GUIDE TO
ON-BOARDING
AND
OFF-BOARDING
OF MEMBER BANKS AND INSTITUTIONS.
**NPCI - an introduction**

India has a far-reaching vision to uplift and transform its economic environment. Key to this objective has been a collaborative approach with banks, financial institutions and other stakeholders in creating a unified financial ecosystem for the country that is flexible and democratizes banking services to all sections of Indian society.

To drive this objective, the National Payments Corporation of India (NPCI) was set up as the umbrella organisation to operate retail payments and settlement systems in India. An initiative of the Reserve Bank of India (RBI) and Indian Banks’ Association (IBA), under the provisions of the Payment and Settlement Systems Act, 2007, the mandate of NPCI is to build the modern payment and settlement infrastructure India requires.

**Objective of this document**

Members and NPCI are guided by the procedural guidelines (of each NPCI product) for suspension or termination of membership of a bank or institution for any one or more of the products or services offered by NPCI. This document has been created as a guide to the on-boarding and off-boarding process for member banks and institutions that participate in the NPCI ecosystem.

It will enable members to initiate on-boarding request, which can be tracked till production Go Live or to guide off-boarding.

It is therefore recommended that members ensure that all key personnel within their organisations are well-versed with the processes as defined in this document. This will ensure smooth deployments, internal operations and compliance requirements across the network.
Roles and responsibilities

NPCI
NPCI is the owner, network operator, service provider, and coordinator of all products and services in the NPCI network. As such, NPCI reserves the right to on-board or off-board members and stakeholders who may not fulfill all the rights, duties and obligations as laid down for their participation in the NPCI network. NPCI will follow the established procedures for on-boarding or off-boarding as laid out in the detailed NPCI product guides as well as defined in this process guide.

Member On-boarding
Members who on-board for various NPCI products need to be authorised by RBI under the Banking Regulations Act 1949. The member bank or institution should comply with all the NPCI Procedural Guidelines (as specified for the applicable NPCI product) and follow all certification requirements, operating and risk guidelines and circulars issued by NPCI from time to time.

Member Off-boarding
In cases of off-boarding of member from individual NPCI products or network, it is the responsibility of the member to provide the relevant documents needed for the off-boarding process as per the NPCI procedure for the product or service applicable.

Off-boarding Turn Around Times (TAT)
1) On specific direction by a regulator/competent authority/court the TAT is within 3 working days.
2) Bases on a voluntary decision of the member bank/institution –
3) Offline off-boarding TAT is within 3 months.
4) Online off-boarding TAT is within 3 weeks.
5) Bank/institution termination of membership by NPCI the TAT is within 2 weeks, which can be extended if an SCM is called.
6) TAT for process of recovery of dues from any off-boarded member bank/institution is within 7 working days.
Process for Aadhaar Enabled Payment System (AePS)

**On-boarding**

For membership of AePS, the entity should have Authentication User Agency (AUA for Authentication services) and KYC User Agency (KUA for eKYC) agreements. Further, Banks/Entities are also required to execute the agreement and complete documentation for usage of AePS services. The Bank/Entity will need to undergo risk assessment and compliance checks before being on-boarded onto the AePS ecosystem.

A detailed on-boarding checklist will be made available to the prospective entity on request. All member Banks/Entities are strictly required to comply with the RBI’s notifications on financial inclusion business correspondent guidelines, RBI notifications or circulars on KYC/AML or PML/CFT guidelines or RBI notifications on use of eKYC service of UIDAI from time to time. The member will also need to be compliant with UIDAI regulations and guidelines as well as the PMLA Act.

**Off-boarding**

NPCI can terminate or suspend AePS membership with immediate effect if the member fails to comply with or violates any provisions of the AePS Service Procedural guidelines.

The member bank is given the opportunity to be heard within thirty (30) days for confirmation or revocation of the written termination/suspension notice which will have been passed earlier.

If the breach is capable of remedy but cannot reasonably be cured within thirty (30) days period, termination/suspension will not be effective if the member in default commences cure of the breach within thirty (30) days and thereafter diligently pursues such cure to its completion within sixty (60) days of such notice of breach.

Member bank whose termination of membership has been revoked shall be entitled to apply for membership afresh in accordance with AePS Procedural guidelines.
Process for Cheque Truncation System

On-boarding
The Cheque Truncation System is open to all banks authorised by RBI.

