

NPCI/UPI/OC-68/2019-20

May 16, 2019

All Member Banks (PSPs and Third Party Applications) – UPI

Respected Sir/Madam,

Levy of Surcharge by Merchants & Channel partners prohibited in UPI

It is observed that some banks / bank partners / merchants are passing surcharge to customers opting for UPI payment mode. The practice of surcharge is prohibitive in nature and we therefore wish to advise as under:

- a) UPI must be treated at par with any other debit payment modes such as debit card, NEFT, Net banking at all times.
- b) No surcharge to be levied to customers for UPI transaction.
- c) Any 'Convenience fees' if charged must be mentioned upfront to the customer on the merchant payment page/s prior to selection of 'Payment mode'.
- d) Such 'Convenience fees' must be consistent for available debit payment modes (i.e. Net banking, Debit card and UPI etc.).
- e) NPCI reserves the right to take appropriate action against the Sponsor Bank for any act of non-compliance to the above stated.

Member banks are advised to take note of the same and cascade this information to the relevant stakeholders.

Yours Faithfully

Praveena Rai
Chief Operating Officer.