



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2013-14/461

DNBS(PD).CC. No 368 /03.10.01 /2013-14

January 24 , 2014

All Non Banking Financial Companies

Dear Sirs,

Prepaid Payment Instruments issued by Non-Banking Institutions

Non-banking institutions (NBIs) are allowed to issue prepaid payment instruments (PPIs) and collect money in this behalf from the customers, subject to authorisation under the Payment and Settlement Systems Act (PSS Act), 2007. As this function involves providing payment service, and is regulated under the PSS Act by the Reserve Bank of India, it has been decided to exempt NBIs from the provisions of the Chapter III B of the RBI Act, 1934, with respect to the money received by them for issue of PPIs.

2. Notification of date in this regard is enclosed.

Yours faithfully,

(N. S. Vishwanathan)
Principal Chief General Manager

**RESERVE BANK OF INDIA
DEPARTMENT OF NON-BANKING SUPERVISION
CENTRAL OFFICE
CENTRE I, WORLD TRADE CENTRE
CUFFE PARADE, COLABA
MUMBAI 400 005**

Notification No.DNBS. 273 /PCGM (NSV)-2014 dated January 24 , 2014

The Reserve Bank of India, on being satisfied that it is necessary so to do, in exercise of its powers conferred by section 45 NC of the Reserve Bank of India Act, 1934 (2 of 1934) hereby declares that the provisions of Chapter III B of that Act shall not apply to a non-banking institution which is authorised to operate a payment system and to issue prepaid payment instruments under the Payment and Settlement Systems Act, 2007 (51 of 2007).

2. This exemption shall be limited and restricted to money received by such non-banking institution for issue of prepaid payment instruments.

(N. S. Vishwanathan)
Principal Chief General Manager