



Card Tokenization in India

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Card tokenization has become a significant **technological advancement** in India, **enhancing security and customer convenience** in [digital payments](#).

- **Over 91 crore tokens** were issued by December 2024 and has enabled nearly **98% of e-commerce transactions** to be processed without actual card data, **reducing** the risk of **data breaches**.
- **Tokenization:** It **substitutes** actual card details with a **unique code, or "token,"** which acts as a **secure identifier** during transactions.
 - **Types: Device tokenization** (specific to each **device**) and **Card-on-File tokenization** (specific to each **merchant**).
 - **Security Benefits:** Tokens **prevent** merchants from storing **sensitive card details**, safeguarding customers' information in case of a security breach.
 - **Future Expansion:** Tokenization is expected to grow **beyond e-commerce** into contactless payments, recurring transactions, and potentially **UPI-linked credit card payments**.
 - **Cybersecurity Regulations:** In **October 2022**, RBI mandated that **merchants and payment processors** no longer store customer card data, relying entirely on tokenization.

Read more: [Tokenization of Cards in India](#)

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