Off-boarding
Organisations who are withdrawing from the banking sector or those whose licenses are no longer applicable under RBI regulation are off-boarded with due consideration to cheques in process and stoppage of any further cheques being presented for CTS.

Process for e-RUPI

On-boarding
Issuer banks to on-board sponsor as a corporate to issue e-RUPI vouchers as per the bank’s standard process.

Acquiring banks will on-board each redemption centre according to the existing merchant on-boarding process for e-RUPI.

Acquirer Banks will provide applications that can be installed on to staff smartphones/Smart POS.

Installed applications must have the capability to scan and redeem e-RUPI (both QR and SMS forms of e-RUPI).

Acquiring banks should provide login credentials and a manual for using the application.

Acquiring banks should guide/train the redemption center staff on how to use the application.

Off-boarding
For off-boarding from UPI, the TPAP and the bank need to share the relevant documents as detailed below.
TPAP will share confirmations and clearances for off-boarding as given below:

- Letter to the sponsor bank/ NPCI informing of its intent to off-board as an UPI TPAP, stating reasons or issues with certain timelines.
Letter to the sponsor bank/ NPCI stating its intent to continue as a merchant app in the ecosystem, if any.

Confirmation on dispute handling for 180 days even after off-boarding the TPAP on UPI payment for customer convenience. After the completion of 180 days, data will be purged and confirmation will be provided to NPCI regarding no storage of payment data with the application system.

TPAP to confirm the data elements that will be available with them for customer dispute handling for the time period.

TPAP must notify its UPI users about the suspension of UPI services via push notifications/ email or SMS.

TPAP to confirm that only a new version of its app (which will not act as a TPAP) will be available on play store/ app store and the same will not have UPI CL in it.

From sponsor banks:

a. Letter from the sponsor bank stating the TPAP intent to off-board.

b. Letter from the sponsor bank stating the TPAP’s intent to continue or discontinue as a merchant app in the ecosystem.

**Process for Immediate Payment System (IMPS)**

**On-boarding**

There are the steps involved in on-boarding members on IMPS:

- Members to complete the development as per the latest specifications shared by NPCI.
- Post development, member needs to raise certification request on C-flow portal.
- Member will have to undergo 2 rounds of testing – Comfort and UAT in the Certification Zone tool, which is a testing simulator provided by NPCI.
- Post successful completion of testing, the required documents need to be submitted by member for Go Live.

**Off-boarding**

For off-boarding from IMPS, the bank need to share all relevant documents to get off-boarded.
Process for National Automated Clearing House (NACH)

On-boarding
Banks willing to participate in NACH need to comply with the prescribed system requirements including:
- Executing all on-boarding documents as specified by NPCI and required by RBI and Indian banking laws.
- Establishing network connectivity
- Procuring Digital Signature Certificates, Signing Tool and Public Static IP Address
- Undergoing UAT for file format testing
- Initiating On-us Transaction for testing

Off-boarding
NPCI reserves the right to terminate the membership of Promoter Bank or a Non-Promoter Bank or a Special Invitee nominated by an entity to a Steering Committee at any time, on grounds that NPCI deems fit.
In addition, any representative from Promoter Bank, or a Non-Promoter Bank or a Special Invitee nominated by an entity to a Steering Committee stands terminated with immediate effect in the case the Promoter Bank, or the Non-Promoter Bank or the entity nominating the Special Invitee terminates any existing agreement with NPCI, which pertains to any business or activity performed by NPCI.
Steering committee members can also choose to voluntarily withdraw from the steering committee by notifying NPCI in writing.

Process for National Electronic Toll Collection (NETC)

On-boarding
NETC Membership is open to all banks. Participating banks need to submit the ‘Letter of Authority’ which authorizes NPCI to use their settlement account with RBI for the purpose of settlement of NETC transactions.

New members who intend to be acquirers or issuers in the NETC ecosystem should get the approval of IHMCL. All acquirers/issuers need to adhere to all the guidelines, rules, and regulations, as stated in the Payment and Settlement Act, 2007 of Government of India and Reserve Bank of India.
To on-board customers, the participating FASTag issuing bank or entity enables first-time activation with a basic fee and minimum cash loading. The FASTag is then activated and can be topped-up/recharged online through the account a customer may have, including a savings/current account, online wallet, or credit/debit cards.

