



NPCI/IMPS/ OC No. 4/2011-12

6th May 2011

To,

All current and upcoming Member Banks of Interbank Mobile Payment Service (IMPS)

Sub: Increasing limit for transactions which are not end-to-end encrypted for Interbank Mobile Payment Service (IMPS)

Reserve Bank of India (RBI) vide its circular Ref No: DPSS.CO.No.2502/02.23.02/2010-11 dated May 4, 2011 has issued a directive on the financial transaction limit of mobile banking transactions. The limit has been increased for transactions which are not end to end encrypted from Rs 1,000.00 to Rs 5000.00 per customer per day.

All existing member banks of IMPS and new banks which join IMPS here after are requested to take note of this revised guidelines on limits and implement the limits for transactions as per the aforementioned letter with immediate effect. As mentioned in attached circular by RBI, banks may ensure to put in place adequate security measures and velocity limits based on their own risk perception for mobile banking transactions.

The copy of the approval letter from RBI vide letter is enclosed.

Thanking you,

A P Hota

Managing Director & CEO

Encl: as above



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2010-11/511

DPSS.CO.No.2502 /02.23.02/ 2010-11

May 4, 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

Mobile Banking Transactions in India - Operative Guidelines for Banks

A reference is invited to Para 125 of the Monetary Policy statement (2011-2012), the operative guidelines on mobile banking for banks dated October 08, 2008 and our circular no. RBI/2009-10/273 DPSS.CO.No.1357/02.23.02/ 2009-10 dated December 24, 2009, on the subject.

2. The users of mobile banking services and also the volume of such transactions have been steadily increasing since the introduction of this facility. As per the current instructions mobile banking transactions up to ₹ 1000/- are permitted without insisting on end-to-end encryption. Banks have been representing to the Reserve Bank to enhance the cap fixed for such transactions given the extensive use of this facility.

3. It has, therefore, been decided to increase the limit of such transactions without end-to-end encryption to ₹ 5000/- with effect from the date of this circular. Banks may ensure to put in place adequate security measures and velocity limits based on their own risk perception.

4. The directive is issued under Section 18 of Payment and Settlement Systems Act, 2007, (Act 51 of 2007).

Yours faithfully,

G. Padmanabhan
Chief General Manager