NPCI/IMPS/OC No 51 /2014-15   22nd December 2014

To,

All Member Banks of IMPS

Dear Sir/Madam,

Introduction of MPIN Management facility for existing Mobile Banking Customers through NUUP (*99#)

This bears reference to the RBI circular number RBI/2014-15/337 DPSS.CO.PD.No.1017 / 02.23.001 / 2014-2015 dated December 04th 2014 which refers to the 'MOBILE Banking Transactions in India - Operative Guidelines for Banks' wherein emphasis has been given for expanding the reach of mobile banking in the country. Copy attached as Annexure A for your ready reference.

In the afore mentioned circular, RBI has highlighted that there is a need for greater degree of standardization in procedures relating to on-boarding of customers for mobile banking (new customers, existing account holders whose mobile numbers are available with the bank but not registered for mobile banking, and existing account holders where mobile number is not available with the bank), as also the subsequent processes for authentication, including accessible options for generation of MPIN by customers.

Accordingly, in order to quicken the process of MPIN generation and also widen the accessibility of this process to their mobile banking registered customers, banks have been requested to consider adopting various channels / methods such as an option provided in the USSD menu for mobile banking (both their own USSD platform, if any, as well as under the inter-operable USSD Platform for mobile banking).

With reference to above, we wish to inform that NPCI has now introduced the option of **Set MPIN through NUUP.** This new option is in addition to the already existing set of services that includes already existing Change MPIN option also. With this new option, entire MPIN lifecycle is now available to the end user. This new addition was deliberated upon and approved in the 19th IMPS Steering committee meeting held on 17th of December 2014.

The detailed flow for MPIN management through NUUP is attached herewith as Annexure for your reference.

Members are advised to enable this new service for their customers on the NUUP as it can enhance the overall customer experience and can attract new customers on mobile banking. We expect to launch this service with reasonable number of member banks by 31st of January 2015.

Yours faithfully,

SD/-

Dilip Asbe
Chief Operating officer

NUUP -MPIN MANAGEMENT
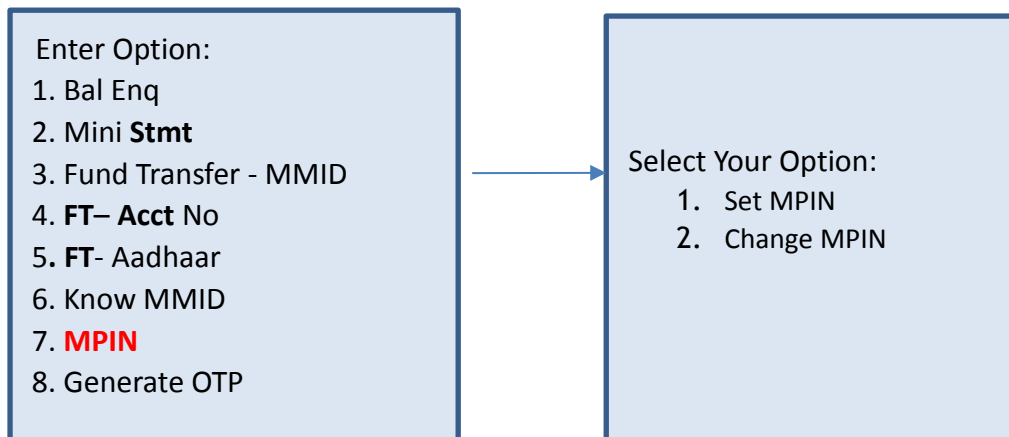
NATIONAL PAYMENTS CORPORATION OF INDIA

Objective

To provide complete M-PIN management i.e. Set MPIN and Change MPIN using NUUP, making it a self -sufficient channel.

Process Flow

The following is the proposed step by step process flow:

- User dials *99#
- Selects option from the Menu. Following is the depiction of NUUP screen :

Enter Option:
1. Bal Enq
2. Mini **Stmt**
3. Fund Transfer - MMID
4. **FT– Acct** No
5**. FT**- Aadhaar
6. Know MMID
7. **MPIN**
8. Generate OTP

Select Your Option:
1. Set MPIN
2. Change MPIN

- Menu will have "MPIN" as a generic option. It will remain as option 7 only. After selection of the MPIN option, the next screen will present following 2 options for MPIN:
    1. Set MPIN
    2. Change MPIN

Public

Set MPIN process:

Step 1: User enters first four letters of IFSC after NUUP welcome screen
Step 2: User enters option 7 (MPIN)
Step 3: User enters option 1 (Set MPIN)
Step 4: User enters last 6 digits of debit card number and expiry date separated with single space
Step 5: User enters new MPIN, renters new MPIN, separated with single space. For e.g. if new MPIN is 1234, user will enter 1234 1234

Change MPIN process:

Step 1: User enters first four letters of IFSC after NUUP welcome screen
Step 2: User enters option 7 (MPIN)
Step 3: User enters option 2 (Change MPIN)
Step 4: User enters Old MPIN.
Step 5: User enters new MPIN, renters new MPIN, separated with single space. For e.g. if new MPIN is 1234, user will enter 1234 1234

Public

RBI/2014-15/337

DPSS.CO.PD.No.1017 / 02.23.001 / 2014-2015   December 04, 2014

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

Mobile Banking Transactions in India - Operative Guidelines for Banks

A reference is invited to our [Master Circular RBI/ 2014-15/104 DPSS.CO.PD. Mobile Banking.No.2/02.23.001/2014-15 dated July 1, 2014](#) wherein consolidated guidelines related to mobile banking were issued by the Reserve Bank of India.

