



भारत सरकार  
 Government of India  
 इलेक्ट्रॉनिक्स, सूचना प्रौद्योगिकी एवं सूचना संचार विभाग  
 Ministry of Electronics & Information Technology  
 इलेक्ट्रॉनिक्स निदेशक  
 इलेक्ट्रॉनिक्स विभाग, ए. सी. रोड, नई दिल्ली-110002  
 Website: www.meity.gov.in

**Gopalakrishnan S., IAS**

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No. 12(23)/2017-DPD

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पत्र सं. 12(23)/2017-DPD

दिनांक: 26.04.2018

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Government

18.7.18/18

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4.5.18

Signature

**Sub.: Publicizing of MDR Waiver and revised BHIM incentive schemes**

Sir/Madam,

Ministry of Electronics & IT (MeitY) has been mandated to promote digital transactions in the country. MeitY has been co-coordinating with all the Ministries / Departments / States to achieve the target of 2500 Crore digital payment transaction, set for FY 2017-18, by Hon'ble Finance Minister.

2. The efforts made by all Ministries/Departments/States for promotion of digital payments are appreciated, which resulted in significant growth in digital payment transactions from 1003 Cr. in 2016-17 to 2060 Cr. in 2017-18. The details of mode-wise growth in digital payments have been enclosed as Annexure A.

3. MeitY is now working with renewed focus to further strengthen the digital payment ecosystem in the country. Recently, Government of India Vide Gazette Notification No. 6(19)/2017-DPD-1, dated 27.12.2017 (attached) has waived off Merchant Discount Rate (MDR) applicable on Debit Card/BHIM UPI/Aadhaar-Pay transactions less than or equal to Rs. 2000/- in value for a period of two years with effect from 1st January, 2018. This will help to promote small value transactions upto Rs. 2000/-.

4. Further, Government of India has recently revised and extended the following incentive schemes with effect from 1st April 2018 till 31st March 2019 for promotion and wider adoption of digital payment.

- BHIM cashback scheme for individuals
- BHIM incentive scheme for merchants
- BHIM Aadhaar merchant incentive scheme

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Digital India  
Power To Empower



5. Co-operation of all Ministries/Departments/States is expected to further improve the adoption of Digital Payments. It is requested that information regarding MDR waiver and BHIM incentive schemes, as mentioned above may be disseminated and widely publicized in all organizations (Attached Offices/ Affiliated bodies/Autonomous Societies/Public Sector Enterprises/ Section 8 companies/ Section 25 companies/ Statutory Organizations/ Company registered under Company Act 1956 etc.) under your Ministry / Department / States. It is further requested to appropriately display the above information in websites of your Ministry / Department / States and all concerned organizations.

With regards,

Yours faithfully,

(Gopalakrishnan S.)

Encl.: As above

To:

- All Secretaries, Government of India
- Chief Secretaries of all States/UTs

Copy To:

- IT Secretaries of all States/UTs

(15/6)

**Annexure A: Growth of Digital Transactions in Last Five Years**

Modes/Year	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Growth rate	Source
Units	Vol (In Cr)	Vol (In Cr)	Vol (In Cr)	Vol (In Cr)	Vol (In Cr)		
RTGS	8.11	9.28	9.83	10.79	12.48	16%	RBI
EFT/NEFT	66.10	92.75	125.29	162.21	194.63	20%	RBI
IMPS	1.54	7.84	22.08	50.68	101.29	100%	NPCI
Credit card usage at POS	50.91	61.51	78.57	108.71	139.23	28%	RBI
Debit card usage at POS	61.91	80.81	117.36	239.93	328.20	37%	RBI
m-Wallet	10.75	25.50	60.40	163.00	306.72	88%	RBI
PPI Cards	2.56	5.89	14.35	33.31	44.31	33%	RBI
NACH	8.65	32.46	139.27	196.80	237.20	21%	NPCI
AEPS	-	-	9.47	34.45	98.24	185%	NPCI
BHIM UPI/USSD	-	-	-	1.75	91.53	5130%	NPCI
NETC	-	-	-	2.03	12.65	523%	NPCI
BBPS	-	-	-	0.01	2.56	25500%	NPCI
Internet Banking	-	-	-	-	145.92	Intra bank transactions captured from Banks	Banks
Mobile Banking	-	-	-	-	65.33		Banks
Others	-	-	-	-	170.30		Banks
Closed Loop	-	-	-	-	109.76		Wallet Companies
<b>Transactions</b>	<b>210.53</b>	<b>316.04</b>	<b>576.62</b>	<b>1,003.67</b>	<b>2,060.35</b>	<b>105%</b>	

\*Data of Debt card, Credit card and PPI Data has not been published by RBI for the March, 2018. Calculation is been done on pro rata basis.

Note:

1. \*Above mentioned modes are included in Digital Payment
2. Cash / Cheque / Demand Draft (DD) are not considered as Digital mode of payment.