

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 1308
TO BE ANSWERED ON: 25.07.2018

PROMOTION OF DIGITAL TRANSACTIONS

1308. SHRI A. T. NANA PATIL: SHRI MD. BADARUDDOZA KHAN:

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

- (a) the details of Government initiatives taken for encouraging digital transactions in the country; and
- (b) the details of increase/decrease digital transactions in the country post demonetization, urban and rural area-wise?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI S.S AHLUWALIA)

(a): Government of India has been working with various stakeholders including Ministries/Departments/States/Banks to promote digital payment transactions to make it more convenient for the citizens. A dedicated DigiDhan mission was set up with an aim to promote digital transactions. Digital payment App 'BHIM-Bharat Interface for Money' was launched on 30th December, 2016. Government has taken following initiatives to encourage digital transactions in the country :

i) Expansion of payment acceptance infrastructure:

- As per the budget announcement for FY 2017-18, Banks were allocated a target to deploy 10 Lakh additional Point of Sales (PoS) terminals. Against this target, Banks installed 12.33 Lakh new PoS terminal. Currently a total of 33.20 Lakh PoS (till May 2018) terminals have been deployed in the country. Ministry of Electronics and Information Technology (MeitY) has further allocated a target to deploy 20 Lakh additional PoS terminals by the Banks in FY 2018-19.
- BHIM Aadhaar Pay enables citizens without smart phones to make digital payments by using biometric authentication. Around 5.56 Lakh BHIM Aadhaar PoS have been deployed by the Banks in till May 2018. Banks are in the process of deploying and activating 20 Lakh Aadhaar based BHIM Aadhaar PoS in FY 2018-19.
- Bharat QR 4.0 with a provision of accepting QR based payment payments using UPI was launched on 10th August 2017. By 30th April 2018, 26 Banks have been made live on Bharat QR as acquirer and 38 Banks have been made live on BHIM UPI PSP App. Till May 2018, Bharat QR was installed at 11.08 Lakh merchant locations.

ii) Incentive Schemes

- MeitY vide gazette notification No 6(19)/2017-DPD-1 dated 27th December 2017 has notified the reimbursement of Merchant Discount Rate (MDR) charges on Debit cards/BHIM-UPI/BHIM Aadhaar Pay transactions of value less than Rs 2000 to the Banks for a period of two years starting from 1st Jan 2018. The reimbursement of MDR is aimed to improve the adoption of digital payments by merchants specially the small and micro merchants.
- 'BHIM Cashback Scheme for Individuals' has been launched to popularize payments through BHIM APP. The scheme have been modified and is operational till March 2019. The customer on BHIM app can earn an incentive up-to Rs 150 on 10 unique transactions over the BHIM app.
- The BHIM Aadhaar merchant incentive scheme has been re-launched and the incentive has been increased from 0.25% to 0.5%. The scheme is operational 1st April 2018 till March 2019. In this scheme merchant can earn an incentive up-to Rs 2000 per month.
- To give stimulus to the deployment of BHIM Aadhaar PoS devices, Government through Department of Financial Services has launched a scheme to provide an incentive of up-to Rs 1800 to the Banks on the procurement of each BHIM Aadhaar PoS.

iii) Coordination with Banks

- Digital payment transaction targets have been allocated to the Public and Private Sector Banks for FY 2018-19. MeitY has set targets of 3013 Crore digital payment transactions.
- The performance of the Banks is also monitored and evaluated by MeitY though a performance scorecard and a Bank ranking system.

iv) Advisories to Ministries/Departments

➤ Government of India has issued advisories to Central Ministries/Departments and States/UTs to improve payments acceptance infrastructure, enable the citizens to pay by a variety of modes such as Internet banking, mobile banking, and mobile applications etc. including use of BHIM, integrate on-line payment portals with BHIM/UPI/QR-code/Rupay Card, printing of QR code on bills, incentivisation of digital payments and publicity and creation of awareness about digital payments among citizens.

v) Publicity Campaign

➤ Ministry of Electronics and Information Technology have till date chosen the following mediums for the publicity campaign:

1. Radio(Wireless Media)
2. Newspaper(Print Media)
3. Website(Digital Media)

vi) Monitoring, Analysis and Grievances

➤ In order to create a platform for accurate reporting, monitoring and analysis of all digital payment transactions being carried out across the country, GOI has developed a National Digital Payment Dashboard, which was launched by Hon'ble Minister of Electronics and IT on 13th February, 2018. The same could be accessed at <http://www.digipay.gov.in>.

➤ MeitY has integrated Digital Payment Grievances along with National Consumer Helpline (NCH) platform of Department of Consumer Affairs (DoCA) in addition to the existing Grievance Redressal Mechanism of digital payments of the respective banks and NPCI. The Platform is live and is handling Digital Payment related grievances.

(b): A significant growth has been observed in digital transactions in the country post demonetization at an average percentage of monthly growth rate of 4.25% (refer *Annexure* for monthly progress since Nov'16; Source: Banks, RBI, NPCI, respective closed loop players). The modes used for calculation of growth of digital transaction, shown in Annexure 1, are (1) National Automated Clearing House (NACH), (2) Immediate Payment Service (IMPS), (3) Unified Payments Interface (UPI), (4) Bharat Interface for Money (BHIM), (5) Unstructured Supplementary Service Data (USSD), (6) RuPay on POS, (7) RuPay on eCom, (8) Aadhaar Enabled Payment System (AEPS), (9) Bharat Bill Payment System (BBPS), (10) National Electronic Toll Collection (NETC), (11) Debit Card (excluding RuPay), (12) Credit Card, (13) National Electronic Funds Transfer (NEFT), (14) Mobile Wallet, (15) Real Time Gross Settlement (RTGS), (16) Pre-paid Card (PPC) and (17) Closed Loop. Urban and Rural area-wise data is not available. However, State-wise data for three modes, namely, BHIM, RuPay card and USSD, sourced from National Payment Corporation of India, is available on the dashboard having URL: <http://www.digipay.gov.in>.

Annexure

Growth of Digital Transactions		
Months	Volume	Value
Unit	In Crore	In Lakh Crore
Nov'16	91.83	112.27
Dec'16	132.93	124.57
Jan'17	125.61	113.94
Feb'17	111.37	107.98
Mar'17	130.64	172.61
Apr'17	159.74	148.43
May'17	156.89	151.45
June'17	153.02	154.43
July'17	156.71	145.76
Aug'17	158.37	151.15
Sep'17	158.62	169.20
Oct'17	169.10	156.44
Nov'17	174.64	165.07
Dec'17	194.03	169.44
Jan'18	199.01	182.04
Feb'18	191.23	152.16
Mar'18	199.74	216.86
Apr'18	208.26	163.67
May'18	214.31	179.83
Jun'18	125.68	31.89
JuL'18 (19th)	77.06	14.72

*July'18 data is available till 19th July, 2018

NOTE: For month of Jun'18 & Jul'18 RBI data not published, hence has not been included.

