

NPCI/UPI/OC No.66/2018-19

22th February, 2019

To,
All Member Banks- IMPS & UPI

Dear Sir/Madam,

Subject: Minimum Net Debit Cap (NDC) of Rs. 2.5 lakhs for Sub-member banks in UPI & IMPS.

Currently, the Net Debit Cap (NDC) for member banks is assigned in UPI and IMPS in the ratio of 10:90 and the same proportion is maintained across sub-member banks as well. For example, a sub-member bank having a NDC of Rs.2 lakh for IMPS is assigned a limit of Rs.20,000, calculated basis 10% of the limit in IMPS.

With the volumes increasing in UPI, the transactions for customers of sub-member banks decline as their NDC limits gets exhausted rapidly.

In this regard, NPCI had tabled its suggestions and recommendations for approval before the IMPS/UPI Steering Committee in its meeting held on 21st December 2018 and the same was approved.

Basis the approval of the SCM, the member banks are advised as under;

1. The minimum NDC limit across UPI and IMPS to be maintained at Rs.2.5 lakhs and this shall take effect from 1st April, 2019. All existing member / sub-member banks to ensure compliance to above on or before 1st April, 2019.
2. The proportion of 10:90 in NDC limits across UPI and IMPS shall be applicable only at the Sponsor bank end and not for its sub members.
3. Member banks to proactively ensure and maintain sufficient NDC to avoid transaction declines on account of NDC limits being breached at bank's end.
4. All new members on-boarded on UPI & IMPS shall maintain a minimum NDC of Rs.2.5 lakhs from immediate effect.
5. The criteria for Minimum NDC limit is not applicable to the bank that are acting as 'Beneficiary Only' in UPI and IMPS.

We advise necessary compliance to the circular. The details of the circular may please be brought to the notice of all the relevant departments

Yours faithfully,

Vishal Anand Kanvaty
SVP & Head-Product & Innovation