

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO 737**  
TO BE ANSWERED ON 20.12.2017

**INDIVIDUAL DATA PROTECTION**

**737 DR. P. VENUGOPAL:**  
**SHRI V. ELUMALAI:**

Will the Minister of Electronics and Information Technology be pleased to state:

- (a) whether amid growing concerns over security of financial data on electronics payment/digital wallet platforms the Government has put together draft rules aimed at safeguarding consumer interest;
- (b) if so, the details thereof and the action taken in this regard so far;
- (c) whether the digital wallets have seen a huge uptick in transactions after the Government's demonetization move last year;
- (d) if so, the details thereof; and
- (e) whether the Government has also suggested every digital wallet company appoint a chief grievance officer whose details should be prominently made available on their websites and if, the reaction of these companies thereto?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI ALPHONS KANNANTHANAM)

(a) and (b) : Ministry of Electronics & Information Technology (MeitY) in March 2017 formulated draft rules on Security of Prepaid Payment Instruments (PPI) under Information Technology Act, 2000. The objective of the proposed rules was to ensure adequate integrity, security and confidentiality of electronic payments effected through electronic prepaid payment instruments. The draft rules had, *inter alia*, proposed that Every e-PPI issuer shall designate a Grievance Officer for receiving complaints from customers and publish his name and contact details on its website. The draft rules were published on MeitY website for inviting comments from public at large and all stakeholders.

Subsequently, Reserve Bank of India (RBI) on 20.3.2017 had prepared draft Master Direction on Issuance and Operation of Prepaid Payment Instruments, which encompassed the provisions of the draft rules on Security of Prepaid Payment Instruments proposed by MeitY. Therefore MeitY is not issuing any rules regarding this.

(c) and (d): Yes, Sir. The data received from RBI shows that transaction through digital wallets (mobile wallets) increased after demonetization. The volume and value-wise figure is as mentioned below:

<b>Growth of Digital Transaction since Demonetization in VOLUME : Oct, 2016 to Dec, 2017 ( Figures in Crores)</b>		
<b>Digital Wallet</b>		
<b>Month-Year</b>	<b>Volume (Figures in Crores)</b>	<b>Value (Figures in Rupees - Crores)</b>
<b>Oct-16</b>	9.96	3,385
<b>Nov-16</b>	13.81	3,306
<b>Dec-16</b>	21.31	7,448
<b>Jan-17</b>	26.17	8,353
<b>Feb-17</b>	24.7	6,911
<b>Mar-17</b>	30.75	7,312
<b>Apr-17</b>	32.09	7,442
<b>May-17</b>	24.17	7,194
<b>Jun-17</b>	22.16	5,310
<b>Jul-17</b>	23.55	6,934
<b>Aug-17</b>	22.54	7,262
<b>Sep-17</b>	19.95	8,154
<b>Oct-17</b>	20.12	8,660
<b>Nov-17</b>	<b>RBI Data not published</b>	<b>RBI Data not published</b>
<b>Dec17(Till 18th )</b>	<b>RBI Data not published</b>	<b>RBI Data not published</b>

(e) : RBI has issued Master Direction on Issuance and Operation of Prepaid Payment Instruments on 11.10.2017. **Customer Protection and Grievance Redressal Framework** is available at the RBI website link:

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/58PPIS11102017A79E58CAEA28472A94596CFA79A1FA3F.PDF>

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