

NPCI/2018-19/AEPS/016

Date: 27<sup>th</sup> March'19

To

All the member of National Financial Switch

**Circular on implementing the control measures against split transactions NFS (MATM)**

NFS offers the facility of Cash withdrawal through MICRO ATM using Card + PiN. It is understood that Acquirer Bank shares some portion of interchange income to its BC partners.

During the past few months we observed there is an increase in number of transactions per card for few BC points. The analysis of February month is given below

Transactions Range	Unique Card
31 - 50	266
51 - 100	71
101 and above	31

From the above data, it is evident that in order to earn more revenue, few of BC partners are splitting the single transaction amount to multiple transactions.

In order to control split transactions, we recommend issuer bank to implement per user, per day & per month, volume and value based transactions limits as per their risk appetite and by abiding the guidelines provided by Regulators. Issuer banks are advised to submit the rules implemented at their end in the format attached in the Annexure I by 15<sup>th</sup> April, 2019. Whenever member banks update the rules, they have to notify NPCI about the same.

Also, to prevent NFS (Micro-ATM) ecosystem from Misuse NPCI will keep transactions frequency as 5 successful Cash withdrawal transactions per Cardholder (in a span of 24 hours, where timestamp of 1st transaction is considered as start time) and may decline the transactions if the limit is breached. We will move the frequency limit in phase manner and intimate the Issuer bank accordingly.

With Warm Regards,

  
Vishal Anand Kanvaty  
SVP - Innovation & Product

**Annexure I**

Bank Name	Per Day Limit		Per Month Limit	
	In terms of Number of Transactions [Through NFS - MATM]**	In terms of Value of Transactions [Through NFS - MATM]**	In terms of Number of Transactions [Through NFS - MATM]**	In terms of Value of Transactions [Through NFS - MATM]**

\*\*Banks have to respond with “61” response code when the above mentioned limits are breached.

Member banks have to submit this annexure on the letter head addressing to:-

Head- Product Development (AEPS)  
National Payments Corporation of India  
3<sup>rd</sup> Floor, Raheja Titanium,  
Off Western Express Hwy,  
Geetanjali Railway Colony, Ram Nagar,  
Goregaon East,  
Mumbai-400063

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