

RBI/2008-09/98  
DPSS.CO.No.144/02.23.01/2008-2009

July 22, 2008

To,

Chairman & Managing Director / Chief Executive Officers  
of Scheduled Commercial Banks (other than Regional  
Rural Banks) and Scheduled Urban Cooperative Banks

Sir / Madam,

Mobile Payments in India - Operating Guidelines for Banks

Reserve Bank of India (RBI) is in the process of finalizing the Operative Guidelines for banks on mobile payments. The Draft Guidelines were placed on RBI website and a number of comments have since been received. The comments are being compiled and after evaluation of the comments, the final Guidelines would be issued.

2. Meanwhile, it is observed that a few banks have already started offering mobile payment services to their customers without waiting for the release of RBI's Guidelines. While RBI has no objection for use of mobile channel to provide basic services such as mobile alerts for credit or debit entry, balance enquiry etc. which are in the nature of providing information, due care needs to be taken for permitting the channel for customers to initiate payment instructions. There are a number of attendant issues and therefore, banks are advised to keep on hold their mobile payment services till issuance of the final Guidelines. Banks may also dissociate themselves from any mobile based money transfer service which has not received explicit approval of RBI or not covered by any of the Guidelines issued by RBI.

Yours faithfully,

(A P Hota)  
Chief General Manager