

Gujarat Chamber of Commerce & Industry



ગુજરાત વેપારી મહામંડળ * ૧૯૫૯ થી કાર્યરત

7th December, 2019

12/11

Smt. Nirmala Sitharaman
Hon'ble Finance Minister
Govt. of India
New Delhi.

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 applicable on online digital payments through NEFT etc.

Respected Madam,

Greetings from Gujarat Chamber of Commerce and Industry.

At the outset, we greatly appreciate the announcement made by your goodself in the Union Budget 2019 that MDR charges shall not be applicable on digital transactions such as NEFT etc. This initiative will provide the much-needed impetus to online transactions and reduce the dependence on cash, which is the first step towards establishing a cashless digital economy which is a much-cherished dream of our Hon'ble Prime Minister.

However, we are sorry to bring to your notice that even after repeated reminders to the banks and to RBI, the MDR charges are still being recovered by most of the nationalized and private sector banks. The copy of the letter sent by us on 31st July, 2019 to Governor, RBI is attached herewith for your kind perusal.

Madam, the very purpose and aim of this wonderful initiative taken by you has been defeated due to the lack of clarity and non-implementation on part of banks.

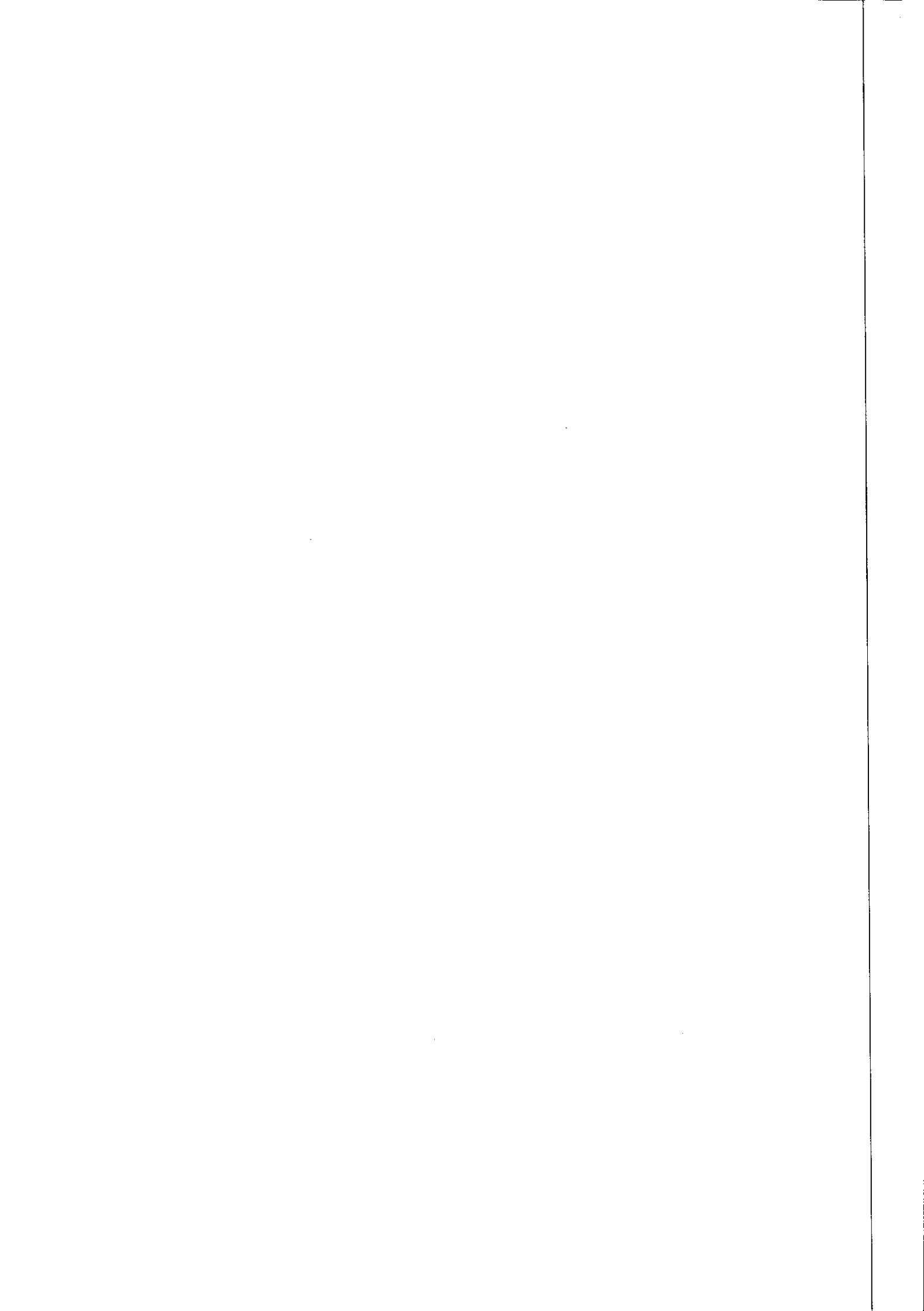
We therefore request you to kindly intervene in this matter and give clarificatory instructions so that MDR charges are abolished immediately.

