

NPCI/UPI/OC No. 101/2020-21

25th FEBRUARY, 2021

To,

All Member Banks - Unified Payments Interface (UPI)

Dear Sir/Madam

Identification of Ultimate Beneficiary for P2M transactions

To improve the Customer experience and strengthen the beneficiary verification function, the identity of the Ultimate Beneficiary is to be better showcased in the UPI transaction. This will be displayed on the Payer App as well as during display of transaction statements/ history.

The Ultimate Beneficiary is defined as the entity who is receiving funds (credit) in lieu of goods/services rendered directly by them. The Payee PSP has to convey the identity of the Ultimate Beneficiary for every merchant transaction initiated. The Payee PSP shall pass this information in the Payee Name tag of the UPI API's. The same has been cited in the RBI Master Direction on Digital Payment Security Controls dated 18th February, 2021 under the Authentication Framework.

2. The said changes for Merchant transactions shall cover:
 - **Verified Merchant:** Permitted to convey the Brand Name of the merchant only
 - **Non Verified Merchant:** Permitted to convey either CBS name or validated Brand Name of the merchant only. The Payee PSP is responsible for the authenticity of the validated brand name.
3. The following data elements/tags in the UPI transaction flow shall be made mandatory post 15th April, 2021
 - a. Merchant Genre :Online/Offline
 - b. On boarding type: Bank/Aggregator
 - c. Identifier Sub code: MID/SID/TID
4. For Merchants providing services to a User in the form of crediting the user sub-account on an aggregator platform, the Ultimate Beneficiary is defined as the registered name/ Sub account of the User. The Payee PSP shall ensure the name of the Ultimate Beneficiary is passed in the tag <Payee Name> for such transactions (Eg: Credit card payment, NETC recharge, wallet payments, etc.)
5. Acquiring entities are to submit list of Aggregators & Sub-Aggregators which are using the UPI platform for providing payment services for submission.

Yours Sincerely,



Praveena Rai,

Chief Operating Officer