**Off-boarding**

NPCI will inform the member, in writing, regarding termination/suspension of its membership from the NETC system.

If NPCI is of the opinion that the non-compliance/violation is not curable, NPCI may suspend/terminate the NETC system with immediate effect. However, the member will be given an opportunity of a hearing within thirty days at which they will receive a final order confirming or revoking the termination/suspension passed earlier.

NPCI may, at any time, if it is satisfied, either of its own volition or on the representation of the member, decide that the order of suspension/termination of membership is revoked.

If the non-compliance/violation is capable of remedy but cannot be reasonably cured within thirty (30) days, the termination/suspension will not be effective if the member in default commences cure of the breach within thirty (30) days and thereafter diligently pursues such a cure to its completion within sixty (60) days of the notice of violation.

If the termination of membership order is revoked, the entity can apply afresh for membership, in accordance with NETC procedural guidelines. However, no automatic restoration of membership to NETC is granted by NPCI.

FASTag off-boarding at the customer end could be for several reasons:
- the vehicle is sold and the affixed FASTag sticker falls out of usage.
- the vehicle becomes part of the exclusion / black / hot list of NETC FASTag IDs which will not be accepted at the plaza. Law enforcement agencies, GOI and RBI can request issuers or acquirers to add/remove the NETC FASTag ID from the blacklist.
- the vehicle is on the Exempted Vehicle Class List.
Process for National Financial Switch (NFS) network

On-boarding
An entity who conforms to the membership criteria of NFS network can be on-boarded as a direct NFS member or sub-member.

Prospective member entities will need to:
- Submit a request for on-boarding on to the NFS network, along with the required documents for internal approvals.
- Enter into a membership agreement with NPCI for direct membership or tripartite agreement with sponsor bank and NPCI for sub-membership.
- Establish network connectivity, if the entity (or their ASP) is not connected to NPCI.
- Complete the certification process.
- Enable key management – Generation and insertion of keys for production movement.
- Be on-boarded on to NFS BCS.
- Be on-boarded on to the NFS network (Production movement).

Off-boarding
NFS will notify a member in writing about termination/suspension of membership to the NFS network. If NFS is of the opinion that the breach is not curable, NFS may suspend/terminate the membership with immediate effect.

However, a member is given an opportunity to be heard within thirty (30) days before confirmation or revocation of the termination/suspension notice.

If NFS is satisfied, it can at any time, either of its own volition or on representation of the member that the order of suspension/termination of its membership should be revoked, may take action accordingly.

If the breach is capable of remedy but cannot be reasonably cured within thirty (30) days, termination/suspension will not be effective if the member in default commences cure of the breach within thirty (30) days and thereafter, diligently pursues such cure until completion within sixty (60) days of such notice of breach.

Any member whose termination of membership has been revoked is entitled to apply for membership afresh in accordance with NFS-OSG.
Process for RuPay

On-boarding
When a prospective bank or acquiring entity indicates intent to participate in the RuPay system, NPCI begins the process for acceptance project and certification.

1) Once a member is certified for RuPay, an RTGS mandate has to be received from the member to enable mapping of the settlement account of the member bank with RBI.
2) Member needs to complete an Acquirer On-boarding Form.
3) Essential documents required for RuPay acceptance project:
   - Volume and Value projection for 5 Years
   - Network Diagram
   - Transaction Flow Diagram
   - PCI-DSS, PA-DSS and PCI-PTS certificates
   - EMV L1 & L2 certificates
   - Key Injection Officers from the bank

If an existing member bank is collaborating with a new TSP, then the entire on-boarding process will need to be repeated.

In case an acquiring bank wants to on-board a non-bank entity to facilitate acquiring, all the steps mentioned above need to be executed in addition to signing the bi-party / tri-party agreement with the non-bank entity.

