Payments banks: The unfinished agenda (November 2016)

The figure indicates efforts required to implement suggestions

- Allow Digital submission of documents
- Allow sharing of customer KYC details between unrelated entities
- Allow consent through OTP in e-KYC
- Allow opening of current accounts for small merchants based on individual KYC
- CKYCR to collect only relevant information and allow submission in convenient format
- Discontinue the requirement to quote PAN/submit form 60
- Replace the product approval requirement with prior intimation

High

- Harmonisation of KYC across sectors
- Adequate monitoring & red flagging of suspicious transactions
- Adequate monitoring to prevent anti-competitive conduct
- Allow maintaining a pool account for excess deposits, in addition to arrangements with universal banks
- Prevent anti-competitive conduct in utility bill payment market
- Facilitate limited access to application programming interface between OVD issuing government departments and banks
- Periodic review of end of day customer limit and revision through tools like Regulatory Impact Assessment
- Create single window clearance and reporting mechanism for cross-selling
- Improve coordination between different regulators to prevent issuing conflicting regulations and imposing avoidable costs

Medium

- Allow interest differentiation
- Allow offering of time and recurring deposit services
- Allow obtaining AD - CAT I license
- Allow opening of bank accounts for universal banks when acting as BCs for universal banks
- Clarify conditions for operating as BCs/agents for NBFCs
- Mandate a capital adequacy ratio similar to universal banks
- Replace the access point approval requirement with prior intimation
- Allow BCs of payments banks to offer services in internet dark zones
- Harmonisation of KYC across sectors
- Adequate monitoring & red flagging of suspicious transactions
- Prevent anti-competitive conduct in utility bill payment market

Low