**Retail Banking (CAIIB Elective)**

RBI/2018-2019/208 DPSS (CO) RPPD No.2557/04.03.01/2018-19 June 11, 2019

The Chairman / Managing Director / Chief Executive Officer of member banks participating in RTGS and / or NEFT

**National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS) systems – Waiver of charges**

Please refer to paragraph No. 8 of the Second Bi-monthly Monetary Policy Statement on Developmental and Regulatory Policies for 2019-20 dated June 06, 2019 on the above subject. A reference is also invited to the following circulars:

1. DPSS (CO) EPPD No. 2649/04.03.01/2010-11 dated June 02, 2011 on ‘Retail Electronic Payment Systems – Levy of Processing Charges’; and
2. DPSS (CO) RTGS No.1926/04.04.002/2015-16 dated February 4, 2016 on ‘RTGS service charges for members and customers - Rationalisation’.

2. The Reserve Bank has since reviewed the various charges levied by it on the member banks for transactions processed in the RTGS and NEFT systems. In order to provide an impetus to digital funds movement, it has been decided that with effect from July 1, 2019, processing charges and time varying charges levied on banks by Reserve Bank of India (RBI) for outward transactions undertaken using the RTGS system, as also the processing charges levied by RBI for transactions processed in NEFT system will be waived by the Reserve Bank.

3. The banks are advised to pass on the benefits to their customers for undertaking transactions using the RTGS and NEFT systems with effect from July 1, 2019.

4. This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act 2007 (Act 51 of 2007).

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RBI/2018-19/189 DPSS (CO) RTGS No. 2488/04.04.016/2018-19 May 28, 2019

The Chairman/Managing Director/Chief Executive Officer of member banks participating in RTGS

**Real Time Gross Settlement (RTGS) System – Extension of Timings for Customer Transactions**

A reference is invited to [circular DPSS (CO) RTGS No.492/04.04.002/2015-16 dated September 1, 2015](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10012&Mode=0) on ‘Changes in RTGS time window’ and [circular DPSS (CO) RTGS No.1926/04.04.002/2015-16 dated February 4, 2016](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10260&Mode=0) on ‘RTGS service charges for members and customers - Rationalisation’.

2. It has been decided to extend the timings for customer transactions (initial cut-off) in RTGS from 4:30 pm to 6:00 pm. Accordingly, the RTGS time window with effect from **June 01, 2019** will be as under:

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Event** | **Time** |
| 1. | Open for Business | 08:00 hours |
| 2. | Customer transactions (Initial Cut-off) | 18:00 hours |
| 3. | Inter-bank transactions (Final Cut-off) | 19:45 hours |
| 4. | IDL Reversal | 19:45 hours - 20:00 hours |
| 5. | End of Day | 20:00 hours |

3. The time-varying charges for transactions in RTGS from 13:00 hours to 18:00 hours shall be ₹ 5 per outward transaction. The time varying charges structure is as under:

|  |  |  |  |
| --- | --- | --- | --- |
| **Sr. No.** | **Time of Settlement at the Reserve Bank of India** | | **Time varying charge per outward transaction (in addition to flat processing charge) (exclusive of tax, if any)** |
| **From** | **To** |
| 1 | 08:00 hours | 11:00 hours | Nil |
| 2 | After 11:00 hours | 13:00 hours | ₹ 2.00 |
| 3 | After 13:00 hours | 18:00 hours | ₹ 5.00 |
| 4 | After 18:00 hours |  | ₹ 10.00 |

4. This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act 2007 (Act 51 of 2007).

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RBI/2018-19/138 DPSS.CO.OD.No.1916/06.07.011/2018-19 March 7, 2019

**White Label ATMs (WLAs) in India – Review of Guidelines**

Please refer to our circulars DPSS.CO.PD.No.2298/02.10.002/2011-2012 dated June 20, 2012, DPSS.CO.PD.No.1088/02.10.003/2013-14 dated November 14, 2013, DPSS.CO.PD.No.1025/02.10.003/2014-2015 dated December 5, 2014 and DPSS.CO.PD.No.1621/02.10.002/2016-17 dated December 30, 2016 prescribing the guidelines / instructions for setting up, owning and operating White Label ATMs (WLAs) in the country.

2. On a review of operations of WLAs and representations received from stakeholders, as also to enhance the viability of WLAs, it has been decided to allow the WLA Operators to : -

1. buy wholesale cash, above a threshold of 1 lakh pieces (and in multiples thereof) of any denomination, directly from the Reserve Bank (Issue Offices) and Currency Chests against full payment.
2. source cash from any scheduled bank, including Cooperative Banks and Regional Rural Banks.
3. offer bill payment and Interoperable Cash Deposit services, subject to technical feasibility and certification by National Payments Corporation of India (NPCI).
4. display advertisements pertaining to non-financial products / services anywhere within the WLA premises, including the WLA screen, except the main signboard. It shall be ensured that the advertisements running on the screen disappear once the customer commences a transaction.

