

NPCI/2020-21/RuPay/028

18th August 2020

To,
All Member Banks – RuPay

Dear Sir/Madam,

Offline Retail Payments using Cards / Wallets / Mobile Devices – Pilot

- 1) On August 6th, 2020, The Reserve Bank of India marked the beginning of a new wave of digital payments and innovations by providing the approval for the much-awaited Offline Retail Payments using Cards/Wallets/Mobile Devices. The RBI circular RBI/2020-21/22 DPSS.CO.PD.No.115/02.14.003/2020-21, dated 6th August 2020 is provided as Annexure I.
- 2) The approval to allow offline payments using cards/wallets/mobile devices provides the right opportunity to truly transform India and allow the digital payments to expand its reach in the territories that had been left behind either due time it takes to transact (low value) or because of with erratic connectivity.
- 3) We at RuPay are happy to share that all our banks (both issuer and acquirers) who are live on RuPay Contactless (qSPARC v2.0) are certified to process retail offline transactions. We urge the banks to implement the following configuration changes as described below and activate offline retail transactions for their customers.

Issuing Banks:

1. Ensure that offline balance management and related transactions (Money Add and Balance Update) are activated for RuPay Contactless customer.
2. The offline wallet on card can be funded by transfer from parent account (Debit/Credit/Prepaid) and can now be used for both transit and retail. It is recommended that Bank defines their internal policy of maximum amount to be loaded on the wallet as per regulatory guidelines for pre-paid accounts.
3. For all the offline transactions bank has to follow intimation of the transaction to customer as per our circular RuPay/2019-20/025, dated 27th Nov, 2020 (Annexure II).
4. Banks will receive these offline transactions data in separate incoming file "05". This separate incoming file "05" is currently received by issuer Banks for the purpose of transit offline transactions and has to be settled against his offline balance maintained at issuer level.

Acquiring Banks:

1. Acquiring banks are required to configure the terminal floor limit as INR 200/- for supporting offline transactions at retail merchants. Banks are already certified to facilitate offline retail transactions under any configurable value of terminal floor limit as per current existing certification process for RuPay contactless card enablement.

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Parameters	Purchase Type	Transaction Count	Value
Terminal Floor Limit	Contactless Offline (Transit)	Not applicable	Rs. 2000
	Contactless Offline (Retail)	20	Rs. 200
CVM limit	Contactless Online	Not applicable	Rs. 2000

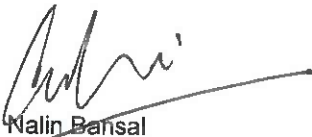
2. The details of the offline transactions with MTI '1240' & function code as '260' will be included in outgoing file "00".
3. A suggestive list of MCCs for enabling offline retail transactions is provided in Annexure III.

Pricing

Domestic retail offline transactions will follow the RuPay Pre-paid interchange structure as per NPCI circular dated February 05, 2020 (Annexure IV) and domestic transit offline transactions, interchange will remain unchanged as per the NPCI circular dated 8th July, 2019 (Annexure V).

We request members to conform to RuPay Contactless Operating Guidelines (Refer Annexure VI) and bring the contents of this circular to the notice of all relevant staff

Yours sincerely,



Nalin Bansal

Head – RuPay and NFS Product