

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:111

ANSWERED ON:22.02.2013

ACCOUNT NUMBER PORTABILITY

Chitthan Shri N.S.V.;Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government / Reserve Bank of India (RBI) has constituted any panel / committee to look into the possibility of account number portability through a unique number for each customer across the country;
- (b) if so, the details thereof;
- (c) whether the said panel/committee has submitted its report to the Government;
- (d) if so, the recommendations made by the said panel / committee and the reaction of the Government thereto; and
- (e) the time by which the recommendations made by the panel / committee are likely to be implemented?

Answer

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

(a) to (e): The Committee on Customer Service in Banks constituted by the Reserve Bank of India (RBI) under the Chairmanship of Shri M Damodaran, had recommended intra-bank Account Number Portability stating that the customer should also be allowed to maintain the same account number in a bank even when he / she moves to another city or shifts his account to another branch in the same city. This recommendation has been accepted by the Indian Banks Association for implementation and RBI issued guidelines in this regard vide a circular dated April 27, 2012 whereby the banks have been advised that opening of fresh account and the Know Your Customer (KYC) fulfillment at another branch of the same bank is not required if full KYC was already done. Further, in order to safeguard the interest of the banks and the customers, RBI has advised banks for allotting Unique Customer Identification Code (UCIC) to all their individual customers in a time-bound manner.

RBI also constituted a "Technical Committee to examine uniform routing code and account number structure", which also examined the matter regarding inter-bank portability of the account number. The Technical Committee is of the view that account number portability may not be feasible even with the implementation of International Bank Account Number (IBAN) because of the two constraints, i.e. (i) Bank code is an integral part of IBAN and as such, it does not facilitate account number portability across banks (ii) even if portability of the account number is considered without the bank code, it would give rise to a scenario where the said number may already be allotted to other customer of the destination bank. RBI has hosted the Report of the Technical Committee on its website www.rbi.org.in for public comments.