

# RBI's Digital Payments Index (RBI-DPI)

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**In news**—The Reserve Bank of India(RBI) has recently released the Digital Payments Index (RBI-DPI) for March 2022.

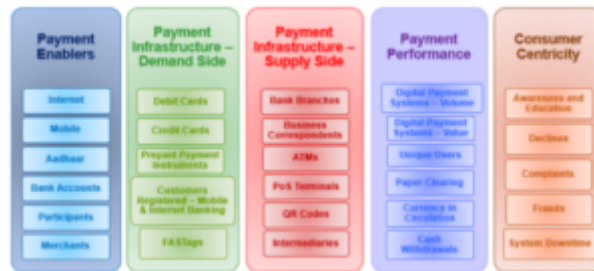
## **Digital Payments Index (RBI-DPI)-**

- **The Reserve Bank had announced construction of a composite RBI-DPI with March 2018 as base** to capture the extent of digitisation of payments across the country.
- **The RBI-DPI index has demonstrated significant growth representing the rapid adoption** and deepening of digital payments across the country in recent years.
- The index for March 2022 stands at 349.30 as against 304.06 for September 2021, which was announced on January 19, 2022.
- Among the digital modes of payments, the number of transactions using **Real Time Gross Settlement (RTGS) increased by 30.5 percent during 2021-22.**
- Payment transactions carried out through **credit cards** increased by 27 per cent and 54.3 per cent in terms of volume and value, respectively and transactions through **debit cards decreased by 1.9 per cent** in terms of volume, though in terms of value, it increased by 10.4 per cent.
- **Prepaid Payment Instruments (PPIs) recorded an increase** in volume and value terms by 32.3 per cent and 48.5 percent, respectively.

## **Parameters of DPI-**

- The RBI-DPI comprises **5 broad parameters** that enable measurement of deepening and penetration of digital payments in the country over different time periods. These parameters are-
  1. Payment Enablers (weight 25%).

2. Payment Infrastructure – Demand-side factors.
  3. Payment Infrastructure – Supply-side factors (15%).
  4. Payment Performance (45%).
  5. Consumer Centricity (5%).
- Each of these parameters have sub-parameters which, in turn, consist of various measurable indicators.



- The RBI-DPI was constructed with March 2018 as the base period, i.e. DPI score for March 2018 is set at 100.