

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2874**  
TO BE ANSWERED ON: 02.08.2017

**CASHLESS TRANSACTION**

**2874. SHRI JOSE K. MANI:**  
**SHRI B. VINOD KUMAR:**

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

- (a) whether cashless (electronic) transactions are not picking up as expected post-demonetisation with e-transactions dipping by more than 29 per cent since March 2017 and if so, the details thereof and the reasons therefor;
- (b) whether the Government's much hyped BHIM-Aadhaar initiative aimed at encouraging merchants to accept digital payments using customer's biometric authentication (Aadhaar) is also not performing as expected and if so, the reasons therefor;
- (c) whether the cost of the authentication device is deterring small merchants from getting on to the Aadhaar based payments network and if so, the steps taken by the Government in this regard;
- (d) whether Banks and the National Payments Corporation of India have asked the Ministry to increase the referral bonus on payments app BHIM (Bharat Interface for Money) since it has failed to attract consumers; and
- (e) if so, the details thereof and the reaction of the Government thereto?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI P. P. CHAUDHARY)

(a): The following is the volume of Digital transactions post- demonetisation during the period November 2016 to March 2017 alongwith the pre-demonetisation period of October 2016.

#	Month	Total Digital Payment Transactions (In Crores)
1	Oct 2016	71.27
2	Nov 2016	83.48
3	Dec 2016	123.46
4	Jan 2017	114.96
5	Feb 2017	101.18
6	Mar 2017	119.07
7	April 2017	118.01
8	May 2017	111.45

*Source: RBI and NPCI*

From the above data it is apparent that the volume of digital transactions increased during November - December 2016 and have plateaued thereafter.

(b): As BHIM-Aadhaar has been launched on 14<sup>th</sup> April 2017, it is a fairly new payment service and so daily transactions are in the range of 300-400. However, it is gradually showing up-swing as illustrated below:

Period	Increase in Transactions	Increase in Unique Aadhaar
May vs April 2017	30%	26%
June vs May 2017	11%	2%

(c): No, Sir. The device cost does not seem to be deterring small traders from getting onto the Aadhaar-based payment system, as the device cost is one time investment, which would ensure long term convenience and transparency in the transactions for the customers and the traders.

(d) and (e): Yes, Sir. The proposal for increasing referral bonus on payments App BHIM is under examination.

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