



भारतीय राष्ट्रीय भुगतान निगम  
NATIONAL PAYMENTS CORPORATION OF INDIA

NPCI/NFS/OC No. 31/2011-12

July 20, 2011

To

All Member Banks of National Financial Switch (NFS)

Dear Sir/Madam,

**RBI Directive on Online alerts to the cardholder for usage of credit/debit cards.**

RBI, vide their circular no. RBI/2010-11/449 DPSS. CO. PD 2224/ 02.14.003 / 2010-2011 dated March 29, 2011 (copy enclosed for ready reference) had issued a directive to prevent incidents of unauthorized /fraudulent withdrawals at ATMs.

With a view to arrest incidents of fraud and in order to further encourage card based transactions in the country, RBI has directed all banks to take concrete steps to put in place a system of online alerts for all types of transactions (irrespective of the amount) involving usage of cards at various channels.

Member banks are advised to take note of the above RBI directive and confirm compliance.

Kindly acknowledge receipt of this circular.

**M. Balakrishnan**  
Chief Operating Officer

Encl.: 1



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

RBI/2010-11/449

DPSS. CO. PD 2224 /02.14.003/2010-2011

March 29, 2011

The Chairman and Managing Director/Chief Executive Officers

All Scheduled Commercial Banks including RRBs/

Urban Co-operative Banks/ State Co-operative Banks/

District Central Co-operative Banks

Madam/Dear Sir,

**Security Issues and Risk mitigation measures- Online alerts to the cardholder for usage of credit/debit cards.**

Attention of banks is invited to our circular RBI/2008-2009/387-RBI/DPSS. No. 1501/02.14.003/2008-2009 dated February 18, 2009, in terms of which banks were mandated to send online alerts to the cardholders for all Card Not present (CNP) transactions for the value of ₹ 5000/- and above. This measure has been generally welcomed by customers, which enabled them to take prompt action if the card is misused. This measure goes a long way in arresting further perpetration of such fraudulent transactions.

2. Recently, incidents of unauthorized /fraudulent withdrawals at ATMs have come to the notice of RBI. It is important to arrest the incidents of such frauds in order to further encourage card based transactions in the country where the use of credit/debit cards plays an important role.

3. It is therefore decided that banks may take steps to put in place a system of online alerts for all types of transactions irrespective of the amount, involving usage of cards at various channels. This measure is expected to encourage further usage of cards at various delivery channels. Banks may implement this measure latest by June 30, 2011.

4. Please acknowledge receipt.

Yours faithfully,

G. Padmanabhan

Chief General Manager