

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 2873
TO BE ANSWERED ON: 02.08.2017

DIGITAL PAYMENTS

**2873 . SHRI NINONG ERING:
SHRI JYOTIRADITYA M. SCINDIA:**

Will the Minister of ELECTRONICS & INFORMATION TECHNOLOGY be pleased to state: -

- (a) whether the efforts of the Union Government to promote digital payments have received a set back since the banks as well as the firms that installed the swipe device have started card transaction charges;
- (b) if so, the details thereof and the reaction of the Government in this regard;
- (c) whether any survey have been conducted by the Government regarding percentage of population who expressed satisfaction over the mode of digital payments particularly in rural areas; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI P.P. CHAUDHARY)

(a) and (b): The Merchant Discount Rate (MDR) is a fee levied by banks on merchants acquired by them. It is not a charge on the card-holders /customers. Reserve Bank of India (RBI) has prescribed a ceiling on MDR transactions which are not to be passed on to the customers. The following data shows the details of usage of Credit & Debit Cards at POS.

Credit & Debit Cards usage at POS		
Period	Volume (Million)	Value (INR Billion)
October, 2016	229.45	518.83
November, 2016	332.39	579.09
December, 2016	531.54	891.8
January, 2017	441.42	817.12
February, 2017	346.41	645.47
March, 2017	378.78	690.89
April, 2017	374.58	706.25
May, 2017	382.84	736.49

From the above data it is apparent that the value & volume of digital transactions increased during November - December 2016 and have thereafter plateaued.

(c) and (d): No, Madam.