3. The permission to WLA Operators to source cash from retail outlets, accorded vide circular DPSS.CO.PD.No.1621/02.10.002/2016-17 dated December 30, 2016, stands repealed.

4. Further, banks may issue co-branded ATM cards in partnership with the authorised WLA Operators and may extend the benefit of ‘on-us’ transactions to their WLAs as well.

5. All guidelines, safeguards, standards and control measures applicable to banks relating to (a) currency handling, and (b) cyber-security framework for ATMs, shall also be applicable to the WLA Operators.

6. This directive is issued under Section 10(2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

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RBI/2018-19/128 DBR.DIR.BC.No.27/13.03.00/2018-19 February 22, 2019

All Scheduled Commercial Banks (excluding Regional Rural Banks) All Small Finance Banks

**Review of Instructions on Bulk Deposit**

In terms of extant instructions, banks have been given discretion to offer differential rate of interest on the bulk deposits as per their requirements and Asset-Liability Management (ALM) projections.

2. In this connection, as announced in the ‘Statement on Developmental and Regulatory Policies’ of the Sixth Bi-monthly Monetary Policy Statement dated February 07, 2019, it has been decided to revise the definition of ‘bulk deposits’ and provide operational freedom to banks in raising these deposits.

3. Accordingly, instructions contained in Master Directions on Interest Rate on Deposits issued vide DBR.Dir.No.84/13.03.00/2015-16 dated March 03, 2016 stand amended as under:

3.1 The existing paragraph No. 3(a)(i)(i) on bulk deposit of the aforesaid Master Direction stands replaced as under:

(i) Single Rupee term deposits of Rupees two crore and above for Scheduled commercial Banks (excluding Regional Rural banks) and Small Finance Banks.

3.2 In the existing paragraph No. 4(c), the following shall be added:

The banks shall maintain the bulk deposit interest rate card in their Core banking system to facilitate supervisory review.

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RBI/2018-19/206 DBR.LEG.BC.No.47/09.07.005/2018-19 June 10, 2019

All Scheduled Commercial Banks (including RRBs), All Payments Banks, All Small Finance Banks

All Local Area Banks

**Financial Inclusion- Access to Banking Services – Basic Savings Bank Deposit Account (BSBDA)**

Please refer to our circular DBOD.No.Leg.BC.35/09.07.005/2012-13 dated August 10, 2012 on the captioned subject.

2. The Basic Savings Bank Deposit (BSBD) Account was designed as a savings account which will offer certain minimum facilities, free of charge, to the holders of such accounts. In the interest of better customer service, it has been decided to make certain changes in the facilities associated with the account. Banks are now advised to offer the following basic minimum facilities in the BSBD Account, free of charge, without any requirement of minimum balance.

1. The deposit of cash at bank branch as well as ATMs/CDMs
2. Receipt/ credit of money through any electronic channel or by means of deposit /collection of cheques drawn by Central/State Government agencies and departments
3. No limit on number and value of deposits that can be made in a month
4. Minimum of four withdrawals in a month, including ATM withdrawals
5. ATM Card or ATM-cum-Debit Card

The BSBD Account shall be considered a normal banking service available to all.

3. Banks are free to provide additional value-added services, including issue of cheque book, beyond the above minimum facilities, which may/may not be priced (in non-discriminatory manner) subject to disclosure. The availment of such additional services shall be at the option of the customers. However, while offering such additional services, banks shall not require the customer to maintain a minimum balance. Offering such additional services will not make it a non-BSBD Account, so long as the prescribed minimum services are provided free of charge.

4. The holders of BSBD Account will not be eligible for opening any other savings bank deposit account in that bank. If a customer has any other existing savings bank deposit account in that bank, he/she will be required to close it within 30 days from the date of opening a BSBD Account. Further, before opening a BSBD account, a bank should take a declaration from the customer that he/she is not having a BSBD account in any other bank.

5. The BSBD Account shall be subject to RBI instructions on KYC/AML for opening of bank accounts issued vide Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 dated February 25, 2016 on ‘Master Direction - Know Your Customer (KYC) Direction, 2016’, as amended from time to time.

6. The instructions issued on free transactions available for normal savings bank account in own-bank/other bank ATMs vide circulars DPSS.CO.PD.No.316/02.10.002/2014-15 dated August 14, 2014 and DPSS.CO.PD.No.659/02.10.002/2014-15 dated October 10, 2014 are not applicable to BSBD accounts. The minimum free withdrawals available to the BSBD Account holders can be made at all ATMs (own-bank/other bank ATMs).

7. This circular supersedes earlier instructions issued vide circulars DBOD.No. Leg.BC.35/09.07.005/2012-13 dated August 10, 2012 on ‘Financial Inclusion- Access to Banking Services–Basic Savings Bank Deposit Account’ and DBOD.No. Leg.BC.52/09.07.005/2013-14 dated September 11, 2013 on ‘Financial Inclusion- Access to Banking Services – Basic Savings Bank Deposit Account (BSBDA) – FAQs’.

8. These instructions will come into force with effect from July 1, 2019. Banks are advised to frame Board approved policy/ operational guidelines in this regard.