With Regards,

Sincerely,

Durgesh Buch
President

Encl: As above





Copy to:

1. Hon'ble Prime Minister's Office, South Block, Raisina Hill, New Delhi.
2. Shri Shaktikanta Das, Governor, Reserve Bank of India, Mumbai.
3. Shri S.K. Panigrahy, Regional Director, Reserve Bank of India, Ahmedabad.

Durgesh V. Buch
President

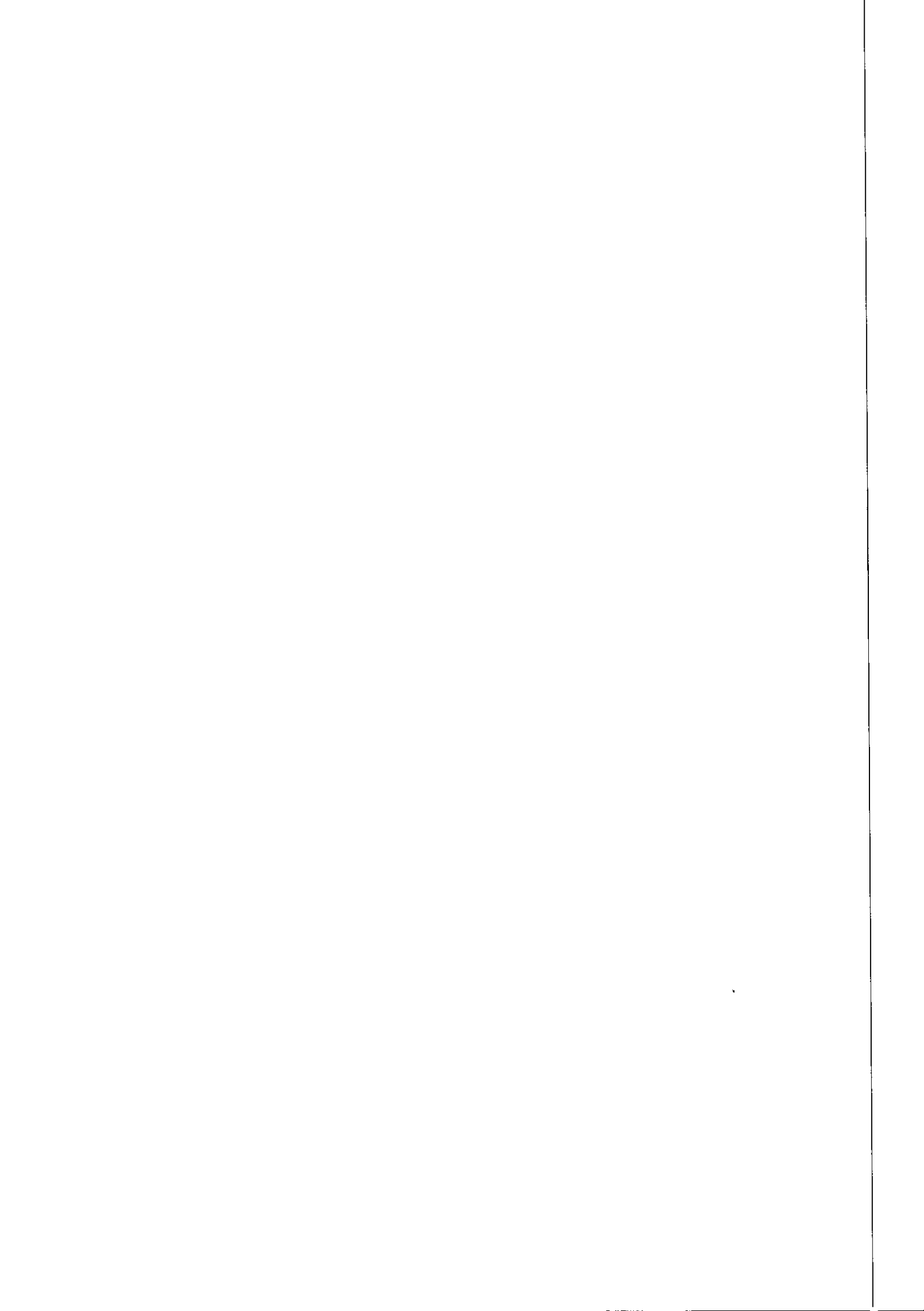
Natubhai Patel
Sr. Vice President

Bhargav Thakkar
