

7. New Projects / Major Initiatives

7.1 Major projects intended to be pursued would include -

- **Implementing a new and feature rich RTGS system** – The need to migrate to a new version of RTGS that could leverage on advancements in technology, provide for scalability in volumes, parameterise more features in line with similar facilities available in other countries, result in more flexibility in operations, better liquidity saving features, etc., would be pursued.
- **India MoneyLine – A 24x7 system for one-to-one funds transfers** – The existing NEFT system operates during weekdays from 9 am to 5 pm and on Saturdays from 9 am to 12 noon. The Bank would pursue the suggestion to consider the need to extend NEFT to function on a 24x7 basis or to develop a new system akin to the Faster Payments Service in the UK which operates on a 24x7 basis.
- **India Card – A domestic card initiative** – The concept of a domestic payment card (India Card) and a PoS switch network for issuance and acceptance of payment cards would be looked into. The need for such a system arises from two major considerations (a) the high cost borne by the Indian banks for affiliation with international card associations in the absence of a domestic price setter and (b) the connection with international card associations resulting in the need for

routing even domestic transactions, which account for more than 90% of the total, through a switch located outside the country.

- **Redesigning ECS to function as a true Automated Clearing House (ACH) for bulk transactions** – Currently, Local ECS (to facilitate bulk electronic transactions with one-to-many and many-to-one variants) is operational at 76 centres. Centralisation of this process is already underway with the launch of credit variant of NECS at Mumbai (and RECS on a pilot basis). The debit variant is also being planned for implementation. The ECS / NECS solution is internally developed and has been in use since long and the need for building a technology and feature-rich ACH network by totally redesigning the existing ECS to provide end-to-end processing in a straight-through manner would be examined.
- **Mobile payments settlement network** – Mobile phones are expected to emerge as an important channel for transmission of payment instructions. Efficient mobile payments would require real time transfer of funds with adequate security. Currently all inter-bank mobile transfers are payment instructions for settling funds through existing payment systems. This would require building a national infrastructure for facilitating real time mobile payments.

The India MoneyLine, India Card, ACH and Mobile payments settlement network initiatives would be taken forward in co-ordination with the NPCI.