

NPCI/UPI/OC No. 205/2024-25

27<sup>th</sup> August 2024

To,

All UPI Members

Dear Sir/Madam,

**Subject: Introduction of Auto Top-up on UPI LITE**

This is in reference to NPCI circular NPCI/UPI/OC No. 138/2021-22, dated 16<sup>th</sup> March 2022 and NPCI/UPI/OC No. 169/2023-24, dated 31<sup>st</sup> August 2023, whereby guidelines to operationalize UPI LITE small value transactions have been introduced. UPI LITE enhances the user experience by allowing PIN less transactions under ₹500 with a maximum UPI LITE balance limit of ₹2000 at any point of time.

To further augment the UPI LITE user experience, Auto Top-up on UPI LITE is being introduced. With this new feature, the UPI LITE balance will automatically be reloaded by an amount chosen by the user, not exceeding UPI LITE balance limit, whenever the balance falls below a minimum limit set by them. This increases the convenience and adaptability of UPI LITE by automating the process of reloading funds. Additionally, users shall be provided with the option of revoking the Auto Top-up mandate at any point of time by the PSP/App.

Since the balance resides with user's bank and the UPI LITE can be deleted anytime with instant refund of UPI LITE balance to user's main bank account, the requirement of pre-debit notification (PDN), which is a usual mechanism for merchant mandate payments, has been dispensed with.

Members (Banks & PSP/App) are required to ensure below guidelines are followed

1. Issuer banks live on UPI LITE shall support the functionality of Auto Top-up on UPI LITE wherein the banks should allow creation of UPI LITE mandate and allow debits whenever the request comes from the PSP/App.
2. UPI Apps shall support the necessary functionality and interface on their App for the customer to use Auto Top-up on UPI LITE.
3. Members shall ensure that the mandate created successfully are executed successfully. All the necessary validation should be present at the time of mandate creation.
4. PSP/Apps shall put necessary controls to limit the number of auto-replenishment transactions to 5 per day per LITE account.

5. Issuer bank shall ensure the necessary communication to the customer for all the mandate related operations.

In addition to this bank shall also be required to follow the necessary guidelines released by NPCI on Auto Top-up on UPI LITE from time to time. Members who are live on UPI LITE are requested to hereby note the changes and enable the feature by 31<sup>st</sup> October 2024.

Yours Sincerely,



Kunal Kalawatia

Chief of Products