



F.No. 110/IFSCA/Banking Regulation/2022-23/3

August 25, 2022

**To,
All Banking Units**

Dear Sir/Madam,

Subject : Issuance of Debit Cards by IFSC Banking Units (IBUs)

1. In exercise of powers conferred on it by under section 35A of the Banking Regulation Act,1949 and section 13(1) of International Financial Services Centres Authority Act, 2019, the Authority issues following directions for the issuance of Debit cards by IBUs.
2. Debit Card is a physical or virtual payment instrument containing a means of identification, linked to a Saving Bank/Current Account which can be used, subject to prescribed terms and conditions, to :
 - i. withdraw cash
 - ii. make online payments
 - iii. undertake PoS terminal transactions, fund transfer, etc.
3. Conditions for issuing Debit card by IBUs
 - i. IBUs may issue Debit cards to their customers holding a Current or Savings account with them.
 - ii. Withdrawal of cash in IFSC, using Debit cards issued by IBUs, is not permitted. Withdrawal of cash using Debit cards issued by IBUs, in jurisdictions outside IFSC, is permitted subject to the rules and regulations of the said jurisdiction.

- iii. All other transactions including making online payments, undertaking PoS transactions, funds transfer etc. using Debit cards issued by IBUs is permitted.
 - iv. Debit cards issued by IBUs to a person resident in India shall not be used for accessing funds (through whatever means) from the bank accounts, if any, held by such person in the domestic territory.
 - v. IBUs shall ensure that transactions permitted to be undertaken through Debit cards issued to persons resident in India are compliant with the requirements of the Foreign Exchange Management Act, 1999.
4. These directions shall be incorporated in the IFSCA Banking Handbook during the next amendment/updation of the Handbook.

Yours faithfully

(Raghuraman Kumar)
Head-Banking