2. It may be recalled that the RBI had set up a "Technical Committee on Mobile Banking" (Chairman Shri B.Sambamurthy) to study the challenges faced by the banks in providing mobile banking to customers in general (customer enrolment and technical issues) and also to examine the options/alternatives for expanding the reach of mobile banking in the country. In order to take these recommendations forward, the RBI had organized a conference to discuss the issues / challenges faced by banks and lay down a concrete roadmap for enhancing mobile banking services in India. Subsequently, an informal group was also formed with representation from various stakeholders for "Setting standards for on-boarding mobile banking customers by banks', which has made some critical observations and also offered certain suggestions for enhancing the efforts of banks and stakeholders in widening the access to mobile banking service.

3. As banks have started offering mobile banking services at different points of time, there are differences in procedures adopted by banks for registering customers for mobile banking as well as in the channels of delivery and authentication process. Generally, banks are offering mobile banking services through the SMS, Application-based solutions and USSD channels. Lack of awareness as well as standardization of procedures at banks also adds to the problems which have led to a situation of slow pick-up of mobile banking services despite the high mobile density in the country. This is of particular importance when customers are using inter-operable mobile banking platforms.

4. Thus, there is a <u>need for greater degree of standardization</u> in procedures relating to on-boarding of customers for mobile banking (new customers, existing account holders whose mobile numbers are available with the bank but not registered for mobile banking, and existing account holders where mobile number is not available with the bank), as also the subsequent processes for authentication, including accessible options for generation of MPIN by customers.

5. Banks should strive to provide options for easy registration for mobile banking services to their customers, through multiple channels, thus minimizing the need for the customer to visit the branch for such services. The time taken between registration of customers for mobile banking services and activation of the service should also be minimal.

6. A few suggestions and best practices that can be adopted by banks for registering / on-boarding customers for mobile banking, under the three scenarios indicated above, are given in the Annex.

7. Similarly, in order to quicken the process of MPIN generation and also widen the accessibility of this process to their mobile banking registered customers, banks can consider adopting various channels / methods such as

   a. Through the ATM channels (similar to option available for change of PIN on their own ATMs as well as in inter-operable ATM networks)
   b. Through an option provided in the USSD menu for mobile banking (both their own USSD platform, if any, as well as under the inter-operable USSD Platform for mobile banking)
   c. Banks' own internet banking website, with necessary safeguards
   d. Use of MPIN mailers (like PIN mailers for cards)
   e. Common website can also be designed as an industry initiative

8. Banks are also advised to undertake customer education and awareness programme in multiple languages through different channels of communication to popularise their process of mobile banking registration/activation and its usage etc.

9. This directive is issued under Section 10(2) read with Section 18 of Payment and Settlement Systems Act 2007 (Act 51 of 2007).

10. Please acknowledge receipt.

Yours faithfully

(Vijay Chugh)
Principal Chief General Manager

Suggestions / best practices for increasing the penetration (customer registration / on-boarding) of Mobile Banking

1. New Customer: at account opening time

    a. Account opening form should clearly indicate the option for mobile banking – the option for mobile banking services should be clear and distinct from the contact details of the customer where mobile number is also accepted; it should also be clearly indicated that alerts (if sent through SMS) will be sent to this registered mobile number.

    b. Customer should be made aware of the mobile banking facilities while opening the account. Further, the form should also clearly indicate that opting for mobile banking services will provide an alternate delivery channel to the customer; related inputs / materials / booklet etc. should be provided to the interested customers outlining the features of mobile banking services offered by the bank, the process involved, roles and responsibilities etc.

2. Existing Customer- Mobile numbers registered with the bank but not active for mobile banking:

As mobile number registration has already taken place and available with the bank (is linked with the account), wider and more accessible platforms should also be made use of by the banks to increase awareness on mobile banking at every opportunity to get more and more customers to register for mobile banking services. Some of the methods that can be adopted by banks for having targeted customer awareness programs could include:

    i. sending SMS / e-mails to their customers on registered mobile numbers / e-mail ids about activating mobile banking, providing necessary URLs / customer care numbers from which the customer can obtain additional information on mobile banking activation process;

    ii. ATMs and self-service Kiosks at branches can also alert the customers to activate the mobile banking options;

    iii. social media can also be used by the banks to build awareness and encourage customers to register on mobile banking;

    iv. through the internet banking website of the bank especially when the customer logs in for net banking operations (taking into account the security architecture and authentication mechanism already prevalent in the bank/s);

    v. banks can use their IVR and phone banking channels to encourage and facilitate registration and activation of customers for mobile banking;

    vi. banks can also harness the potential of inter-operable channels such as the NFS (which is widely used by customers for transacting with their cards) to provide a widely accessible channel for mobile banking registration;

3. Existing Customer- Mobile number not registered with the bank at all

Banks need to find ways of obtaining mobile numbers of the account holders first for registration in their database and subsequently for mobile banking registration. Some of the options that can be used for this purpose are:

a. Through ATM channel – an alert / message can be given (at the ATM itself) by banks when the customer transacts at the ATM, that she/he has not registered any mobile number with the bank

b. Branch visit- at teller level, when the customer comes to the teller for any cash deposit / withdrawal transaction, the customer profile should indicate that he/she has not registered the mobile number at the bank and should be asked to do so immediately

c. Similarly, at passbook printing counters / kiosks too, the customer profile should be verified for existence of mobile number and customer should be advised to register the mobile number when he/she uses the passbook printing kiosk

d. At BC level with biometric authentication.