

31st July, 2019

Shri Shaktikanta Das
Governor
Reserve Bank of India
Mumbai-400001

Durgesh V. Buch
President

Natubhai Patel
Sr. Vice President

Bhargav Thakkar
Vice President

Sanjeev Chhajer
Secretary

Dilip M. Padhya
Secretary (R)

Pathik S. Patwari
Treasurer

Sub: Regarding abolishment of Merchant Discount Rate

Respected Sir,

Greetings from Gujarat Chamber of Commerce and Industry.

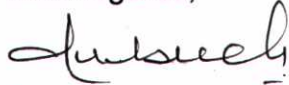
We request you to refer our letter no. GCCI/JTSGR/FIN&B/2019-20/7709 dated 16th July, 2019, regarding abolishment of Merchant Discount Rate (MDR) on payment made through low cost digital of payment.

We are awaiting your clarificatory notification on the subject. We have also made representation to all the Nationalized and Private sector banks of Gujarat regarding recovering the MDR and other such digital payment charges even though it has been abolished and requested them to credit wrongly recovered the same. We feel sorry to inform you that not a single bank has taken action on the representation. On the contrary, we have received responses from some banks such as Indian Overseas Bank, Allahabad Bank, Canara Bank and AU Small Finance Bank. Where they have mentioned that they are still reviewing such charges and they have also given reference of earlier notifications of RBI.

This closely shows the lack of clarity amongst the banks regarding the matter. Therefore, we request you to kindly issue necessary instructions to the banks to immediately stop recovering such MDR charges on online digital payments, in view of the decision taken by Hon'ble Finance Minister.

We look forward to your urgent positive intervention in this serious matter.

With regards,



Durgesh Buch

President

Encl: Letters received from Banks