



**Bombay Chamber Recommendations on Comments on the Draft Payment  
System Vision Document 2012-15**

The Bombay Chamber of Commerce & Industry appreciates the efforts of the RBI to encourage the use of electronic transactions. We are pleased to set forth below a few comments and suggestions in relation to the above mentioned vision document. We do hope RBI will find the suggestions helpful and constructive.

(1) Cheque Transaction

Request to set up a target of one year for T+1 clearing of any instrument presented in 1100 clearing houses. This can be accomplished by use of speed clearing and CTS with service bureau approach at all the 1100 clearing centres. By 2013 T+1 settlement of cheques may be possible irrespective of location in the entire country.

(2) Legal Tender status for payments above Rs 1000 through Electronic Payments (EP)

If RuPay has to be a legal tender, it should carry universal acceptance. According legal tender status and offering EP credits as incentives will help promotion of electronic payments.

(3) Set up a consortium of stakeholders including Merchant Bodies, Post Office, Pre-Paid card issuers, Payment processors, Payment & Settlement Institutions etc to roll out RuPay.

(4) RuPay should be characterized as "pre-paid" card in addition to a mobile number and bank account.

(5) Unlike bank account number, which is confidential, RuPay card number like GIRO account number should be public and can be designated to receive money. This solves the

bank account number portability issue. Biometric ID verification/use of password will ensure security for its use by first time users, even when the card number is public.

(6) Add on cards would facilitate remittance service to dependents/family etc and use of card by messenger driver etc without resorting to cash. Use of add on card can be monitored by the Principal card holder through mobile alerts. Interactive SMS would enable approval of exceptional transactions by the principal.

While alternative electronic channels should be set up and encouraged, it should be left to market force to adopt the channels that works for them.

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