



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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August 12, 2011

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

Madam / Dear Sir,

Discretion to customers for selection between RTGS and NEFT

As you are aware, RTGS and NEFT are two important pan-India payment systems introduced by Reserve Bank of India keeping in mind the requirements of various customers in the wholesale and retail payment systems segment. Both these systems have distinct objectives and unique features in terms of the time criticality of payments, threshold value of transactions, mode of settlement etc. As such, the charges levied for transactions in the two systems are also different. The customers in turn, should be empowered to exercise the choice between these two systems depending upon their requirements.

2. In view of the above, we reiterate that all the participating banks should provide the option to the originating customer to choose between these two modes at the time of initiation of the funds transfer. The option should be made available to all the customers who may originate remittance either at the branch or through internet or any other means. The funds are to be transferred necessarily through the option chosen by the customer.

3. Please ensure compliance.

Yours faithfully

(G. Srinivas)
General Manager