

NPCI/UPI/OC-97/2020-21

November 05, 2020

To,

All Members participating in Unified Payments Interface (UPI)

Madam / Sir,

Sub: Guidelines on volume cap for Third Party App Providers (TPAPs) in UPI

In view of the recent growth in UPI transaction volumes, NPCI has analyzed the risks in the UPI ecosystem. To address the risks and protect the UPI ecosystem, following will be applicable:

- (a) PSP and TPAP shall ensure that the total volume of transactions initiated through the TPAP shall not exceed 30% of the overall volume of transactions processed in UPI during the preceding three months (on a rolling basis). The aforesaid cap shall be applicable with effect from January 1, 2021.
- (b) The existing TPAPs (i.e. TPAPs that are live as on the date of this circular), who are exceeding the cap will have a period of two years from aforesaid date to comply with the same in a phased manner; and
- (c) NPCI shall issue a detailed standard operating procedure (SOP) in this regard in due course.

Sd.

Praveena Rai

Chief Operating Officer