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**RESERVE BANK OF
INDIA**

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RTGS System goes Live

The Real Time Gross Settlement (RTGS) System was put in live operations from 9.00 am today. For the time being inter-bank transactions are being put through and the customer related transfers will be enabled in due course.

After about two weeks, other banks/primary dealers will join the System in a phased manner. Depending on their full technical and other preparedness, eligible participants will join the System at an interval of a week. It is expected that all prospective RTGS participants will join the System in about three months.

It may be recalled that as a part of payment system reforms, the Reserve Bank of India had initiated several measures to reduce risks, especially settlement and systemic risks, in payment systems. Prime among these initiatives is the Real Time Gross Settlement (RTGS) System for settling inter-bank transactions on transaction by transaction (i.e., gross) basis, in an online at real time mode. Trial run of the RTGS System was held for about two months with the participation of four banks. During this period, as a measure of abundant caution, the RTGS system, the policies, procedures, security and other aspects were also subjected to a review by an external group of experts.

More information on RTGS is available at the Real Time Gross Settlement System link on the Reserve Bank of India's home page.

**P.V. Sadanandan
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