

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:870
ANSWERED ON:01.03.2013
E PAYMENT SYSTEM
Ponnam Shri Prabhakar

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) proposes to include rural villages into the fold of electronic payment system;
- (b) if so, the details thereof, State/UT-wise including Andhra Pradesh; and
- (c) the time by which it is likely to be implemented?

Answer

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

(a) to (c):- Reserve Bank of India (RBI) has been facilitating the use of electronic payment products as a move towards less cash economy by issuing guidelines on Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT) and National Electronic Clearing Services (NECS), other payment systems such as Card Payments, Prepaid Payment Instruments etc., which can be used by the people in smaller towns and villages across the country including in Andhra Pradesh.

In addition, recognizing the importance of mobile phones as a medium for providing banking services in the entire country, the RBI has issued operating guidelines to banks for mobile banking transactions. The mobile banking services can also be provided by banks in the villages and small towns due to their ubiquitous nature. The RBI has authorized 77 banks (including private sector banks) to offer mobile banking services and 53 banks have already commenced mobile banking.

The National Payments Corporation of India(NPCI) also offers National Unified USSD Platform (NUP) that allows mobile banking services through USSD channel, through uniform number 99#.