



ALL INDIA REGIONAL RURAL BANK OFFICERS' FEDERATION
(Affiliated to AIBOC)

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They is not the limit, we cover it...



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Dated: 16-03-2022

All Affiliates/ Members
(Please re-circulate)

Dear Comrades,

Introduction and implementation of Unified Payments Interface platform in Regional Rural Banks.

We reproduce hereunder the full text of our Letter No. AIRRBOF/**14**/2022 dated 14.03.2022 originally addressed to **The Deputy Governor, Reserve Bank of India with a copy to The Additional Secretary, DFS, GoI and The Chairman, NABARD** regarding the captioned subject for information of all concerned.

With greetings,

(Srijan Kumar Pal)
General Secretary



Quote

Shri M K Jain

The Deputy Governor
Reserve Bank of India
Head Office
Mumbai

Respected Sir,

Sub: Introduction and implementation of Unified Payments Interface platform in Regional Rural Banks.

Currently, banking is primarily technology driven and customer oriented. Customer satisfaction remains a priority. Therefore, application of latest technological tools in all spheres of banking is absolutely essential for the continued growth and survival of every banking institution.

The situation in the RRBs is therefore a matter of concern. Barring a handful, the RRBs have not been able to induct modern technology in respect of financial transactions. Though RRBs have achieved a legendary status in respect of development banking and in rural finance, the advantage and head start are being severely eroded and lost in absence of mobile banking or digital banking platforms.

Unified Payments Interface affords features which were unheard of even a few years ago. Most of the major banks are alive on this platform and the younger generation customers are lured by the charm and ease of this unique platform. RRBs, in view of their small size, financial constraints and lack of proper technological infrastructure, have largely remained outside this platform. Introduction of UPI in RRBs is not only a technologically complex procedure but also a very expensive proposition. Since the very existence and continuation of the RRBs is at stake, we feel that the regulatory authorities should take appropriate measures for introduction and implementation of UPI in RRBs. Beginning from the selection of vendors to implementation, validation and linkage with NPCI, there should be handholding at every stage. For reduction of financial load in individual RRBs, negotiation with and finalization of a single vendor for all RRBs may also be considered. Further, for fraud detection and prevention, it may be necessary to strengthen and technologically equip the existing IT teams in individual RRBs to build robust structures to handle all exigencies.

In order that the RRBs are not hamstrung in their performance owing to lack of UPI platform, may we therefore urge upon your kind self to advise and guide the managements of the RRBs suitably for introduction and implementation of UPI, preceded by obtainment of mobile banking license, upgradation of network connectivity,



accelerating the pace of ATM card issuance to the existing customers and fulfilling other statutory and operational requirements.

We, All India Regional Rural Bank Officers' Federation, the largest federation of serving officers in RRBs, are deeply concerned over the lackadaisical and apathetic attitude of the some managements of RRBs towards embracing the latest technological advancements in the national banking scenario and earnestly hope that the regulatory authorities would take all necessary measures to ensure that these eminent institutions (RRBs) are not crippled for lack of foresight and will.

With regards,

Yours faithfully,

Sd/-

(Srijan Kumar Pal)
General Secretary

Unquote