1) Agreement is executed between NPCI and the bank.
2) Documents are provided for the on-boarding of the bank i.e. Issuer Identification Number (IIN) request form, technical documents, RuPay specifications, etc.
3) Bank shall use NPCI’s Net connectivity.
4) On receiving the IIN Form, NPCI will assign an IIN to the bank.
5) Bank to complete the setup at their end and request NPCI for whitelisting of their IP and Port at NPCI’s end.
6) NPCI also shares its IP and Port with the bank.
7) After whitelisting, NPCI and the bank initiate testing and certification. As a part of certification, the bank is also required to complete the white plastic certification for the said IIN.
8) Post successful completion of certification / testing, a sign-off is provide by NPCI and the bank moves into production.
Issuer On-boarding

Every RuPay card requires an issuer. The issuer will have the primary contract with RuPay and they will be allotted an IIN.

1) An Issuer must apply for an IIN by submitting the duly filled ‘IIN Request/Assignment Form’.

2) The IIN Request/Assignment Form needs to accompany the RuPay membership agreement form for first time requests only. Post this, any further IIN request is to be made by submitting the duly filled ‘IIN Request Form/ Assignment Form’.

3) The Issuer Bank/ NBFC/ PPI /Non-Bank PPI needs to update and submit Part I (Requestor’s section) of the form.

4) By submitting the IIN Request/Assignment Form, the Issuer Bank/ NBFC/ PPI /Non Bank PPI acknowledges and accepts full responsibility for any and all activities associated with the use of this IIN (if and when assigned) and warrants its usage in conformance with:
   - All applicable RBI guidelines
   - RuPay Operating Regulations
   - RuPay Bylaws

5) The date by which the issuer will commence issuance of RuPay card, should be within 9 months from the IIN assignment date.

6) The IIN would be activated via the IIN Activation/Update Form at least 1 month prior to card issuance date for the assigned IIN.

Off-boarding

1) Any issuer that no longer uses an assigned IIN can release it to RuPay by submitting the ‘IIN Release Form’.

2) The issuer must stop issuing any cards on that particular IIN once the IIN Release Form has been submitted to RuPay.

3) Before releasing an IIN, the issuer must ensure that, expiration date on the last card issued is at least 3 months prior to submitting the IIN Release Form.

4) Issuer must ensure that the unallocated BINS are revoked back and notified to NPCI on time and any remapping of BINs must be updated at the bank’s end as well as notified to NPCI in a timely manner.

5) Member banks that do not comply with the above-mentioned BIN management will attract penalties as deemed appropriate by NPCI.
Process for Unified Payment Interface (UPI)

On-boarding
The Payment Service Provider/member should be a regulated entity by RBI under the Banking Regulations Act 1949, and be authorised by RBI for providing mobile banking service. The member should comply with the Procedural Guidelines, certification requirements operating and risk guidelines and circulars issued by NPCI from time to time. The bank should be live on IMPS. (PPI is not required to be part of IMPS)

Additionally, any bank which intends to participate in UPI as a PSP, should ensure that while the bank’s technology platform can be outsourced, its functions ‘as a PSP’ cannot be outsourced. This implies that the PSP Bank has an equal ownership of other bank’s customers’ data as its own customer base. Furthermore, the PSP has to provide an audit report for the data centre and PSP App by a CISA equivalent auditor. Qualified Security Assessors (QSAs) empanelled by the PCI Council will conduct audits at least once annually. The QSA will verify the app and the following:

a. System level Security
b. Network / Data Centre Security
c. Risk tools to be adequate
d. Policy and Procedures
e. Annual Certification process

In addition, the member has to provide a declaration in writing to abide by:

i. All the terms & conditions of the Unified Payments Interface Procedural Guidelines and Circulars, notifications, and directions issued by NPCI from time to time.

ii. All the guidelines issued by relevant authorities from time to time with respect to payment system operations.

User on-boarding in UPI
Customers can be on-boarded onto UPI through the platforms mentioned below:

1) BHIM Mobile Application.
2) UPI Bank PSP Apps.
3) UPI Compliant Apps (3rd party Apps).
4) *99# (USSD).
5) Each bank’s mobile banking apps that support UPI.
6) 123Pay – UPI for feature phone and voice-based payments
The above tools cover the complete gamut of mobile devices in India and also cover both the data-base of customers connected to mobile data and customers not connected to mobile data.

