

business

bhutan

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MONEY TELLER

Exchange rates for notes as of yesterday.
A Nu/unit of currency

Nov 20, 2020

City	BUY	SELL
Dollar	73.2	75.5
Pound	96.6	99.3
Euro	86.5	88.9
Aus. Dlr	53.15	54.65
Sing. Dlr	54.3	55.85

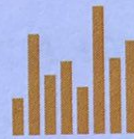


FUEL PRICE

Prices in Thimphu

Nov 20, 2020

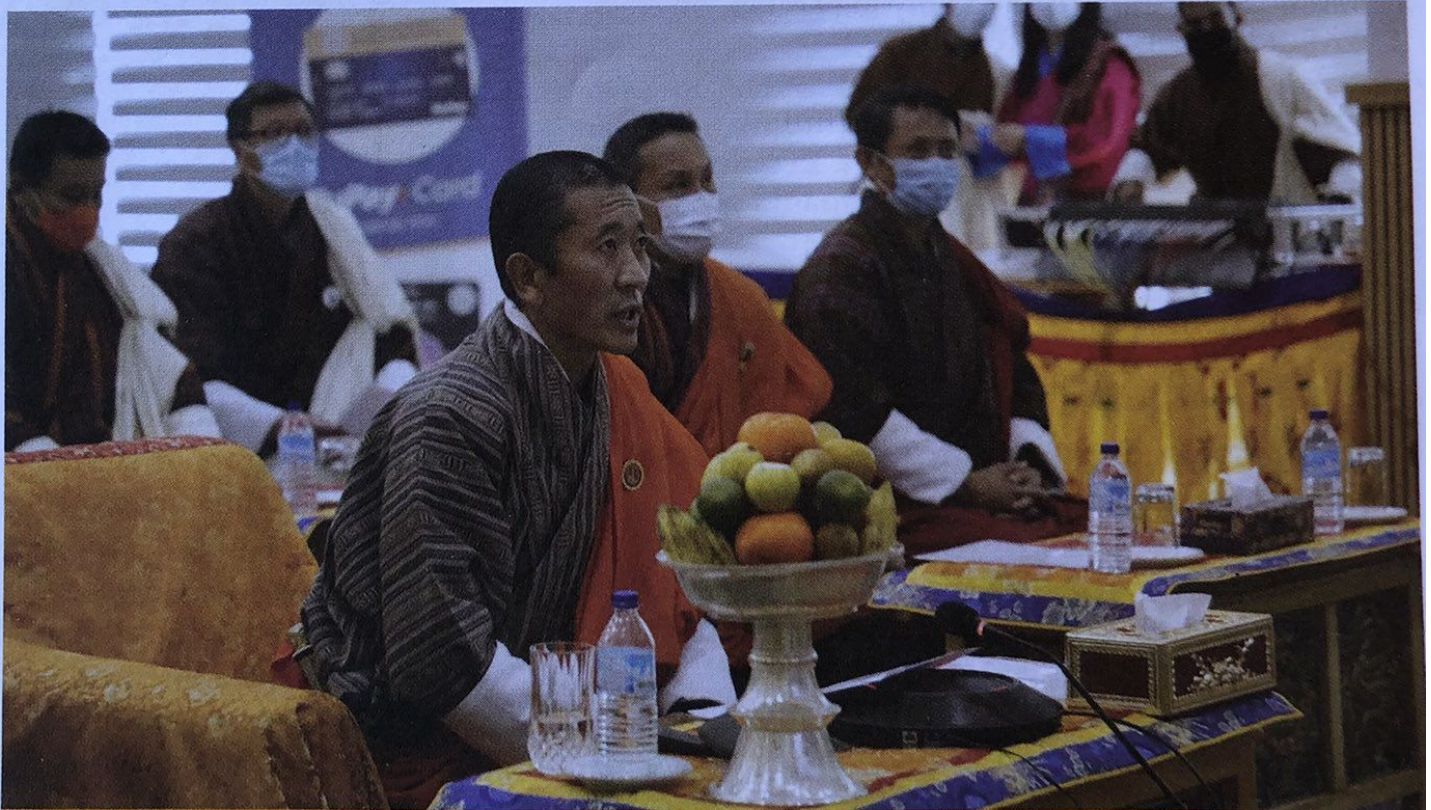
Product	Nu
Diesel	52.03 Per Lit.
Petrol	56.56 Per Lit.
LPG Sub./Non-Sub.	617/715 -
LPG (Com.) Cylinder	1,322



