB. DFIBT /4423-4908 /DFIBT-23/2017-18

Circular No. 97 / DFIBT- 19 / 2017

26 April 2017

The Chairman and Managing Director / Chairman / Chief Executive Officer  
Scheduled Commercial Banks  
Regional Rural Banks  
State Co-operative Banks and  
District Central Co-operative Banks

Dear Sir

**Incentivizing Promotional Scheme for BHIM Aadhaar**

Government of India has launched BHIM Aadhaar Pay for enabling Aadhaar based biometric transactions at merchant locations. Considering the new developments in the ecosystem, it has been decided to incentivize, Aadhaar based biometric transactions at merchant locations. The details of the scheme are as follows:

1. Scheme

The scheme will be known as “Promotional Scheme of BHIM Aadhaar”. The scheme will be applicable for following types of Aadhaar based biometric transactions at merchant locations (purely merchant transaction only) :

- i. PoS/mPOS/any other device
- ii. BHIM Aadhaar Pay

2. Eligible Institutions:

All merchant acquiring banks allowing Aadhaar Based Biometric Transactions are eligible for support under the scheme.

3. Extent of Support:

- i. Incentive of 0.5% of the transaction value per transaction for Aadhaar based biometric merchant transactions upto Rs.2000/- will be provided (Minimum incentive Re.1.00/- and maximum Rs. 10/- per transaction). The maximum incentive per merchant per month will be restricted to Rs. 2000/-.

**राष्ट्रीय कृषि और ग्रामीण विकास बैंक**

**National Bank for Agriculture and Rural Development**

वित्तीय समावेशन और बैंकिंग प्रौद्योगिकी विभाग प्लॉट क्र सी-24, 'जी' ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051. टेली: +91 22

2653 0024 • फ़ैक्स: +91 22 2653 0150 • ई मेल: [dfibt@nabard.org](mailto:dfibt@nabard.org)

Department of Financial Inclusion and Banking Technology Plot No. C-24, 'G' Block, Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051 • Tel.: +91 22 2653 0024 • Fax: +91 22 2653 0150 • E-mail: [dfibt@nabard.org](mailto:dfibt@nabard.org)

- ii. Ministry of Electronics and Information Technology (MeitY) has indicated that the incentive of 0.5% can be utilized to defray operating costs to the extent of 0.25% for the bank and the balance 0.25% be passed on as an additional incentive to the merchant.
4. Duration of Support:  
The scheme has been announced on 14 April 2017 and is valid for six months duration.
5. Procedure for settlement of claims, will be as follows:
  - i. Merchant acquiring banks participating in the scheme may send application in the enclosed format (Annexure 1) informing their participation in the scheme.
  - ii. An amount of advance will be placed with the merchant acquirer banks to enable them to incentivize the merchant transactions under the scheme.
  - iii. Merchant acquiring banks will provide utilization certificate on a monthly basis, based on which funds will be replenished (Annexure 2)
  - iv. The final claim and reconciliation, if any, to be submitted by the merchant acquirer bank by 31 October 2017 along with the refund, if any, against the advance.
  - v. In case of RRBs the respective Sponsor bank may participate and seek claim from NABARD. The consent and claim by the RRBs may be dealt internally by the Sponsor bank. No separate application may be forwarded to NABARD in this regard.
6. All the proposals are to be forwarded by email to [dt.dfibt@nabard.org](mailto:dt.dfibt@nabard.org) .
7. The new scheme supersedes the existing scheme of “Pilot Project to incentivize Aadhaar Based Biometric Transaction through Financial Inclusion Fund” announced vide our Circular No.292 dated 19 December 2016.



**(Subrata Gupta)**  
**Chief General Manager**

Encl: as above

Proposal to be forwarded by email to [dt.dfibt@nabard.org](mailto:dt.dfibt@nabard.org)

### Annexure 1

The Chief General Manager  
NABARD  
Department of Financial Inclusion & Banking Technology  
Plot No. C-24, 'G' Block,  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051

Dear Sir

#### **Promotional scheme for BHIM Aadhaar Pay-Support under Financial Inclusion Fund (FIF)**

Please refer to your circular number ..... dated ..... on the captioned subject. In this connection, we confirm our participation in the scheme of "Incentivizing Aadhaar Based Biometric Merchant Transaction through BHIM Aadhaar Pay and PoS/mPoS devices- Support under Financial Inclusion Fund (FIF)".

02. We agree to the terms and conditions indicated in the Circular ibid and will submit the utilization certificate to your office, as per Annexure 2 of the Circular, within 2 days from the end of calendar month.

03. We request you to kindly release an advance for the above purpose in our Current Account being maintained with RBI or to the following Account

- a) Name of the Bank:
- b) Savings /Current:
- c) Account No.:
- d) IFSC code:

04 We also confirm that the advance amount (including RRBs sponsored by our Bank), will be utilized only for Aadhaar based biometric merchant transactions (purely merchant transaction only) at PoS/mPos/other devices and BHIM Aadhaar Pay.

05. The unutilized amount will be refunded to NABARD by 20 October 2017.

Yours faithfully,

Name of authorized Officer:

Designation:

Name of the Bank

Claim to be forwarded by email to [dt.dfibt@nabard.org](mailto:dt.dfibt@nabard.org)

**Annexure 2**

The Chief General Manager  
NABARD  
Department of Financial Inclusion & Banking Technology  
Plot No. C-24, 'G' Block,  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051

Dear Sir

**Promotional scheme for BHIM Aadhaar Pay-Support under Financial Inclusion Fund (FIF)**

Please refer to our letter No. .... dated..... on the captioned subject. In this connection, we request you to sanction the amount of Rs. .... against the advance amount released to our Bank for the captioned scheme.

01. Table 1- Expenditure Details:

<b>Sr. No</b>	<b>Particulars</b>	<b>Rs.</b>
1	Advance amount released by NABARD on..... (Date)	Rs
2	Expenditure incurred for the month of..... should be same as Sn 4(d) of Table 2 below	Rs
3	Balance amount if (Sn(1)-Sn(2))	Rs
4	Additional advance required for the month of.....	Rs

02. Table 2-Transaction Details for the month of ..... (including RRBs sponsored by our Bank)

<b>Sr. No</b>	<b>Particulars</b>	<b>PoS/mPoS/other devices</b>	<b>BHIM Aadhaar Pay</b>	<b>Total</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	Total number of merchants acquired by the Bank			
2	Total No. of Aadhaar Based Biometric Transactions (Number)			
3	Total value of transaction (Rs)			
4	Total incentive (Rs.)			

3. We certify the following:

- a) transactions given at the table above Aadhaar based biometric transactions at merchant locations (purely merchant transaction only) through BHIM Aadhaar Pay/PoS/mPoS/other devices.
- b) transactions of up to Rs.2000/- has only been covered under the claim.
- c) the claim has been reconciled with the transaction details available with NPCI.
- d) the claim also covers the transaction done by Merchant Acquiring RRBs.

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We request you to kindly sanction an additional advance amount of Rs..... for the month of.....2017 for the above purpose.

Yours faithfully,

Name of authorized Officer:

Designation:

Name of the Bank:

Date: