



**Minutes of the 6<sup>th</sup> Executive Committee (EC) Meeting of Mobile Payment Forum of India held on July 27, 2010 (Tuesday) at 6:15Hrs at Hotel Orchid, Mumbai.**

August 8, 2010

The 6<sup>th</sup> Meeting of the EC of Mobile Payment Forum of India (MPFI) was held on July 27, 2010 at Hotel Orchid, Mumbai from 6.15 p.m. to 8.15 p.m. The meeting was well attended by 20 members (12 Executive Members including 4 on Teleconference and Other Invitees listed in Annexure-1). The following 4 EC Members Sri.Sachin Khandelwal (ICICI Bank), Sri.Sudhir Gupta (TRAI), Dr.A.K.Chakravarthi (DIT, MCIT) and Sri.Pankaj Sethi (TTSL) could not join the meeting.

The important agenda items were: Review and action on the important resolutions of the 7th. MPFI meeting held at IDRBT, Hyderabad on April 17<sup>th</sup> 2010, MPFI Financial statement and audit reports approval, Amendment of Society By-laws, Honoring 3 Individual members every year, Status and Issues on the Pilot of Inter-bank Mobile Payments with NPCI Switch, which were deliberated and the following decisions taken.

<b>S.No</b>	<b>Major Points</b>	<b>Discussion and Action Points</b>	<b>Further Action to be taken by</b>
1.	Preparation of detailed document on modified Inter-operability Standard Guidelines.	<ol style="list-style-type: none"> <li>1. IIT Madras and the Technical Committee would revise the document based on the learning's of the Pilot and circulate to all the members in advance for discussion during the next MPFI Meeting.</li> <li>2. The repeated doubts arising among some members regarding the scope of interoperability of Mobile Payments is clarified as follows: As per MPFI, A Mobile Payment Application or service is considered inter-operable, if any customer using the application with a bank and a telecom service provider can transfer money through the mobile phone to a customer of any other bank using any other telecom service provider using any other Mobile Payment Application. In essence, the solution is to be Bank, Telco and Vendor agnostic, and must ensure fund transfer at least for being certified to comply with MPFI Interoperability standard.</li> <li>3. The Chairman's proposal of KPMG volunteering to work with MPFI to jointly release a document on frauds related to Mobile Banking and back end</li> </ol>	<p>IIT-Madras &amp; Technical Committee</p> <p>All members</p> <p>Chairman and Technical Committee</p>

		systems has been approved. It is suggested to refer the RBI Document on Frauds.	
2.	MPFI to request RBI on behalf of Banks to enhance the amount of limit for mobile payments without the use of encryption.	<ol style="list-style-type: none"> <li>1. In the 7th. MPFI meeting it was resolved to approach RBI to allow payments up to Rs. 5000/- without the use of encryption</li> <li>2. Chairman requested the banks to send the data regarding the number of transactions taking place through mobile phones with different ranges of value, for example, between the ranges from Rs. 0 to 1000, Rs.1000 to 2000, and Rs.3000 to Rs. 5000 and beyond. This would help in presenting a case to request RBI for enhancing the present limit.</li> <li>3. Banks may however prescribe their own limits within the RBI ceiling.</li> <li>4. Member Banks to provide the necessary details on a priority basis to the Chairman.</li> </ol>	All Banks and Telcos
3.	MPFI IIT-M Certification Lab should form a group and make a study on the technology which is secure, end to end encrypted and which is not. This group may also look into how to put mobile applications on different kinds of cell phones	The Technical Sub-Committee (TSC) formed with the following member Institutions - State Bank of India, ICICI Bank, Comviva, Mchek Tata Teleservices, IIT-Madras and IDRBT has been approved. It is suggested to consider the differentiation between frauds & authentication and security. The TSC needs to circulate a draft on <b>Security standards for Mobile Payments in India</b> around mid August 2010 for comments. If needed the TSC may present to a select group including the Chairman before finally presented in the General body Meeting of MPFI.	Technology Sub-Committee on Security of Mobile Payments in India
4.	MPFI's view and suggestion on UID based payments transactions.	<ol style="list-style-type: none"> <li>1. When implemented and operational UID (Unique Identification) Number provided by UIDAI can be used to open a bank account for an Indian citizen.</li> <li>2. MPFI resolved that for account opening, banks can use the UIDAI's authentication service as an option, although it's not mandatory. Similarly, for transactions, banks may use their own authentication service and/or use</li> </ol>	Banks

		<p>UIDAI's authentication service as per the bank's choice.</p> <p>3. For the mobile payment transactions, Banks need not use UID authentication for every transaction and could continue to use m-PIN, MMID or voice – print.</p> <p>4. Banks may choose to use UID options for transactions above certain value.</p>	Telcos
5.	Issues concerned with Telco retailers as BC (banking Correspondents)	<p>1. Chairman has suggested that the Banks and Telcos should come forward and start an initiation to work on this issue.</p> <p>2. It is approved to form a Committee consisting of Dr. Ashok Jhunjhunwala, Telcos (Vodafone, Airtel, Relaince and Tata Teleservices) and Banks (SBI, ICICI Bank). It would bring out a report on the mutual concerns and issues related to (i) criteria of selecting the Telco Retailers as BC for Financial Inclusion, (ii) management of the Telco retailers, scalability and risks to be considered (ii) Uniform affordable tariff for Mobile Payment transactions etc.</p> <p>3. It has been decided that the Meeting is to be organized by Mr.Rajesh Dongre.</p>	<p>All Banks and Telcos</p> <p>Banks and Telcos</p> <p>Mr.Rajesh Dongre and Chairman</p>
6.	Loading of the Mobile Payment Application on the Customers Mobile Phone.	<p>1. Chairman recommended the Telcos to provide the mobile payment application to be downloadable by the customers at free of cost.</p> <p>2. Telcos to give the necessary information and feedback regarding the same. If any issue, the Chairman can request and write to the Chairmen of all Telcos and TRAI for encouraging mobile payments in mass scale with low cost for the customer.</p> <p>3. It has been decided that when the technology provider provides an application to the bank, if the customer comes to the bank for registration whose phone does not have GPRS connection, it is recommended that for that particular customer, the Telcos may open the GPRS for particular period of time so that the application will be loaded on to the customers mobile and this can be done by charging some amount to the customer</p>	<p>Telcos</p> <p>Telcos, TRAI and Chairman</p>

7.	Amendments to the MPFI Society By-laws as suggested by the Auditor	<p>As per the Auditor's suggestion for 12-A Registration (Income Tax) the following have been approved :</p> <p>1. To add in the MPFI Society By-Laws document-II, Under Functions of the Executive Committee and Office Bearers:</p> <p>13.2 (b): "The accounts of the Society should be audited by a Chartered Accountant every year and the Income Tax returns should be filed."</p> <p>6.4 (iv): "The objects and the provisions of the Society are to be strictly carried out as given herein, but if at any time the trustees unanimously decide to amend, enlarge and/ or alter or add to the objects and provisions of the trust deed, they shall be competent to do so, however that the objects of the trust shall always and shall forever remain public charitable in nature."</p> <p>8.4: The investments of MPFI are to be made under the provisions of Section 11(5) of the Income Tax Act.</p>	<p>Executive Committee and all members</p> <p>Treasurer and Executive secretary</p>
8.	Audited Financial Statement for 2009-2010 and proposed budget for 2010-11.	<p>1. The Audited Annual financial statement of MPFI for the period up to March 31, 2010 has been approved. (Annexure-2).</p> <p>2. The proposed budget for 2010-2011 has been approved (Annexure-3).</p> <p>3. The auditor advised to apply for exemption of Income Tax for MPFI with a request of condonation of delay for the Year 2009-10. If not acceptable, MPFI may be required to pay Income Tax of Rs. 5.5 lakhs approximately. This has been approved.</p>	Auditor , Treasurer and all members
9.	MPFI Annual Awards	<p>1. The proposal of Dr.V.N.Sastry to honour 3 individual members every year during the Annual GBM of MPFI for extraordinary contributions in the Mobile Payments Area has been approved.</p> <p>2. A Committee to be constituted by the Chairman and Co-Chairman to define</p>	<p>All members</p> <p>Chairman and Co-Chairman</p>

		the modalities, criteria, scope, form of award, evaluation process, etc.	
10.	Pilot on Inter-bank Mobile Payments	<ol style="list-style-type: none"> <li>1. To begin with, four Banks (SBI, ICICI Bank, Union Bank, Bank of India) have decided to start the pilot. They would use the NPCI switch and settlement through CCIL in the pilot.</li> <li>2. Chairman informed that he had written to RBI and they had indicated that they would be ok with it, and that NPCI should formally approach them. NPCI has reported that the approval from RBI for Mobile Clearing House and the process of pilot has been obtained. It was informed that the soft launch with 4 banks and their customers would be done starting on Aug 10, 2010 and would be completed by the end of August 2010. The representative banks assured their readiness and commitment for the pilot and subsequent roll out. The commercial service could then start on September 1. Four more banks would join soon after.</li> <li>3. It was suggested to name the 7 digit number to be used by the customer for Mobile Payments. The 7 digits comprise of the BIN (Bank identification Number: 4 digits) plus the MAS (Mobile Account Selector : 3 digits). After deliberation on various terms coined such as MVV, MTI, MID, MMID, MBN etc. it was finally decided to name it as <b>MMID</b> and the same has been approved.</li> <li>4. The Chairman recommended the pilot phase should also be practiced with the real customers. The chairman emphasized the importance of making such mobile transactions highly affordable to the customer keeping in mind the low value transactions in high volumes that would emerge. The banks agreed that the pricing would be such, so as to get to 100K transactions very quickly.</li> <li>5. The Chairman also asked the banks involved in the pilot phase to explore the possibility to make a payment from internet banking by giving Mobile number and MMID. This would enlarge the scope of Mobile Payments through</li> </ol>	Banks, Technical Committee

		<p>Internet banking channel using mobile phones. Banks agreed to it.</p> <p>6. It was agreed to have a public event for launch sometime in September, once the pilot matures. It was also suggested that the FM could be invited to launch. The members agreed to share the cost of such event.</p>	<p>Communications and Events Committee.</p>
11.	<b>Next MPFI Meeting</b>	<p>It was suggested In the 7<sup>th</sup> meeting of MPFI to have the 8<sup>th</sup> General Body Meeting of MPFI at Mumbai. SBI has been suggested to organize and host the same.</p>	<p>SBI &amp; Communications and Events Committee</p>

**Dr.V.N.Sastry**

**Executive Secretary-MPFI**

**Dr.Ashok Jhunjunwala**

**Chairman-MPFI**

**Aug 9, 2010**

**Annexure-1**  
**MOBILE PAYMENT FORUM OF INDIA (MPFI)**

**Executive Committee Meeting of MPFI at Hotel Orchid, Mumbai on 27 July, 2010**

<b>S.No.</b>	<b>Designation</b>	<b>Name</b>	<b>Organization &amp; Contact No.</b>
1.	Chairman	Dr.Ashok Jhunhunwala	RTBI, IIT – Madras (M): 98400 16781
2.	Co-Chairman	Dr.R.B. Barman	RBI, Mumbai (M): 98200 59122
3.	Executive Secretary	Dr.V.N.Sastry	IDRBT (M): 94408 03813
4.	Executive member	Mr.Manish Gupta	Citi Bank (M): 98203 51293
5.	Executive Member	Mr. Rajesh Dongre	Vodafone (M): 98280 96000
6.	Executive Member	Mr.Dewang Neralla	Atom Technologies (M):9930268050
7.	Executive Member	Mr. Sanjay Swamy	UID (M): 99800 88574
8.	Executive Member	Mr. Sunil Kulkarni	Oxigen Infovision (M): 98111 00048
9.	Treasurer	Mr.Kajal Ghose	State Bank of India (Tel):022-22741210
10.	Executive Member	Mr. Rajeeb Chatterjee	HDFC (M): 93224 08061
11.	Executive Member	Mr.Sourabh Jain	ngpay (M): 98451 52973
12.	Executive Member	Mr. Sriram & Ms. Neha Gupta	Bharti Airtel (M): 9560121212
13.	Special Invitee	Shri G.Padmanabhan	RBI
14.	Special Invitee	Shri A P Hota	NPCI
15.	Special Invitee	Ms. Rani santhanam	ICICI
16.	Special Invitee	Mr. Dilip Asbe	NPCI
17.	General Body member	Niranjan Gosami	Atom Technologies
18.	General Body Member	M. Agarwal	SBI, Mumbai
19.	General Body Member	M. Balakrishnan	NPCI
20.	General Body Member	Rajesh Prasad	NPCI