

NPCI joins hands with India's leading payment aggregators to enable merchant transactions through credit cards on UPI

BharatPe, Cashfree Payments, Google Pay, Razorpay, Paytm, PayU and Pine Labs to facilitate merchant transactions post credit card-UPI linkage move by RBI

Mumbai, 29th March 2023: After the Reserve Bank of India's (RBI) latest move in the digital payments space to link RuPay credit cards to UPI, National Payments Corporation of India (NPCI) and India's leading payment aggregators have joined forces to support credit transactions on Unified Payments Interface (UPI).

NPCI has enabled key aggregators like BharatPe, Cashfree Payments, Google Pay, Razorpay, Paytm, PayU and Pine Labs in order to enable merchant transactions through RuPay credit cards on UPI in the Indian market.

Earlier, UPI customers were able to make transactions only through their bank accounts, overdraft accounts, and prepaid accounts. Now, the linking of RuPay credit cards to UPI will ensure that customers will no longer have to carry their credit cards with them at all times for payments.

Approximately 250 million Indians use UPI for their day-to-day transactions, and close to 50 million users have one or more credit cards. RBI's move is set to combine the convenience of both by offering customers instant payment experience of UPI with the benefits of short-term credit and rewards offered by credit cards.

The linkage of credit cards with UPI will also lead to a rise in acceptability as UPI provides customers with more points of acceptance through the vast network of asset light UPI QR code. It is also beneficial to merchants, especially those in semi-urban areas, as card point-of-sale terminals are not widely available.

Nalin Bansal, Chief of Corporate and Fintech Relationships and Key Initiatives, NPCI said, *"India is one of the select few nations that has been successful in premiering innovation through targeted regulations. And after the RBI's decision to start linking RuPay credit cards to UPI, we immediately started enabling leading payment aggregators to boost merchant acceptance and customer awareness in a bid to attract early and widespread adoption. The support of all partners has been instrumental in helping us achieve this. Going ahead, we aim to explore more relevant avenues in order to promote the adoption of digital payments via credit cards on UPI for smoother, more reliable and more secure credit-based transactions in the pursuit of our objective to underwrite every eligible Indian."*

Over the last few years, UPI has become one of the most inclusive modes of payment in India with over 250 million unique users and five crore merchants on the platform. It is capable of facilitating inter-bank transactions using a smartphone and is utilized for real-time payment processing. In January alone, UPI processed 8038.59 million transactions amounting to 1,299,058.78 crore.

According to the RBI Payments Vision for 2025, it is expected that credit-based payment transactions are expected to grow by 16% year-on-year for the next four years. With India rapidly adopting digital payments for day-to-day transactions, the credit card-UPI linkage announcement will provide access to a hassle-free and smooth payments experience for individuals and merchants alike heading into the future.

**About NPCI:**

National Payments Corporation of India (NPCI) was incorporated in 2008 as an umbrella organization for operating retail payments and settlement systems in India. NPCI has created a robust payment and settlement infrastructure in the country. It has changed the way payments are made in India through a bouquet of retail payment products such as RuPay card, Immediate Payment Service (IMPS), Unified Payments Interface (UPI), Bharat Interface for Money (BHIM), BHIM Aadhaar, National Electronic Toll Collection (NETC FasTag) and Bharat BillPay.

NPCI is focused on bringing innovations in the retail payment systems through the use of technology and is relentlessly working to transform India into a digital economy. It is facilitating secure payment solutions with nationwide accessibility at minimal cost in furtherance of India's aspiration to be a fully digital society.

For more information, visit: <https://www.npci.org.in/>

Adfactors PR:

Pragya Sahay/Aneek Kundu

8287655727/7406312399

Pragya.sahay@adfactorspr.com/aneek.kundu@adfactorspr.com