

UNIT 11 - BHIM App- All You Need To Know



Introduction

India is advancing at breathtaking speed towards a cashless economy and to make digital mode of payment a habit for people our honourable Prime Minister Narendra Modi has launched a new application for mobile payment BHIM (Bharat Interface for Money) on the 30th of December.

What is BHIM?

Bhim is an application for payment through smartphones which is based on the technology of UPI (Unified Payment Interface). This app has been developed by the NPCI (National Payment Corporation of India) in association with Juspay. This app is now readily available on playstore which is the android platform the and same for the iOS platform is expected to be launched soon.

Features of BHIM

- It is based on UPI technology
- Enables digital transactions across multiple banks
- It links directly to one's bank account
- It uses IMPS (Immediate Payment Service) for which one has to pay a minimal fee for transactions of 1 lakh or above.

How to use

- On downloading the app users will be asked to verify their mobile numbers which are linked with their respective bank account.
- After verification the app will show a list of all the bank accounts linked to the mobile number.
- One has to select the account he or she wants to make transactions through
- After selecting the account the user has to enter a 4 digit code (UPI PIN) to make transactions through the app
- The payment address will be set as the mobile number which is entered for verification which can be changed later.

Positive points of BHIM

- A smartphone or even a feature phone of around 1000 INR will support the BHIM app
- Having an internet connection is not mandatory for making transactions through the app
- In this system, once the bank account is linked with an Aadhar gateway, payments can be made through a thumb impression
- Users can also use the app for shopping. For this an Aadhar based merchant app has to be downloaded by the retailer along with a biometric reader to enable payment through thumb print.

Limitation

- For now maximum limit for every transaction has been set at 10,000 INR and a total transaction of 20,000 INR per day. The limits are expected to change in future.

Banks supporting BHIM

- The new BHIM Payment app is supported by banks like SBI, ICICI, Axis Bank, HDFC Bank and many others.
- The BHIM app is at its early stages and thus there might be some glitches but with time improvements are bound to take place taking the country forward to digitization and transforming India into Digital India.