

NPCI /UPI/OC No.57 /2018-19

25th July, 2018

To,

All Member Banks - Unified Payments Interface (UPI)

Dear Sir/Madam

Subject: Changes in PSP & Customer communication to prevent fraudulent transactions

Basis the directives from UPI/IMPS Steering Committee Meeting held on 5th July'18, a working group was formed to discuss matters related to risk mitigation. This meeting took place on 19th July'18

NPCI presented details with respect to risk perspectives, possibilities & mitigations thereto were discussed & deliberated by the working group. This committee broadly came up with the following recommendations in order to contain risk against the points mentioned hereunder:-

- 1. Standardization of SMS sent to customers for a collect request:** - It was proposed that the PSP's will adopt a standardized SMS format (Refer Annexure I) whenever a collect request is initiated towards a customer of their app.
- 2. Masking of Account Number:** - All PSP apps should display account number in a masked format only. Last 4 digits of account number should only be displayed on the app.
- 3. Disabling UPI services via customer facing channels:** - All UPI enabled banks to have the functionality for blocking and disabling UPI services, at customer request at branch & customer care.
- 4. PSP apps to add a payment confirmation page before transaction authorization:** - For Pay & Collect requests, the PSP's should intimate the customer that his account will be debited. This should be an additional step before the UPI common library is invoked for entering the UPI PIN. In the event the beneficiary is saved on the customer's app, this additional page can be bypassed.

Please note that the scope of PSP (mentioned above) covers all PSP & 3rd Party apps

All member banks are expected to comply with the above changes by 30th September, 2018.

Yours faithfully,

Bharat Panchal

SVP & Head- Risk Management

Annexure I

1. SMS format

The following format is proposed to be used when a collect request is initiated to a customer.

“Verified Name” has requested money from you on your “Payer PSP” app. On approving the request, Rs XXX will be debited from your account”

Where,

Verified Name is the CBS verified name of the requestor

“Payer PSP” refers to the app which the payer is using and will initiate the SMS

XXX will be the amount which has been requested.

2. Masking of account number

All PSP’s need to mask the account number of the customer within the app and all communication in the form of notification & SMS.

If the account number is 123456789, the PSP’s will display account number as XXXXX6789 in all communication towards the customer.