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**PRESS RELATIONS DIVISION**, Central Office, Post Box 406, Mumbai 400001  
Phone: 2266 0502 Fax: 2266 0358, 2270 3279

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**RTGS coverage exceeds 10000 bank branches**

The coverage of the Real Time Gross Settlement (RTGS) System exceeded the target of ten thousand bank branches in the country. Thanks to the aggressive strategies of the participating banks, the target was achieved six months ahead indicating thereby the popularity of the funds transfer service. It may be recalled that the RTGS System was introduced in March 2004 with just four bank branches on a pilot basis only for inter-bank transactions. Subsequently customer transactions were also included. Now RTGS membership includes 94 banks, Reserve Bank and 14 Primary Dealers.

The system facilitates fund transfer between identified branches of banks on a real time basis i.e. instantaneously. Banks are required to include only those branches which are connected through the network and capable of receiving messages on a real time basis. One of the requirements of the system is that the receiving banks should return the transactions within two hours of receipt of the transactions if the funds cannot be applied for any reason. Thus, a customer sending funds through RTGS system at 11.00 a.m can expect the beneficiary's account to be credited positively by 1.00 pm, if not earlier. It is seen that most of the banks apply credit to the account holders immediately.

Coverage of ten thousand branches in the country is an important milestone in building an efficient and stable payment system infrastructure in the country. These ten thousand branches are spread over 450 centres throughout the country. Though the concentration of branches is at top 25 major centres, even smaller towns in all the states are covered under RTGS. It has truly become a National Payment System.

While the spread of RTGS facility is increasing each day, focus is now shifted on increasing the traffic. Presently, around six thousand transactions for aggregate value of Rs.50,000/- crore are processed daily. The information relating to service charges levied by banks for RTGS fund transfer service has been placed on RBI website.

**G.Raghuraj**  
Deputy General Manager

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