GOLD PRICE IN INDIA

Nov 20, 2020

City	Unit	22 K	24 K
Bangalore	1gm	4,700	5,134
Chennai	1gm	4,747	5,185
Kolkata	1gm	5,004	5,244
Mumbai	1gm	4,990	5,090
Gangtok	1gm	4,870	5,114



Prime Minister Dr Lotay Tshering and Indian Prime Minister Shri Narendra Modi launched the phase two of RuPay Card at a virtual ceremony yesterday.

Banks to issue RuPay cards for Bhutanese to use in India

Kinley Yonten
from Thimphu

With the introduction of the second phase of RuPay card in the country, Bhutanese travellers to India can withdraw INR and make payments with their RuPay cards in India. Indian travellers to Bhutan can withdraw Ngultrum at ATMs and make payments at points of sale as well.

The RuPay card scheme is a cross-border payment initiative between Bhutan and India, which is aimed at promoting the use of low-cost digital payment solutions and digital financial inclusion.

According to the Ministry of Foreign Affairs (MoFA), besides reducing the burden of carrying a huge amount of cash for people of the two countries, the launch of RuPay will also boost the Bhutanese economy by increasing the availability of Indian Rupees within the Bhutanese bank-

ing system. It will further integrate the economies of both countries.

Bhutan is the second country to be part of the internationalization of RuPay after Singapore.

The first phase of the RuPay Card was jointly launched by PM Dr. Lotay Tshering and the Indian PM on August 17 last year, during the State Visit to Bhutan.

The launch of RuPay card scheme in Bhutan is made possible by the interconnectivity of the Bhutan Financial Switch (BFS) with India's National Financial Switch (NFS), which is operated by the National Payment Corporation of India (NPCI).

The interconnection of the BFS network with the RuPay network will provide safe and convenient banking, and also help realize cost effective and cashless transactions, thereby enhancing cross-border digital payments between the two

countries.

According to the MoFA, since the launch of Phase-I, a total of about 10,428 successful transactions amounting to INR 36.52mn have been made using the RuPay cards. "The launch of the second phase will enable Bhutanese travellers to India to use their local bank cards in all the access points offered by the banks in India."

Further, the BNBL's RuPay debit cards will be accepted at more than 100,000 ATMs and 2mn PoS terminals in India for cash withdrawal, balance inquiry and purchases.

Currently, the RuPay card is also functional in Maldives and Singapore.

RuPay is a combination of Rupee and Payment is an Indian version of credit and debit card. It is very similar to international cards such as Visa and Master. RuPay is run by the National Payments Corporation of India and competes with

other global card payments systems such as Visa and Master-card.

The RuPay Card in Bhutan
Banks of Bhutan will also be empowered to issue RuPay cards to Bhutanese citizens to use in India.

According to India media, India will provide an estimated INR 2.7 crores to integrate the RuPay Card in Bhutan because it can benefit Digital Payments in India.

Firstly, it will boost tourism and digital payments, as per the Reserve Bank of India and the Royal Monetary Authority of Bhutan (RMA). The RuPay card launch in Bhutan will also simplify cross border transactions. Besides boosting tourism, this will increase digital payments across countries, travel businesses and hotels.

Secondly, it will minimize foreign currency outflow, whereas RuPay cardholders can use their cards across all ATMs and POS terminals in India. The RMA

maintains an account with SBI (State Bank of India). When a RuPay cardholder in Bhutan makes a payment, it will be settled into the RMA account.

Finally, it will also strengthen the Ngultrum which is fixed at a one-to-one exchange rate with the Indian rupee making settlement easy for both countries. In addition, Banks will issue RuPay cards that will allow Bhutanese cardholders to access the RuPay network in India.

Meanwhile, RuPay Debit cards transaction charges are only 0.01% of the total amount, whereas Visa or Mastercard charges much more.

RuPay cards work similar to the other gateway access providers like Visa or Mastercard, but the transaction is processed and settled in India. The transaction is settled to the merchant account and there is no outward flow of US dollars since processing is done in India.