

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5174  
ANSWERED ON:27.08.2010  
FINANCIAL SERVICES ON MOBILE PHONES  
Sinha Shri Yashwant

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has any proposal to allow cellular operators and other corporate entities to offer financial services on the mobile phones;
- (b) if so, the details thereof;
- (c) whether Government has sent the proposal to the Reserve Bank of India (RBI) for approval in this regard; and
- (d) if so, the action taken by the RBI thereon?

**Answer**

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (d): A number of banks are already providing mobile banking services as per the Reserve Bank of India (RBI) guidelines. Steps are being taken to scale up the mobile facility to provide the financial services for 'no-frills' accounts opened by the banks to the micro account holders in rural areas having a mobile connection.

RBI has issued operating guidelines to banks for mobile banking transactions in October 2008, which were reviewed and further relaxed in December, 2009. Banks can extend mobile banking services any where in India subject to a one-time approval of the RBI. This service can be offered to customers subject to a daily cap of Rs.50,000 per customer for both funds transfer and transactions involving purchase of goods/services. The RBI has so far authorised 40 banks to offer mobile banking services to their customers.

For introduction of a mobile based model for delivery of basic financial services, an Inter Ministerial Group (IMG) under the Chairmanship of Secretary, Department of Information Technology (DIT) was constituted on 19-11-2009 by the Cabinet Secretariat to work out relevant norms and modalities for introduction of a mobile based delivery model for delivery of basic financial services, where TRAI and RBI were members.