

Digital payment platforms

CONCEPTS

Post demonetisation of high value, it has been noticed that more and more people have started using e-payment means including digital wallets for making payments for various transactions. Today, we will talk about few lesser known options of going cashless

Digital payment platforms have eased cashless transactions and these platforms are capable of making payments in online as well as in offline mode. However, their features differ and you should make the best use of them while making payments. With this new payment method, mobile phones will be used as virtual debit cards and a customer will be able to send or receive money instantly along. We take a look at some of these cashless transaction making platforms and their features.

NFC or MST transmission waves platform: Companies have come up with making transaction through NFC (Near Field Communication) and MST (Magnetic Secure Transmission) technology. Without swiping your card through POS (Point of Sales) machines, you can easily make payment to

merchants through its wireless transmitting magnetic waves. You can avail this facility by downloading MST enabled app and also, your phone should support NFC facility. Once it is done, after registering your card details, you can make contact less transactions through your phone on any of merchants' POS terminal.

Mobile money identifier: MMID is a seven digit unique number which is issued by the bank once you have registered your mobile number. A person who wants to send money and the person who wants to receive that money should have MMID for the particular interbank funds transfer. However, through MMID you can transfer only a small amount (around Rupees 10,000) within a day. Almost all banks are providing this facility of making small payments.

QR Code based payments system: QR code is again a different mechanism of making the transfer of payment where you only need to scan the QR code of the merchant and do the transfer of payments. It is being mostly used by all the digital payments app like BHIM, other banking apps to make the transfer of payments easily. The black square holds the information about the items whereby scanning the code information

gets transmitted automatically through the smart phone and payments get done. You do not have to enter anything manually while using QR code facility. Bharat QR code has been launched by the government to push the digital payment initiative in all the way round.

Aadhaar enabled payment system: The Aadhaar payment app works on an Aadhaar Enabled Payment System (AEPS) facility, which is a bank-led model offering you multiple financial services through your Aadhaar number. You can link multiple bank accounts through Aadhaar Payment Bridge (APB) platform by which you can make payments from any of your accounts to the merchant. To make the best use of it, you need to link the

Aadhaar number to your bank account.

Digital wallet payment system: Through this platform money is loaded in wallets. Similarly with the launch of e-wallets you can add money using digital wallet apps. However, the constraint is you can transfer fund to the same wallet only. It means that if you have PayTM or SBI's Buddy app on your phone then you can only transfer money to another person's PayTM wallet or SBI's Buddy app who is having these app's installed, respectively. There are some other e-wallets available in the digital marketplace such as Mobikwik, Freecharge, Oxigen, Reliance Money, Paypal, Buddy, Lime, Payzapp, Pocket and Yes Pay.

Magnetic stripped cards:

These are magnetic strip cards in the form of debit or credit card. People use these cards for making payments. These cards can provide benefits of reward points per transaction and other cashback offers. These cards are usually offered by banks which are mainly powered by VISA or Master Card.

