**PREVENTION OF CYBER CRIMES AND FRAUD MANAGEMENT**

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| **Sr. No.** | **RBI Notifications** |
| 1 | Master Direction on Outsourcing of Information Technology Services |

**Master Direction on Outsourcing of Information Technology Services**

RBI/2023-24/102
DoS.CO.CSITEG/SEC.1/31.01.015/2023-24

April 10, 2023

The Chairman/Managing Director/Chief Executive Officer
Scheduled Commercial Banks (excluding Regional Rural Banks);
Local Area Banks; Small Finance Banks; Payments Banks;
Primary (Urban) Co-operative Banks;
Non-Banking Financial Companies;
Credit Information Companies; and
All India Financial Institutions (EXIM Bank, NABARD, NaBFID, NHB and SIDBI)

Madam/Dear Sir,

**Master Direction on Outsourcing of Information Technology Services**

Regulated Entities (REs) have been extensively leveraging Information Technology (IT) and IT enabled Services (ITeS) to support their business models, products and services offered to their customers. REs also outsource substantial portion of their IT activities to third parties, which expose them to various risks.

2. In order to ensure effective management of attendant risks, the [Statement on Developmental and Regulatory Policies dated February 10, 2022](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53248), proposed the issuance of suitable regulatory guidelines on Outsourcing of IT Services. Accordingly, a draft Master Direction on Outsourcing of IT Services was released for public comments in [June 2022](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53911). Based on feedback received, the finalised Reserve Bank of India (Outsourcing of Information Technology Services) Directions, 2023 are [enclosed](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12486&Mode=0#MD) herewith.

3. The underlying principle of these Directions is to ensure that outsourcing arrangements neither diminish REs ability to fulfil its obligations to customers nor impede effective supervision by the RBI.

4. With a view to provide REs adequate time to comply with the requirements, the enclosed Directions shall come into effect from October 1, 2023.

Yours faithfully,

(T.K.Rajan)
Chief General Manager

Encl: Reserve Bank of India (Outsourcing of Information Technology Services) Directions, 2023

More details can be referred to in the below link.

Reference Link: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12486&Mode=0>