**Off-boarding**
For off-boarding from UPI, the TPAP and the bank need to share all relevant documents as detailed below.
TPAP will share the set of confirmations and clearances for off-boarding as given below:

- Letter to sponsor bank/ NPCI regarding intent to off-board as an UPI TPAP, stating reasons/ issues with certain timelines.
- Letter to sponsor bank/ NPCI stating intent to continue or discontinue as a merchant app in the ecosystem.
- Confirmation on dispute handling for 180 days even after off-boarding the TPAP on UPI payment for customer convenience. After completion of 180 days, data shall be purged and confirmation shall be provided to NPCI regarding no storage of payment data with the application system.
- TPAP to confirm the data elements that will be available with it to handle customer disputes during the time period.
- TPAP must notify its UPI users about the suspension of UPI services via push notifications/ email or SMS.
- TPAP to confirm that only a new version of its app (which will not act as a TPAP) will be available on Play store/App store and the same will not have the UPI CL in it.

**From sponsor banks:**
- a. Letter from the sponsor bank stating the TPAP intent to off-board.
- b. Letter from the sponsor bank stating the TPAP’s intent to continue or discontinue as a merchant app in the ecosystem.
Process for UPI 123PAY

On-boarding
The Payment Service Provider/member should be a regulated entity by RBI under the Banking Regulations Act 1949, and be authorised by RBI to provide mobile banking services. The member should comply with the Procedural Guidelines, certification requirements operating and risk guidelines and circulars issued by NPCI from time to time. The bank should be live on UPI.

Additionally, any bank which intends to participate in UPI as a PSP, should ensure that while the bank’s technology platform can be outsourced, its functions ‘as a PSP’ cannot be outsourced. This implies that the PSP Bank has an equal ownership of other banks’ customers’ data as its own customer base.

Furthermore, the PSP has to provide an audit report for the data centre and PSP App by a CISA equivalent auditor. Qualified Security Assessors (QSAs) empanelled by the PCI Council will conduct audits at least once annually. The QSA will verify the app and the following:

a. System level Security
b. Network / Data Centre Security
c. Risk tools to be adequate
d. Procedures and Policies
e. Annual Certification process

In addition, the member has to provide a declaration in writing to abide by:

i. All the terms and conditions of the Unified Payments Interface Procedural Guidelines and Circulars, notifications, and directions as issued by NPCI from time to time.

ii. All the guidelines issued by relevant authorities from time to time with respect to payment system operations.

On-boarding customers for UPI 123Pay service: Customers can be on-boarded onto UPI through the platforms mentioned below:

1) The BHIM Mobile Application
2) UPI Bank PSP Apps
3) Third Party UPI Compliant Apps
4) *99# (USSD)
5) Each bank’s mobile banking apps that support UPI

6) 123Pay – Unified Payment Interface (UPI) for feature phone and voice-based payments

The tools listed above cover the complete gamut of mobile devices in India and also cover both the data-base of customers connected to mobile data and customers not connected to mobile data.

**Off-boarding**

For off-boarding from UPI, the TPAP and the bank need to share all relevant documents as detailed below.

TPAP will share the set of confirmations and clearances for off-boarding as given below:

- Letter to the sponsor bank/ NPCI regarding intent to off-board as an UPI TPAP, stating reasons or issues with certain timelines.
- Letter to the sponsor bank/ NPCI stating any intent to continue or discontinue as a merchant app in the ecosystem.
- Confirmation on dispute handling for 180 days even after off-boarding the TPAP on UPI payment for customer convenience. After the completion of 180 days, data will be purged and confirmation shall be provided to NPCI regarding no storage of payment data with the application system.
- TPAP to confirm the data elements that will be available with it for customer dispute handling for the time period.
- TPAP must notify its UPI users about the suspension of UPI services via push notifications/ email or SMS.
- TPAP to confirm that only a new version of its app (which will not act as a TPAP) will be available on the Play store/ App store and the same will not have UPI CL in it.

**From sponsor banks:**

a. Letter from the sponsor bank stating the TPAP intent to off-board.

b. Letter from the sponsor bank stating the TPAP’s intent to continue or discontinue as a merchant app in the ecosystem
The On-boarding Process

As part of the on-boarding process, the members will need to follow on-boarding steps for each NPCI product as defined by its Procedural Guide and defined earlier in this document. The first step is to request and receive the credentials that permit access to the certification system.

Credentials Certification process
1) To begin the on-boarding process, the authorised bank/institution member must co-ordinate with the NPCI on-boarding business team who will initiate the process in the system.

