

"Semi-closed system payment instruments which permit only payment of utility bills/ essential services / air and train travel tickets; and recurring payment of college fees, school fees, government taxes up to a limit of Rs 10,000/- can be issued without separate KYC being undertaken by the issuer. The persons issuing such instruments may ensure that these instruments are made acceptable only at institutions which maintain the full identity of the customers. The utility bills/ essential services shall include only electricity bills, water bills, telephone/mobile phone bills, insurance premium, cooking gas payments, rental for Internet/Broadband Connections, Cable/DTH subscriptions and Citizen Services by Government or Government bodies. .

3. This directive is issued under section 18, of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

4. Please acknowledge receipt.

Yours faithfully

(Vijay Chugh)
Chief General Manager