

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UNSTARRED QUESTION No. 3637**

ANSWERED ON MONDAY, JULY 15, 2019/ASHADHA 24, 1941 (SAKA)

**REGULATION OF MDRs**

3637. SHRI L.S. TEJASVI SURYA:

Will the Minister of FINANCE be pleased to state:

- (a) the percentage and the number of merchants using digital payments, State-wise;
- (b) the amount borne by the Government in reimbursing merchant discount rates to merchants, year-wise and State-wise till date;
- (c) whether the Government proposes to extend its deadline waiving off MDRs for debit card transactions up to Rs. 2,000, if so, the details thereof;
- (d) whether the Government proposes to remove transaction charges on digital payments and adopt a market-determined MDR pricing structure, if so, the details thereof; and
- (e) whether the Government proposes to regulate MDRs for credit card payments and if so, the details thereof?

**ANSWER**

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

- (a) As per information provided by Ministry of Electronics and Information Technology (MeitY) and Reserve Bank of India (RBI), no such data is centrally maintained.
- (b) MeitY has apprised that between 1<sup>st</sup> Jan 2018 to 31<sup>st</sup> Dec, 2018 a total amount of Rs 656.13 crore have been reimbursed under MDR Reimbursement Scheme on Debit cards/ BHIM-UPI and BHIM Aadhaar Pay (for transactions upto the value of Rs. 2000). However state-wise break-up of the amount reimbursed under this scheme is not maintained by MeitY.
- (c) As apprised by MeitY, there is no proposal presently under consideration to extend its deadline for waiving off MDRs for debit card transactions up to Rs. 2,000.
- (d) to (e) 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.

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