2) Post due diligence, the NPCI on-boarding business team will request access for the certification process with the BP&PM - Cflow team (cflow.team@npci.org.in) on behalf of the on-boarding bank/entity.

3) The on-boarding user will be provided with the appropriate credentials to log into the system.

4) Based on internal verification, the tool administrator will grant access to the onboarding entity through an automated email with the login credentials.

An example of the automated credentials login email is given here.

<NPCI Logo>

Dear <On-boarding entity name,> 
Welcome to the NPCI network. You can begin your journey with the following access credentials that allow you to log onto the Certify2Production portal.
Username - <bankname.user1>
Password - <XXXXXXXXXX>
You are kindly advised to change your default password the next time you login.
To access the portal, click on the link <Certify2production>

This is an auto-generated email. Please do not reply to this email as this mailbox will not be tracked.
Registration and logging into Certify2Production Portal

**Step 1:** Bank users can log in to the Certify2Production Portal by launching the URL: https://ap.cflowapps.com/npcicflow/npcientry

**Step 2:** To ensure multi-factor authentication, the provided username and password should be entered along with the displayed captcha code before clicking on the “Login” button.

**Step 3:**
An OTP is sent to the registered bank user email ID.
Step 4:
On receiving the OTP by email, it is to be entered in the portal.

Step 5:
After login, the dashboard page displays all the products the bank has been certified with NPCI for, or is likely to get certified for, in the selected financial year.
**Off-boarding**

A bank/institution is required to be off-boarded (deactivated) from being a participant in the system due to following reasons:

1) Direction by regulator/competent authority/court
2) Voluntary decision by bank/institution
3) For any other reason where the bank/institution is required to be off-boarded

**Off-boarding Process**

1. Off-boarding of member on direction by regulator/Competent authority/Court
1.A Off-boarding of member Bank/Institution not live for any one or more product/s, then no action is required.

1.B If the member is live on one or multiple products, then the steps given below need to be followed.
1.C On-boarding of bank/institution again once the issued directive ceases to be applicable

Bank/Institution sends a formal letter to NPCI Business team to onboard them again

Business team shares the letter with Risk team

Risk team assess/verifies the such requests

Has Risk approved?

NO

The request is rejected and status is informed to Business Development team

YES

Business Development team is informed about the approval

Business Development team informs Operations and Product to enable the participant in system

All the teams follow the existing process and TAT for onboarding the Bank/Institution

Operations team sends a communication to all members in form of an OC once the bank/institution is on-board again.
2) Off-boarding of Member on a voluntary decision of bank/institution

2.A. Off-boarding a bank on offline products
2B Off-boarding a bank on online products
2.C On-boarding of bank/institution again on request from the bank/institution

Bank/Institution sends a formal letter to NPCI Business team to onboard them again

Business team shares the letter with Risk team

Risk team assess/verifies the such requests

Has Risk approved?

NO -> The request is rejected and status is informed to Business Development team

YES

Business Development team is informed about the approval

Business Development team informs Operations, Product and Technology to enable the participant in system

All the teams follow the existing process and TAT for onboarding the Bank/Institution

Operations team sends a communication to all members in form of an OC once the bank/institution is on-board again.
3.A. Off-boarding of bank/institution on termination of membership by NPCI

Note:

1. For termination of membership, Bank/Institution and NPCI shall be guided by the procedural guidelines issued by NPCI for each of the products.

2. If RTGS membership of Bank/Institution OR its sponsor bank is not suspended/terminated or the Settlement account with RBI is not frozen, then Bank/Institution shall continue to be part of settlement process for transaction life cycle period as defined for each product for settlement of funds for disputes/adjustments raised and/or received by the Bank/institution.
3.B On-boarding of bank/institution again once the bank confirms compliance/RTGS membership is activated

Bank/Institution sends a formal letter to NPCI Business team to onboard them again

Business team shares the letter with Risk team

Risk team assess/verifies the such requests

Has Risk approved?

NO

The request is rejected and status is informed to Business Development team

YES

Business Development team is informed about the approval

Business Development team informs Operations, Product and Technology to enable the participant in system

All the teams follow the existing process and TAT for onboarding the Bank/Institution

Operations team sends a communication to all members in form of an OC once the bank/institution is on-board again.