

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 2484

ANSWERED ON TUESDAY, DECEMBER 17, 2024/AGRAHAYANA 26, 1946 (SAKA)

SCHEMES TO PROMOTE DIGITAL TRANSACTIONS

2484. SHRI IMRAN PRATAPGRAHI:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is implementing schemes to promote digital transactions in the country, if so, the details thereof;
- (b) whether Government is aware that some senior citizens have not adopted digital transactions and online banking facilities, yet incidents of fraudulent withdrawal of money from their bank accounts through digital transactions are increasing continuously; and
- (c) if so, the details of such incidents, State-wise, along with the action taken by Government on them?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) The Government and the Reserve Bank of India (RBI) have been taking up various initiatives to promote digital payment transactions and to create a digital payment ecosystem in the country. From January 2018, Merchant Discount Rate (MDR) charges was not permitted for transactions upto ₹2,000 across all Debit Card Networks, Unified Payments Interface (UPI) transactions [Person to Merchants (P2M)] and Aadhar Enabled Payment System (AePS). To support the ecosystem, MDR Reimbursement Scheme was implemented by the Government during 01.01.2018 to 31.12.2019. Under the scheme, MDR for transactions up to ₹2,000 at a defined rate was reimbursed.

With effect from 01.01.2020, MDR was allowed for other card networks, except RuPay Debit Card and UPI. In order to encourage banks to enable RuPay Debit Card and UPI transactions, “Incentive scheme for promotion of RuPay Debit Cards and low-value BHIM-UPI transactions (P2M)” has been implemented during the last three financial years, i.e., FY2021-22, FY2022-23 and FY2023-24. Under the Incentive Scheme, banks were incentivized at a defined rate for UPI transactions upto ₹2,000 and for all transactions under RuPay Debit Card.

The RBI has also launched a Payments Infrastructure Development Fund (PIDF) scheme in January, 2021 to encourage the use of digital payment infrastructure in India. The scheme provides subsidies for the deployment of digital payment infrastructure, especially in Tier-3 to Tier-6 cities and North Eastern States/ UTs of J&K and Ladakh.

(b) & (c) RBI has informed that they do not have any information in the matter.
