

GOVERNMENT OF INDIA
 MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 1551
 TO BE ANSWERED ON: 28.07.2017

DIP IN E-TRANSACTIONS POST DEMONETISATION

1551 . SHRIMATI WANSUK SYIEM:

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

- (a) whether cashless (digital) transactions are not picking up as expected post demonetisation, with e-transactions dipping by more than 29 per cent since peaking in March, 2017;
- (b) whether 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
- (c) whether the cost of authentication device—between Rs 3000 and Rs 5000, is deterring small traders from getting onto the Aadhaar-based payment system?

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 in comparison to 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 thereafter plateaued out.

(b): As BHIM-Aadhaar has been launched on 14th 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 a one time investment, which would ensure long term convenience and transparency in the transactions for the customers and the traders.
