

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE**

**LOK SABHA**

**STARRED QUESTION NO \*574 (position no. 14)**

**To be answered on Friday, April 6, 2018/ Chaitra 16, 1940 (Saka)**

**TRANSACTION CHARGES**

**\*574. COL. SONARAM CHOUDHARY:**

**Will the Minister of FINANCE be pleased to state:**

- a) whether an expenditure of Rs. 0.50 per transaction is an additional burden over and above the credit of the Direct Benefit Transfer in the State Schemes and if so, the details thereof;
- b) whether the Government has already taken a policy decision to bear this expenditure for Central Schemes and if so, the details thereof;
- c) whether any requests have been received from States/UTs including Rajasthan for waiving charges on State Specific Schemes routed through the Aadhaar Payment Bridge; and
- d) if so, the details thereof and the action taken by the Government thereon?

**ANSWER**

**MINISTER OF STATE FOR FINANCE  
(SHRI P. RADHAKRISHNAN)**

**(a) to (d): A statement is laid on the Table of the House.**

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.\* 574 REGARDING "TRANSACTION CHARGES" RAISED BY COL. SONARAM CHOUDHARY, MP, LOK SABHA FOR ANSWER ON 06.04.2018**

(a) & b): To promote direct benefit transfers (DBT) in all Central Government Schemes i.e. Centrally Sponsored Schemes and Central Sector Schemes, Central Government has provided for transaction charges to be paid to banks/NPCI/other agencies for conducting such DBT transactions. Such transaction charges are paid over and above the benefit transfers under a scheme. The Central Government bears this liability on account of transaction charges and the same is paid from respective Departments from relevant budgetary head of the scheme. DoE vide its OM F.No.32(07)/PF-II/2011 (Vol. II) dated 26.05.2017 has prescribed that a transaction cost of Rs. 0.50/- would be payable for each transaction to be shared between the sponsor banks, destination entities and NPCI in the ratio of Rs.0.10, Rs.0.25 and Rs.0.15. It may be stated that vide DoE OM dated 1<sup>st</sup> June, 2016, it has been clarified that for Centrally Sponsored DBT Schemes, even though benefit transfers will be made from the State Consolidated Fund (State Employment Guarantee Fund in case of MGNREGA) transaction charges and cash-out incentives, which are in the nature of administrative charges, will be paid by the respective Departments of the Central Government on the basis of vouchers and details of successful transactions submitted by NPCI

With regard to the charges for transactions pertaining to the State DBT Schemes, it has been advised vide DoE OM F.No.32(07)/PF.II/2011(Vol. II) dated 1<sup>st</sup> June, 2016 that transaction charges as per the extant NPCI circular will be applicable, for which the NPCI may approach the respective State Governments for settlement of its claims. Such transaction charges may have to be paid by the State Governments as an additional amount over and above the benefit transfers. As per the extant NPCI Circular No.136 dated 23.11.2015, a transaction cost of Rs. 0.50/- would be payable for each transaction to be shared between the sponsor banks, destination entities and NPCI in the ratio of Rs.0.10, Rs.0.25 and Rs.0.15.

(c) & (d) No such specific requests have been received in the Department of Expenditure.