

To,

All RuPay Members

Subject: Extension of “New rebate structure for RuPay PoS and E-Comm domestic transactions” till March’22

Dear Sir/Madam,

1. This is in reference to circular NPCI:2019-20/RuPay/50, where NPCI had announced a monthly rebate of 50% net switching fee to all member banks for RuPay POS and E-com domestic transactions (**Circular Attached as Annexure A**).
2. On 17th December 2021, the government notified an incentive scheme to incentivise the acquiring Banks by way of paying percentage of value of RuPay Debit cards transactions (P2M) and low-value BHIMUPI transactions (upto ₹ 2,000) (P2M) vide Gazette Notification CG-DL-E-17122021-231960. Under the scheme, the government will be incentivizing the Banks. A total budget of INR 1,300Cr is allocated for the scheme. However, services like Autopay, and other services which will be launched from time to time are excluded from the scheme
3. NPCI laid down the structure for distribution of incentive amongst the stakeholders vide NPCI circular NPCI/2021-22/RuPay/033, dated 22nd December 2021 (**Annexure B**).
4. To support RuPay members towards issuance, activation, customer engagement and acceptance, the monthly rebate of 50% of NPCI's switching fee to all member banks for RuPay Debit Card PoS and E-Comm domestic transactions will continue **until 31st March 2022**. The rebate structure shall not be applicable for Credit, Prepaid and specific value services like SI, Mandates, cash@POS transactions and other special services.

We request member banks to take note of the same and do the needful.

Yours truly,

SD/-

Kunal Kalawatia
Chief of Products

Enclosed:

1. *Annexure A: Circular: NPCI/ 2019-20/ RuPay/50 “Introduction of new Rebate structure for RuPay Debit Card PoS and E-com domestic transaction and UPI P2M domestic transaction in the view of zero MDR”*
2. *Annexure B: Circular: NPCI/2021-22/RuPay/033: Incentive Structure for RuPay Debit Cards*