

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UN-STARRED QUESTION No. 3452
ANSWERED ON MONDAY, JULY 15, 2019/ASHADHA 24, 1941 (SAKA)

CHARGES WAIVER ON DIGITAL TRANSACTIONS

3452. SHRI HANUMAN BENIWAL:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the action plan of the Government to promote cashless transactions in the country;
- (b) whether the Government proposes to waive off additional charge/MDR amount charged by various banks on transactions done through card/internet banking to promote cashless/digital transactions; and
- (c) if so, the details of the policy and plan of the Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) As apprised by the Ministry of Electronics and Information Technology (MeitY), Government of India has initiated incentive schemes such as BHIM cash-back scheme for individuals, BHIM incentive scheme for merchants, BHIM Aadhaar merchant incentive scheme for promotion and wider adoption of digital payment.

In order to promote digital payments, MeitY vide their notification dated 27th December, 2017 has allowed reimbursement of MDR charges on Debit cards/ BHIM-UPI and BHIM Aadhaar Pay transactions for value upto Rs. 2000, for two years effective from 1st Jan, 2018.

All public transport operators have been requested to enable National Common Mobility Card (NCMC) for digital payments.

(b) to (c) As per the Budget speech 2019-20, Hon'ble Finance Minister has, inter-alia, proposed that business establishments with annual turnover of more than Rs.50 crore shall offer low cost digital modes of payment to their customers and no charges or Merchant Discount Rate shall be imposed on customers as well as merchants. RBI and Banks will absorb these costs from the savings that will accrue to them on account of handling less cash as people move to these digital modes of payment.
