

NPCI receives nod to revise cap on UPI transactions

The Reserve Bank of India (RBI) on Wednesday authorised the National Payments Corporation of India (NPCI) to revise transaction limits on India's flagship real-time payments platform, Unified Payments Interface (UPI).



This revision in limits on UPI has to be done in consultation with stakeholders of the UPI ecosystem and the banks, the RBI said. Currently, the transaction amount for UPI — covering both person-to-person (P2P) and person-to-merchant payments (P2M) — is capped at ₹1 lakh except for specific use cases of P2M payments, which have higher limits such as ₹2-5 lakh.

"To enable the ecosystem to respond efficiently to the new use cases, it is proposed that NPCI, in consultation with banks and other stakeholders of the UPI ecosystem, may announce and revise such limits based on evolving user needs," the RBI said. However, it stated that appropriate safeguards will be put in place to mitigate risks associated with higher limits, and banks will continue to have the discretion to decide their own internal limits within the limits announced by NPCI.