Vice President

Sanjeev Chhajer
Secretary

Dilip M. Padhya
Secretary (R)

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Treasurer



Gujarat Chamber of Commerce & Industry

7812



ગુજરાત વેપારી મહામંડળ ગુજરાત શ્રી સંઘવન

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.

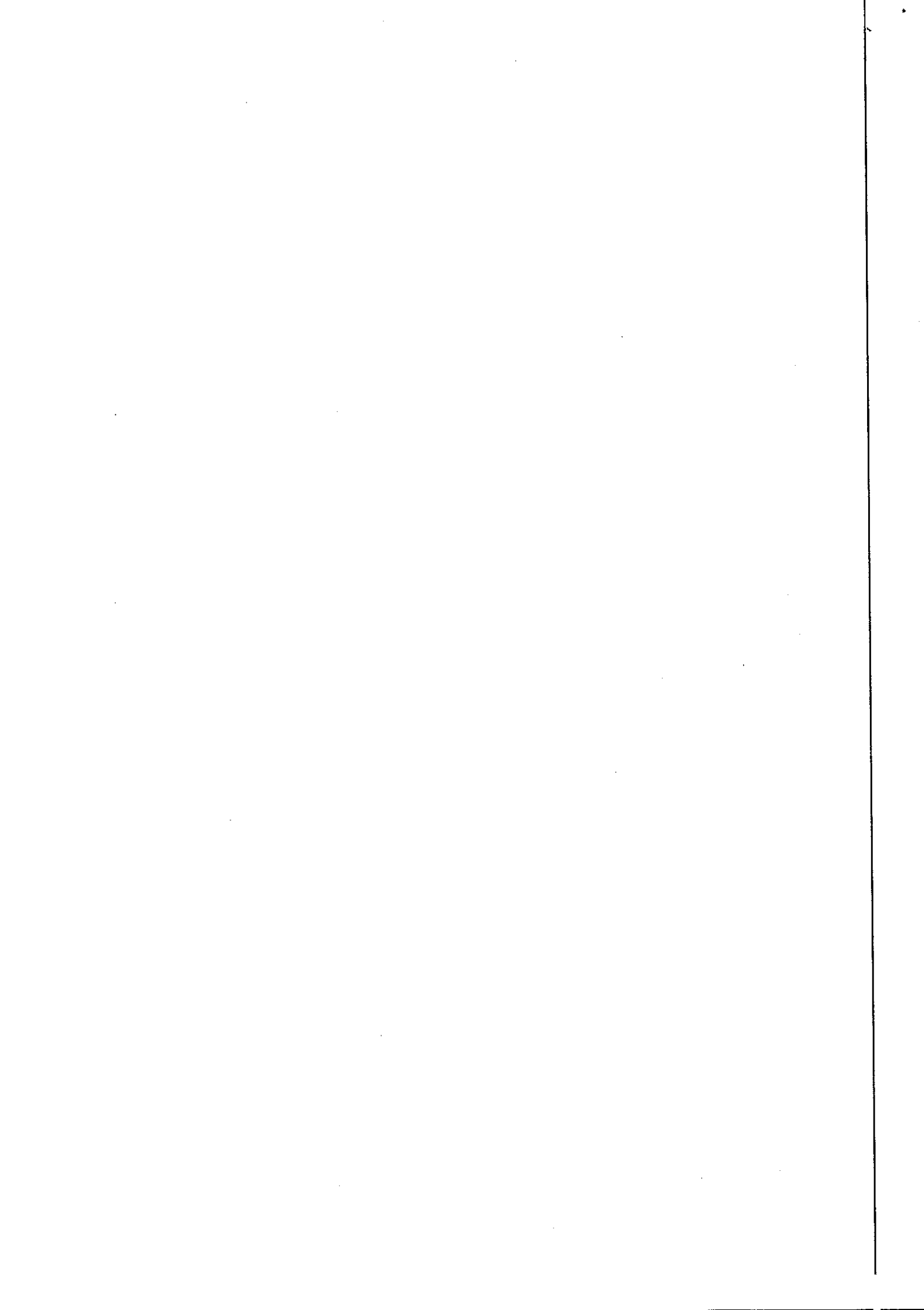
We look forward to your urgent positive intervention in this serious matter.

