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Narendra Modi looks to do away with credit cards, debit cards now? Centre eyes big online transformation

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Following up on the PM Narendra Modi's note ban drive, the Unique Identification Authority of India has planned to increase biometric authentication capacity through Aadhaar to 40 crore a day from 10 crore to encourage more use of the platform for realising a cashless society.

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The government is concurrently working on developing a common mobile phone app that can be used by shopkeepers and merchants for receiving Aadhaar-enabled payments bypassing credit and debit cards, pin and password. (Source: IE)

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Through this mobile application, the handset will be used for authenticating biometrics of customers making Aadhaar enabled payment.

UIDAI will eventually increase its biometric authentication capacity to 40 crore, UIDAI Chief Executive Officer Ajay Bhushan Pandey told reporters here.

He further said, "We will create awareness about this mode of transactions. We will eventually create capacity for 40 crore authentications. Yesterday, 1.31 crore Aadhaar-enabled biometric authentications were reported. We will increase it gradually."

He explained that these biometric authentications include attendance marked by employees of government establishments.

The initiative can help the government deal with situations like recent demonetisation and curb [black money](#) menace while bringing in more financial transaction transparency. The 12-digit number has already been issued to 1.08 crore people and 99 per cent of adults have been covered.

People can link their Aadhaar with their bank accounts and use Aadhaar Enabled Payment System (AEPS) for funds transfer, balance enquiry, cash deposits or withdrawals and inter-banking transactions.

The biometric authentication capacity of AEPS is 10 crore, which will be eventually raised to 40 crore, the CEO said.

AEPS allows users to make payments to merchants or shopkeepers without credit or debit cards using their Aadhaar number and biometric authentication. They just need to

The money is directly transferred from the customer's bank account to the merchant's.

Subscribers of 118 public and private banks can use AEPS at present.

NITI Aayog CEO Amitabh Kant said the government is working on incentivising cashless transactions and disincentivising cash transactions.

"We are asking mobile manufacturers to see if all mobiles made in India should be in-built with iris or thumb identification system to help Aadhaar-enabled transactions," Kant said.

Kant is part of the chief ministers committee that will lay out a road map for implementation of digital payments over the next one year. The first meeting is scheduled today.

IT Secretary Aruna Sundarajan said the ministry has kept aside Rs 100 crore to incentivise enrolment of merchants on to the digital platform to help push the drive.

"IT department is providing incentive of Rs 100 for every merchant enrolled through over two lakh common service centres across India. The ministry will undertake a major outreach communication campaign starting from Monday," she said.