

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO.1152
TO BE ANSWERED ON 09.02.2022

PROMOTION OF RUPAY DEBIT CARDS

**1152. SHRI BHOLA SINGH: SHRI RAJVEER SINGH (RAJU BHAIYA):
DR. SUKANTA MAJUMDAR: SHRIMATI SANGEETA KUMARI SINGH DEO:
DR. JAYANTA KUMAR ROY: SHRI VINOD KUMAR SONKAR:
SHRI RAJA AMARESHWARA NAIK:**

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

- (a) whether the Government has approved an incentive scheme to promote RuPay Debit cards and low-value (uptoRs.2,000) BHIM-UPI transactions (Person-to-Merchant (P2M)) in the country;
- (b) if so, the details thereof;
- (c) whether the acquiring banks will be incentivised by the Government by way of paying percentage of value of transactions (P2M) done through RuPay Debit cards and low-value BHIM-UPI modes of payments;
- (d) if so, the details thereof;
- (e) the other steps being taken by the Government for building robust digital payment ecosystem and promoting RuPay Debit card and BHIM-UPI digital transactions, across all sectors and segments of the population and further deepening of digital payments in the country; and
- (f) the other steps being taken by the Government to give further boost to digital transactions in the country?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAJEEV CHANDRASEKHAR)

(a) and (b): Yes, Sir. India is leading the world today in Fintech and Digital Payment systems. RuPay cards & BHIM-UPI modes of payment are integral part of digital payment ecosystem. Ministry of Electronics and Information Technology, Government of India has notified an incentive scheme for promotion of RuPay Debit cards and low-value BHIM-UPI transactions (P2M) vide Gazette Notification dated December 17, 2021, subsequent to the approval by the Union Cabinet in its meeting held on December 15, 2021.

(c) and (d): Yes, Sir. The scheme provides for incentivising the acquiring banks by the Government by way of paying percentage of value of RuPay Debit cards and low-value BHIM-UPI transactions (upto ₹ 2,000) (P2M), for a period of one year, w.e.f. April 01, 2021, at an estimated financial outlay of ₹ 1,300 crore. The details of the Scheme are available in

the Gazette Notification No.24(1)/2020-DPD-Part(2) dated December 17, 2021 (copy of Notification is available at <https://egazette.nic.in/WriteReadData/2021/231960.pdf>).

(e) and (f): The steps that are taken by the Government for building robust digital payment ecosystem and promoting digital transactions, including RuPay Debit card and BHIM-UPI, are placed at **Annexure-1**.

Annexure-1

Promotion of digital payments is an essential aspect of Digital India programme. Ministry of Electronics and Information Technology (MeitY) has been assigned the responsibility of “Promotion of Digital Transactions including digital payments”. DIGIDHAN Mission was set up at MeitY in June 2017, which has been primary catalyst to promote the digital payment ecosystem in India. Digital payments have significantly increased in recent years, as a result of coordinated efforts of the Government with all stakeholders. The total transaction volume increased from 2,071 crore in FY 2017-18 to 5,554 crore in FY 2020-21. In FY 2021-22, as on 02.02.2022 (as per DIGIDHAN Dashboard), total 6,380 crore digital payment transactions have been achieved.

Under the Mission, following steps are taken by the Government for building robust digital payment ecosystem and promoting digital transactions, including RuPay Debit card and BHIM-UPI:

(1) Incentive schemes:

In order to catalyse the adoption of digital payments, Government has launched various schemes for incentivizing merchants, individuals and banks. Some of them were BHIM Cashback schemes for Individuals and Merchants, BHIM Aadhaar Merchant Incentive Scheme, BHIM-UPI Merchant On-boarding Scheme and MDR Reimbursement Scheme.

Further, incentive scheme for promotion of RuPay Debit cards and low-value BHIM-UPI transactions (P2M) has been notified, for a period of one year, w.e.f. April 01, 2021, by the Ministry of Electronics and Information Technology, Government of India vide Gazette Notification dated December 17, 2021. This scheme provides for facilitation of acquiring Banks in building robust digital payment ecosystem and promoting RuPay Debit card and BHIM-UPI transactions across all sectors and segments

(2) Launch of innovative Payment Solutions:

Various innovative payment solutions have been launched to provide easy and convenient digital payment options for the citizens across the country.

- **BHIM-UPI** (Unified Payment Interface) is an indigenous digital payment system, which provides the facility of quick and easy payments from multiple bank accounts in a single mobile application. BHIM-UPI has emerged as the preferred payment mode of the citizens and has achieved a record of 461.71 crore digital payment transactions with the value of Rs. 8.31 lakh crore in January 2022.
- **Bharat Bill Payment System (BBPS):** BBPS is a platform that provides an interoperable and easily accessible recurring and bill payment service to consumers via multiple channels like Internet Banking, Mobile Banking, Mobile Apps, UPI, etc. At present, billers from 20 recurring payment categories across India are being on-boarded on BBPS. As a result of the efforts made by Government, BBPS has witnessed significant growth as mentioned below:

