

NPCI/UPI/2019-20/OC/76

31st October, 2019

To,

All Member Banks (PSP's and Third Party Applications) - UPI

Dear Sir/Madam,

Revision in transaction limits based on merchant & transaction types

Unified Payments Interface (UPI) is growing at a fast pace in terms of acceptance & issuance. Merchants & customers are willing to adopt UPI as their preferred payment option due to ease & convenience.

Having taken note of the impending risks which can arise from certain fraudulent transaction on UPI, it is advised that the following be enabled to ensure UPI features are not misused. The following changes are to be ensured by member banks;

A.) Transaction Initiation:

1. Offline merchant can be classified as "verified merchant" if the merchant has an annual turnover (including at group level) of Rs 50 crore & above.
 - a. These merchants can generate collect request above Rs. 2,000
 - b. The Payee PSP Bank shall take full liability for any fraudulent collect or any transaction initiated via:-
 - Share Intent Link and Pay
 - QR Share and Pay
2. Online merchants can generate collect request (greater than Rs 2,000) which are system generated or customer initiated only (not performed by the merchant manually)
3. For other merchants which fall under the categories of non- verified merchant & P2PM merchant, the following shall be applicable;
 - a. Payee PSP Bank in above categories (including through aggregators) shall not allow collect transaction above Rs 2,000
 - b. Similarly, Payee PSP bank shall not allow transactions exceeding Rs 2,000 through
 - Share Intent Link & Pay
 - QR Share and Pay

4. Similarly, the P2P collect request that are initiated through a push mechanism [a. Share Intent Link and Pay b. QR Share and Pay] should be identified by the Payer PSP app and the same Rs. 2,000 limit shall apply as for P2P collect request.
5. Further to the above, Payee PSP bank to review the list of merchants' whitelisted by them and remove the merchants who do not qualify with the above mentioned criteria before the compliance date.

B) Transaction Limits

With value being derived from the earlier restrictions placed on wallet load, it has been decided to disable all Wallet loads (MCC 6540) through Collect requests. All wallet top-ups, for such use cases shall be made available only through the limited "Pay" modes of UPI (excluding Share Intent Link and Pay & QR Share and Pay)

Member banks are to comply by 20th November, 2019.

Yours Sincerely,



Praveena Rai

Chief Operating Officer