

NPCI/UPI/OC No.60/2018-19

15th Oct, 2018

To,

All Member Banks – IMPS (Immediate Payment Service) & UPI (Unified Payment Interface)

Subject: Crediting / Debiting Non- Resident (NR) accounts in UPI & IMPS for domestic transactions

At present two different types of transactions are processed in IMPS & UPI i.e. Domestic & Foreign Inward transactions. Banks credit NR accounts as permissible and only in cases where the transaction is identified as having originated from overseas. The identification is basis the Processing Code in IMPS (DE-3) with the value (904300). In case of UPI, the Initiation mode 12 identifies the transaction for credit to be effected to NR accounts by beneficiary, as permissible. Both these transactions are in INR only when processed by NPCI.

2) We had been receiving requirements from the ecosystem with regard to the credits to be processed to Non Resident (NRE) and other domestic accounts as permissible in other payments systems for the domestic scenario as well. Assessing this requirement, NPCI had sought specific approval from RBI in this regard.

3) We wish to advise that RBI has now approved the request. Accordingly, beside FIR, banks may now allow fund transfer between NRE accounts and other permissible accounts as per extant FEMA regulation and adherence to the guidelines / instruction issued by concerned regulatory departments of Reserve Bank of India from time to time.

- i. In IMPS, type of accounts are identified through Data Element (DE) 3 "Processing code" and the NRE accounts are identified with type "40". Remitter bank must pass "40" while debiting the NRE account and beneficiary bank allow credit to permissible accounts as per extant guidelines.
- ii. In UPI, type of account is identified basis of the Account Type tag passed in the List Account API where the PSP gets the customer account details and stores for future transactions. For financial transactions, Payee PSP/Bank should allow to credit to permissible accounts as the extant guidelines.

Further, it shall be incumbent upon the banks, at both ends, to abide by the RBI/FEMA/FIU guidelines issued from time to time in the matter.

Yours Faithfully

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