

NPCI/NFS/OC No.187/2015-16

30th November, 2015

To,

All Members of National Financial Switch

Dear Sir/Madam

RuPay Card - First usage

We understand that some of the banks mandate first time debit card usage to be at Bank's own ATM / other banks ATM and only thereafter the debit card can be used at PoS or for the eCommerce transaction. This practice is to ensure that first transaction should be done using the PIN, since card & PIN are dispatched separately to the customers.

It is observed that a large number of RuPay transactions at PoS are getting declined with Reason Code 01 (invalid transaction) as the first transaction was not carried on the ATM. The matter was deliberated in the RuPay and NFS Steering Committee meeting held on 28th July 2015. In the meeting, it was given to understand that few banks have already removed the validation of first time debit card usage at their own/ other banks ATM and are allowing first transaction on PoS as well. This practice has evolved since PIN at PoS is already implemented and it also ensures that PIN is used for the first transaction.

Post deliberation the members in both NFS and RuPay Steering Committee agreed that such restriction can be removed as PIN is now mandatory at PoS and it helps addressing customer convenience. In this regard, we request all members to consider removing the validation of first time debit card usage at their own/ other banks ATM and allow first time debit card usage at either PoS or ATM.

For any queries or clarifications, please contact Mr. Amit Bhatnagar (amit.bhatnagar@npci.org.in / 8879772861).

Yours Sincerely,



Dilip Asbe
Chief Operating Officer



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