- Volume of BBPS transaction has increased from 7.6 lakh in October 2017 to 621.4 lakh in December 2021.
 - Value of BBPS transactions have increased from Rs. 67.39 crore in October 2017 to Rs. 10,338.41 crore in December 2021.
 - Number of billers on-boarded on BBPS has increased significantly from 57 in October 2017 to 20,374 in December 2021.
- **National Common Mobility Card (NCMC):** Government has launched NCMC to provide an easy, convenient and fast method of digital payment to the citizens for public transport and other low value transactions including retail, parking etc. NCMC will enable a single interoperable digital payment mode in all the Metros and Bus services along with retail to fulfill the vision of ‘One Nation One Card’. More than 5.7 crore NCMC card have been issued till November, 2021.
- **National Electronic Toll Collection (NETC):** NETC Fastag provides an easy and convenient digital payment mechanism for toll payments. Growth of NETC is given below:
 - Volume of NETC transaction has increased from 74.1 lakh in April 2017 to 2,420.7 lakh in December 2021.
 - Value of NETC transactions have increased from Rs. 210.53 Crore in April 2017 to Rs. 3679.42 crore in December 2021.
 - Issuance of FASTag has increased from 4.55 lakh in April 2017 to 442.23 lakh in December 2021.
 - **e-RUPI:** Honourable Prime Minister has launched “e-RUPI” - a person and purpose specific, contactless and cashless digital payment solution on August 02, 2021. e-RUPI is a landmark initiative for ‘Direct Benefit Transfer’ schemes, aimed for targeted, transparent and leakage free delivery of benefits for public welfare. e-RUPI is a prepaid electronic voucher (QR code or SMS based), which can be used by the Government Organizations/Corporates/NGOs for delivery of a specific subsidy or welfare benefit to the targeted citizens. The beneficiaries can redeem e-RUPI voucher without a card, digital payments app or internet banking access, at the merchants accepting e-RUPI, simply by showing SMS or QR code. The first use case of e-RUPI has been rolled out for sponsoring COVID vaccination at private vaccination centres. e-RUPI can be further extended for various Government welfare schemes.
- (3) **Digital Payments Dashboard:** DIGIDHAN Dashboard (<https://digipay.gov.in>) has been developed to create a platform for reporting, monitoring and analysis of digital payments transactions occurring in the country and enablement of infrastructure through deployment of Physical/Mobile/BHIM Aadhaar PoS devices. It helps in tracking the growth of digital payment transactions in the country and provide inputs for effective planning of promotional activities.

(4) Awareness & Training initiatives: Awareness and training programmes have been conducted in coordination with ecosystem partners for promotion of Digital Payments.

- **Digital Payments Utsav**

Government of India is celebrating AzadikaAmritMahotsav (AKAM), to commemorate the 75th Anniversary of Independence of India. As part of this initiative, Ministry of Electronics and Information Technology (MeitY) celebrated “Digital Payments Utsav” on 5th December 2021 and launched a special three-months awareness campaign for promotion of Digital Payments in the country. A digital payment promotional video ‘Chutki Baja Ke’ has been launched, which highlights the ease of digital payments. The event witnessed the unveiling of DIGIDHAN logo and launch of some innovative payment solutions:

- Wearable payment solutions (Rupay on the Go)
- RuPay Credit Cards by multiple Banks
- Launch of Union Bank of India SOFTPOS

Top Banks were awarded and recognized in various categories for achievements in FY 2019-20 and FY 2020-21 towards the promotion of Digital Payments. During the event, MeitY also recognized the contribution of four payment system aggregators for onboarding street vendors to digital payments as a special pilot project under the PM SVANidhi Scheme.

- **Pradhan MantriGramin Digital SakshartaAbhiyan (PMGDISHA)**

MeitY has undertaken a scheme titled “Pradhan MantriGramin Digital SakshartaAbhiyan (PMGDISHA)” to usher in digital literacy in rural India by covering 6 crore rural households (one person per household) by 31.03.2022. PMGDISHA includes content on various digital payments including BHIM UPI, BHIM Aadhaar, *99# (USSD) and AEPS, POS, etc.

- **Promotion of Digital Payments on Social Media**

Social media posts have been published on Digital India and MeitY’s social media platforms, namely Facebook, Twitter, Instagram, and LinkedIn to encourage citizens to use digital payments on various occasions, including Diwali, Bhai Dooj, Christmas, New Year and Republic Day.

(5) Initiative to empower street vendors with Digital Payments: Pilot project was initiated to digitally onboard beneficiaries of PM SVANidhi (Prime Minister Street Vendor AtmanirbharNidhi) scheme with BHIM-UPI QR code through digital payment aggregators for increasing the digital transactions.

(6) Promotion of indigenous payment solutions BHIM-UPI & RuPay globally: India’s indigenously developed BHIM-UPI and RuPay cards are world class platforms for enabling digital payments. Several countries in Asia, Africa and the Middle East have displayed an inclination towards establishing a ‘real time payment system’ or ‘domestic card scheme’ and

wish to replicate our model in their country. Government has undertaken efforts to promote these products globally.
