

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3978
ANSWERED ON:05.09.2012
QUICK REMITTANCES
Mahtab Shri Bhartruhari

Will the Minister of FINANCE be pleased to state:

- (a) whether the Indian Institute of Technology Panel on cheap and quick remittance mode has submitted its report;
- (b) if so, the details of the main recommendations of the report;
- (c) whether the Reserve Bank of India has accepted the recommendations of the report;
- (d) if so, the details thereof along with the implementation status of such accepted recommendations;
- (e) If not, the reasons therefor; and
- (f) the other steps taken / being taken by the Government/RBI to make the instant transfer of small amounts at a reasonable cost?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): Reserve Bank of India (RBI) has informed that it has not received any report from the Indian Institute of Technology Panel on Cheap and Quick Remittance Mode. However, a pilot project to popularize cash remittance has been undertaken in some bank branches in Pune.

(b) to (e); In view of (a) above> do not arise.

(f): In order to incentivise the electronic mode of transactions, Government has advised all the Public Sector Banks (PSBs) to make National Electronic Fund Transfer (NEFT) transactions up to Rs. 1 lakh free of any charges. RBI has also reduced the ceiling of NEFT charges for smaller value transactions from Rs. 5 per transactions to Rs. 2.50 per transactions for all banks. Further, vide their circular dated May 4, 2011 in respect of Mobile banking, RBI has revised the limit for transactions to Rs. 5,000/- without insisting for end-to-end encryption to make it more inclusive.