

NPCI/UPI/OC No. 134/2021-22

31<sup>st</sup> January, 2022

To

PPI Members - RBI PPI Interoperability

Madam/Sir,

**Subject: Adherence to RBI PPI Interoperability guidelines by 31st March, 2022**

As per the RBI Master Directions on Prepaid Payment Instruments (PPIs) - RBI/DPSS/2021-22/82 (Updated as on 12<sup>th</sup> November, 2021) regarding Issuance and Operation of Prepaid Payment Instruments, it shall be mandatory to give holders of full KYC compliant PPIs interoperability through UPI for the PPIs (in the form of wallets) by 31<sup>st</sup> March 2022. This is pursuant to PPI guidelines issued on October 11, 2017 on Issuance and Operation of Prepaid Payment Instruments (PPI-MD).

**Interoperability guidelines for PPI Issuers through UPI**

- PPI issuer shall facilitate all basic / standard features of interoperability of UPI
- PPI issuer shall act as Payment System Providers (PSP) in UPI. NPCI shall issue handle to the PPI issuer as per policy / guidelines taking risk management aspects into consideration.
- PPI holders shall be on-boarded for UPI by their own PPI issuer only. PPI issuer shall only link its customer wallets to the handle issued to it.
- Authentication shall be completed by the PPI holder as per existing wallet credentials.
- For the purposes of settlement, a non-bank PPI issuer shall participate through a sponsor bank. Non-bank PPI issuer shall adhere to the requirements of sponsor bank arrangement in UPI and also meet all relevant requirements of NPCI.

**Directives**

PPI issuers are requested to go live for PPI on UPI and ensure compliance to the RBI PPI Interoperability guidelines by 31st March, 2022.

Yours sincerely,

SD/-

**Kunal Kalawatia**

Chief Products