With regards,

Durgesh Buch

President

Encl: Letters received from Banks





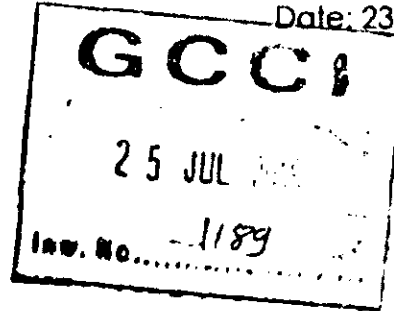
INDIAN OVERSEAS BANK
Regional Office,
Chinubhai Tower,
Opp: Handloom House,
Ashram Road, Ahmedabad-380009

TEL:079-26589868 /65/66

RO/MISC/15 /2019-20

Date: 23.07.2019

The President
Gujarat Chamber of Commerce and Industry,
Shri Ambica Mills-Gujarat Chamber Building
Ashram Road, Ahmedabad-380009



Respected Sir

Subject: Reply regarding re-credit of wrongly debit charges on low cost digital transaction.

We acknowledge receipt of your letter no. GCCI/DYSGR/FIN&B/2019-20/7722 dated 18.07.2019 regarding Re-credit of wrongly debited charges for digital payments.

We wish to inform you that our bank has been deducting charges as per RBI directives RBI/2018-19/208 DPS (CO) RPPD No. 2557/04.03.01/2018-49 dated June 11, 2019. At present, we are not deducting any MDR charges for the transaction value less than Rs. 2000/- (Rupees two thousand only) as per Government of India, Ministry of Electronics and Information Technology Notification Ref No. 6(19)2017-DPD-1 dated 27.12.2017. In cases if there is any case where charges are wrongly debited, please bring it to our notice and share the details of such transaction to enable us to reverse the charges at the earliest.

