

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 3540
ANSWERED ON MONDAY, JULY 15, 2019/ ASHADHA 24, 1941 (SAKA)

PAYMENTS THROUGH DEBIT CARDS

3540. SHRI KAUSHAL KISHORE: SHRI UPENDRA SINGH RAWAT:

Will the Minister of FINANCE be pleased to state:

- (a) whether the maximum limit of making payment through debit card for making purchase has been reduced;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether maximum cash payment on several special occasions including marriage, parties, etc. is likely to promote black marketeering in the country; and
- (d) if so, the details thereof along with the guidelines issued by the Government and the remedial measures taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) to (b) As per Reserve Bank of India (RBI), the limit for purchase of goods and services through a card are decided by the card-issuer bank. As apprised by Public Sector Banks (PSBs), the maximum limit of making payment through debit card for making a purchase has not been reduced by banks.

(c) & (d) As apprised by Central Board of Direct Taxes (CBDT), Department of Revenue, the Government has taken various steps to move towards a less cash economy and reduce generation and circulation of black money. Finance Act, 2017, section 269ST, inserted in the Income-tax Act, 1961, provides that no person is permitted to receive an amount of Rs 2 lakh or more:-

- (i) in aggregate from a person in a day;
- (ii) in respect of a single transaction; or
- (iii) in respect of transactions relating to one event or occasion from a person;

otherwise than by an account payee cheque or account payee bank draft or use of electronic clearing system through a bank account. Further, penalty provision at the rate of 100 per cent of such amount is applicable, if amount is received in violation of the above provisions of section 269ST of the Act.
