

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5793
ANSWERED ON:11.05.2012
CONNECTION OF BANKS WITH EPS
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government/Reserve Bank of India (RBI) has any proposal to connect more banks to centralised Electronic Payment System (EPS);
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor and the time by which such a proposal is likely to be considered?

Answer

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

(a) to (c): The Reserve Bank of India (RBI) has initiated action to expand the membership of Centralised Electronic Payment Systems (CEPS) making more banks eligible to connect to these systems. RBI issued instructions in September, 2011 by which the access criteria to Centralised Electronic Payment Systems has been rationalized by bringing down the net worth requirement to Rs.25 crore from Rs.50 crore, thus making more banks eligible for membership of CEPS. Since April 2012, sub-membership route to Centralised EPS has also been opened to all licenced banks who were not participating in these systems on account of either not meeting the access criteria or because of cost considerations.