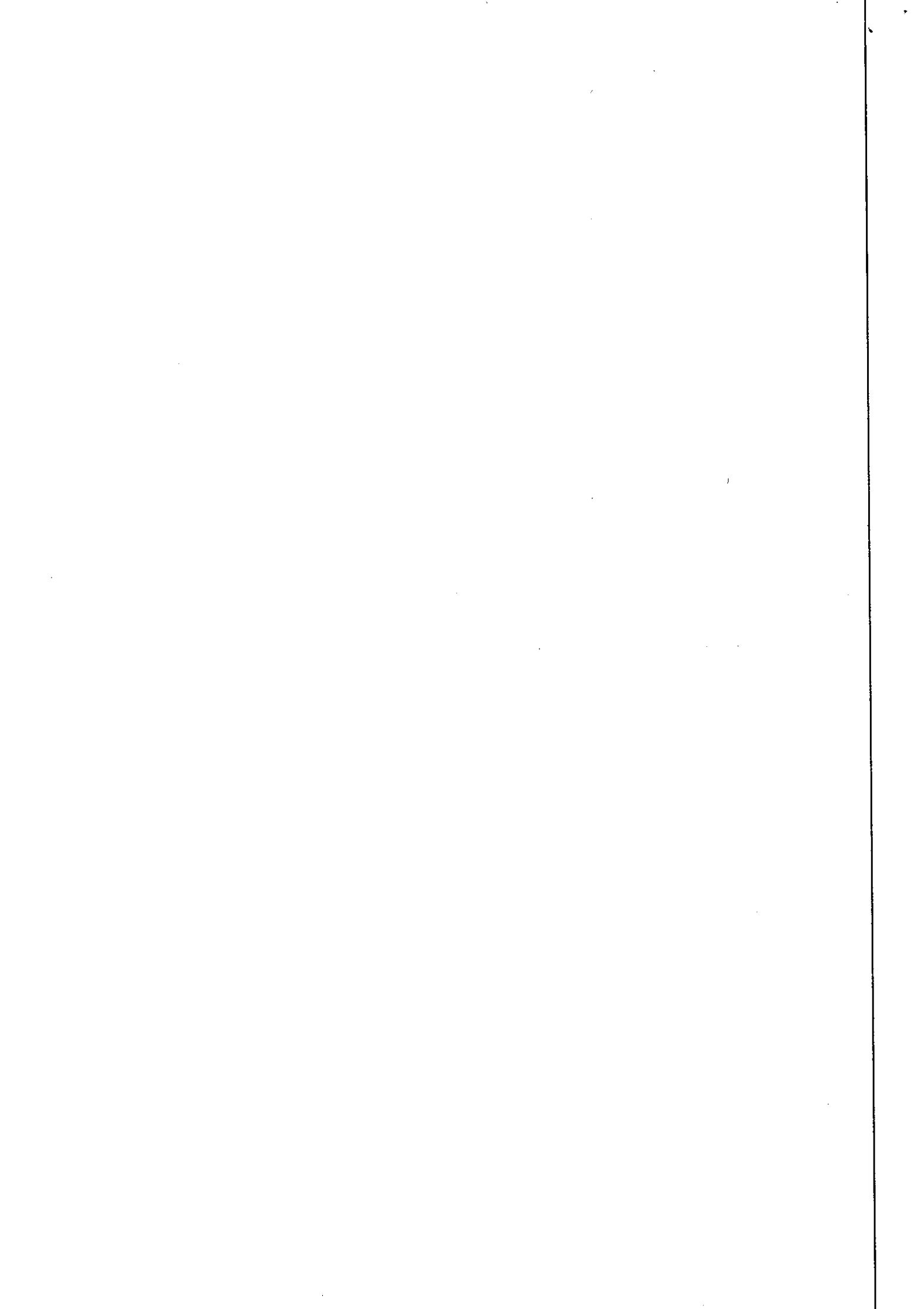
Assuring you our best services at all times.

Thanking you,

With regards,
Yours faithfully,



(A M Banerjee)
Chief Regional Manager





Gujarat Chamber of Commerce & Industry <gccci@gujaratchamber.org>

Recredit/wrongly debited charges for digital payment

zo.ahmedabad@allahabadbank.in <zo.ahmedabad@allahabadbank.in>

Fri, Jul 26, 2019 at
1:52 PM

To: Gujarat Chamber of Commerce & Industry <gccci@gujaratchamber.org>

महोदय / महोदया, Dear Sir / Madam,

This has reference to your letter no. GCCCI/DYSGR/FIN&B/2019-20/7722 dated 18.07.2019 on the captioned subject. In this connection, we inform you that we have circular regarding waiver of NEFT and RTGS charges w.e.f. 01.07.2019 which has already applied by the bank. Further, we inform you that for other digital payment modes, we still have not received any guidelines from our Head Office regarding waiver of charges. We request you that if you have any guidelines received from any authority regarding the same, please provide us so that we can take up the matter with our Head Office.

This is for your kind information.

