

NPCI/ UPI/OC No. 197 /2024 – 2025

Jun 14, 2024

To,

All members of Unified Payments Interface (UPI)

Subject: Revision of settlement cycles & business day cutover timing

Considering the growth in volume and value of settlements over a period of time, in consultation with the banks, it has been decided to implement the following changes in UPI settlement cycles and timings.

Existing Process	Revised Process
Eight settlement cycles per day	Ten settlement cycles per day (<i>Refer attached Annexure-1 for details</i>)
Business cutover 23 hrs to 23 hrs	Business cutover 24 hrs to 24 hrs

Note:

Day prior to the production go live i.e. 31st July 2024, last settlement cycle cutover i.e. 21:00 to 23:00 will be revised to 21:00 to 24:00 to bridge the gap for one day so that next day of go-live the above timing shall take effect without any disruption.

Increasing the settlement cycles will help in reducing the potential settlement risk and revision of the business day cutover will help in reconciliation process.

Important to note:

1. There will be no change in cut off timings for the customer compensation & NPCI compliance penalty.
2. There will be no change in file formats of raw data files, DSR /NTSL, adjustment reports and other settlement files. The additional settlement cycle's file name will have 9C & 10C as indicator.
3. NDC limit shall be refreshed and restored at the time of each settlement cycle cut-off time.
4. Member banks are expected to maintain adequate funds in RTGS settlement account on all 365 days to avoid short fall off funds.

The changes in settlement cycle timings and the business cut over shall be implemented with effect from August 01, 2024. Member banks are advised to make necessary changes in their internal systems and take other measures as may be required for smooth implementation of changes referred above. All the measures should be taken to ensure smooth transition in reconciliation process. Further it is advised that banks should carry out cycle wise reconciliation on an ongoing basis.

The information herein may please be disseminated to all the concerned officials.

Yours faithfully,

Giridhar GM

Chief – Customer Success

Annexure – 1

Please find the below revised settlement cycles cutover timings for your information and reference.

UPI 10 settlement cycles timings:

REVISED SETTLEMENT CYCLES				
CYCLE NO	FROM TIME	TO TIME	DURATION	Expected RTGS Posting Time(*)
1	21:00	00:00	03:00	04:00
2	00:00	05:00	05:00	07:00
3	05:00	07:00	02:00	09:00
4	07:00	09:00	02:00	11:00
5	09:00	11:00	02:00	13:00
6	11:00	13:00	02:00	15:00
7	13:00	15:00	02:00	17:00
8	15:00	17:00	02:00	19:00
9	17:00	19:00	02:00	21:00
10	19:00	21:00	02:00	23:00

(*) Based on Existing Volume.