



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

RBI/2010-11/511  
DPSS.CO.No.2502 /02.23.02/ 2010-11

May 4, 2011

The Chairman and Managing Director / Chief Executive Officers  
All Scheduled Commercial Banks including RRBs /  
Urban Co-operative Banks / State Co-operative Banks /  
District Central Co-operative Banks

Madam/ Dear Sir

**Mobile Banking Transactions in India - Operative Guidelines for Banks**

A reference is invited to [Para 125 of the Monetary Policy statement \(2011-2012\)](#), the operative guidelines on mobile banking for banks dated October 08, 2008 and our [circular no. RBI/2009-10/273 DPSS.CO.No.1357/02.23.02/ 2009-10 dated December 24, 2009](#), on the subject.

2. The users of mobile banking services and also the volume of such transactions have been steadily increasing since the introduction of this facility. As per the current instructions mobile banking transactions up to ₹ 1000/- are permitted without insisting on end-to-end encryption. Banks have been representing to the Reserve Bank to enhance the cap fixed for such transactions given the extensive use of this facility.

3. It has, therefore, been decided to increase the limit of such transactions without end-to-end encryption to ₹ 5000/- with effect from the date of this circular. Banks may ensure to put in place adequate security measures and velocity limits based on their own risk perception.

4. The directive is issued under Section 18 of Payment and Settlement Systems Act, 2007, (Act 51 of 2007).

Yours faithfully,

G. Padmanabhan  
Chief General Manager