Your's Faithfully ,

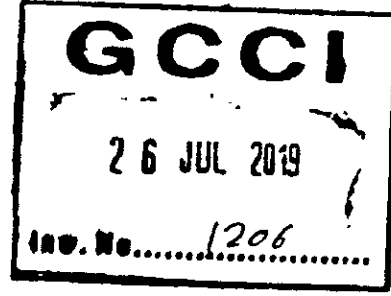
भवदीय,

R. J. Rao

Chief Manager

मंडलीय कार्यालय, अहमदाबाद।

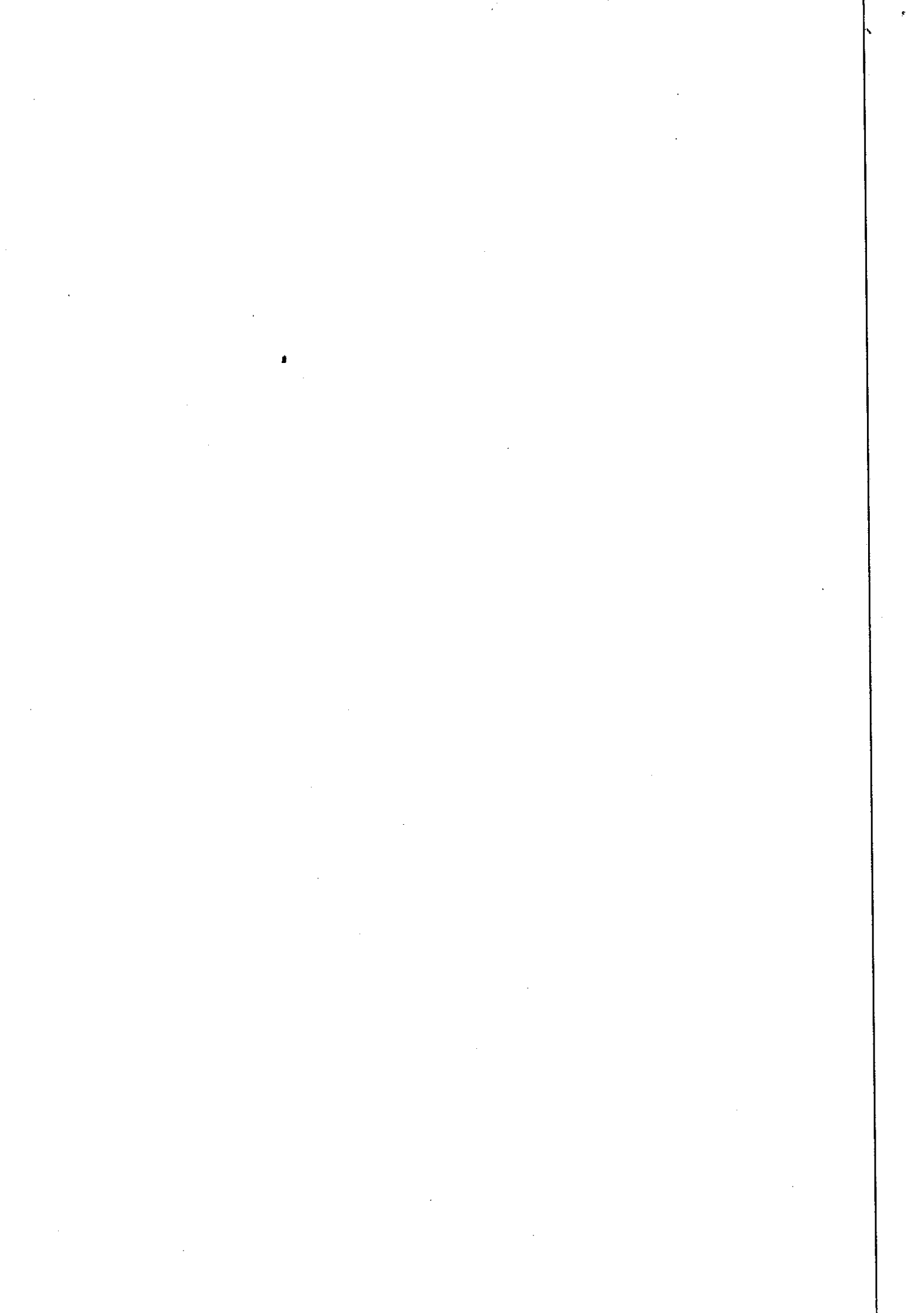
Zonal Office , Ahmedabad |



|| इलाहाबाद बैंक , मंडलीय कार्यालय अहमदाबाद ||
प्रथम तल , 103, 104 , 105 , ज़ोडियक प्लाज़ा,
एच.एल. कॉमर्स कॉलेज रोड, नवरंगपुरा, अहमदाबाद - 380009
फोन नं. : 079 - 26304315/16/17 फैक्स नं. (079) - 26304318

|| Allahabad Bank Zonal Office Ahmedabad ||
Zonal Office: First Floor, 103,104,105 Zodiac Plaza,
H.L.Commerce College Road, Navrangpura ,
Ahmedabad -380009 Tel: 079 26304315/16/17 * Fax: (079) 26304328

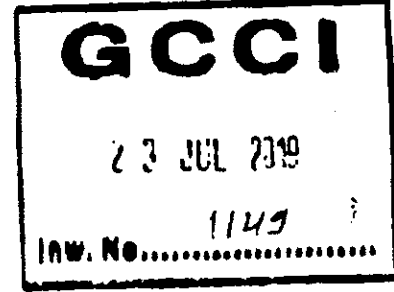
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Ref: AMCO: MIPD:EL:11:2019-20

Date: 22.07.2019

Shri Durgesh Buch
President
Gujarat chamber of commerce & industry
Shri Ambica Mills- Gujarat Chamber Building
Ashram Road, AHMEDABAD



Dear Sir,

Sub: Request to re-credit wrongly debited charges for digital payments
Yr. Ref: GCCI/DYSGR/FIN&B/2019-20/7722 Dtd. 18.07.2019

We are in receipt of your above referred letter and would like to submit as under:

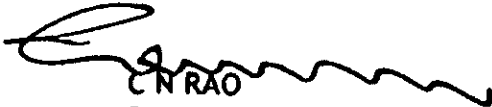
In order to provide an impetus to digital funds movement, Reserve Bank of India has waived processing charges on Banks for NEFT & RTGS transactions and time varying charges for RTGS transactions with effect from July 1, 2019.

In view of the above, our Bank had modified service charges for RTGS and NEFT transactions w.e.f. July 1, 2019 for our Bank customers.

This is for your kind information.

With regards

Yours faithfully,


C N RAO
Deputy General Manager

अधून कार्यालय,
तीसरी मंजीन, नीलकंठ एवेन्यू 1,
गुजरात विद्यपीठ के पास,
सौ. य. शाह कॉलेज के पीछे, नवजीवन प्रेस
रोड, अहमदाबाद - 380 014. गुजरात

CIRCLE OFFICE,
3RD FLOOR, NEELKANTH AVENUE 1,
NEAR GUJARAT VIDHYAPITH,
B/H C U SHAH COLLEGE,
NAV JIVAN PRESS ROAD,
AHMEDABAD-380014. GUJARAT.

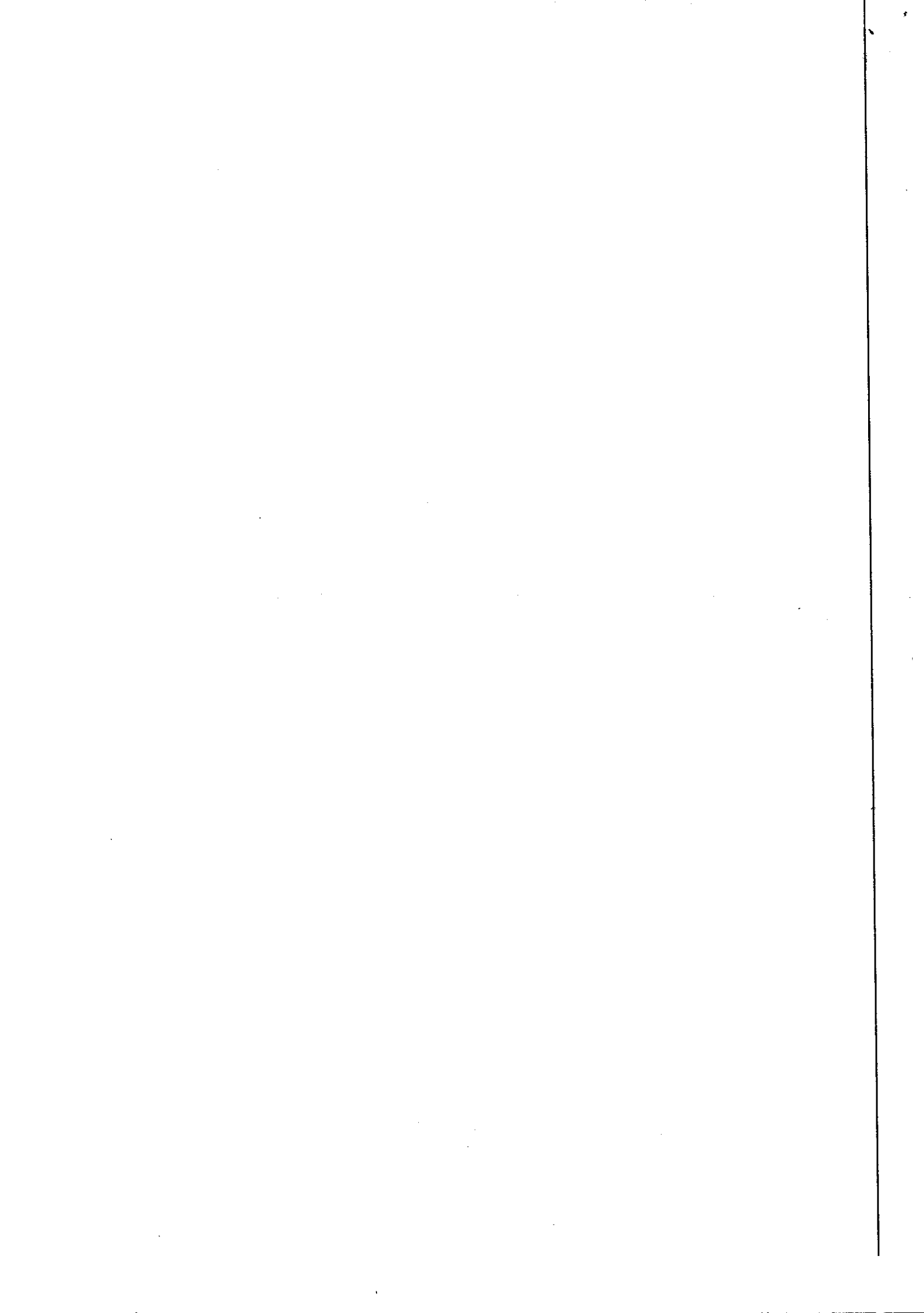
T +91 79 2758 3079

F +91 79 2758 3079

Email: mipdcoahd@canarabank.com

www.canarabank.com





Hand Delivery

AU
SMALL
FINANCE
BANK

Date 23rd July 2019

To,

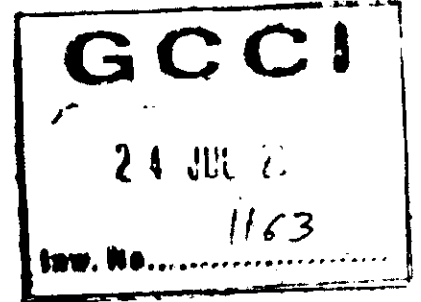
Mr. Durgesh Buch

President

Gujarat Chamber of Commerce & Industry

Ref: You Letter No. GCCI/DYSGR/FIN&B/2019-20/7722 dated 18 July, 2019

Subj: Abolishment of Merchant Discount Rate (MDR).



Dear Sir,

We are in receipt of the captioned letter alleging that AU Small Finance Bank Limited ("AU Bank") has been wrongly recovering MDR from the customer's account despite the abolishment of MDR from 1st July, 2019 on payment made through low cost digital mode of payments such as BHIM UPI, UPI-QR code, Aadhar Pay, Debit cards, NEFT, RTGS.

At the outset, we would like to deny the allegations made in the captioned letter as AU Bank does not provide any card payment device to our customers for card payment acceptance. We also confirm that AU Bank does not deduct any MDR charges or such other digital charges from customers making payment through BHIM UPI, UPI-QR code, Aadhar Pay, Debit cards, NEFT, RTGS except as allowed by regulators.

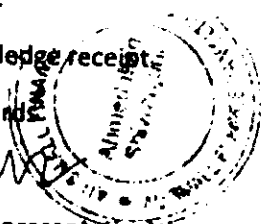
We allow our customers to have tie up with various PoS service providers for payment acceptance solutions and the MDR charges are directly recovered by the PoS service providers. Hence, we would like to request you to kindly advise your members to follow up with their PoS service providers for refund of MDR charges, if they have been wrongly charged.

We again reiterate that AU Bank or its branches have not recovered any MDR charges or other such digital payment charges from customer's account against payment made through low cost digital mode of payments such as BHIM UPI, UPI-QR code, Aadhar Pay, Debit cards, NEFT, RTGS except as allowed by the regulators.

Kindly acknowledge receipt.

Thanks & Regards

RB



(Authorised Representative)

For AU Small Finance Bank Limited

CC: 1. Shri Shaktikanta Das, Governor RBI

2. Regional Director, RBI

3. SLBC-Gujarat

Registered Office

AU SMALL FINANCE BANK LIMITED

19-A Dhuleshwar Garden, Ajmer Road,

Jaipur - 302001, Rajasthan, India

Phone: +91 141 4110060/61, Fax: +91 141 4110090

CIN: L36911RJ1996PLCO11381

Formerly known as Au Finance (India) Limited

