

Roles and Responsibilities of NPCI / PSP and TPAPs in Unified Payments Interface

Roles & Responsibilities of NPCI

- a) NPCI owns and operates the Unified Payments Interface (UPI) platform
- b) NPCI prescribes rules, regulations, guidelines, and the respective roles, responsibilities and liabilities of the participants, with respect to UPI. This also includes transaction processing and settlement, dispute management and clearing cut-offs for settlement
- c) NPCI approves the participation of Issuer Banks, PSP Banks, Third Party Application Providers (TPAP) and Prepaid Payment Instrument issuers (PPIs) in UPI
- d) NPCI provides a safe, secure and efficient UPI system and network
- e) NPCI provides online transaction routing, processing and settlement services to members participating in UPI
- f) NPCI can, either directly or through a third party, conduct audit on UPI participants and call for data, information and records, in relation to their participation in UPI
- g) NPCI provides the banks participating in UPI access to system where they can download reports, raise chargebacks, update the status of UPI transactions etc.

Roles & responsibilities of PSP Bank

- a) PSP Bank is a member of UPI and connects to the UPI platform for providing UPI payment facility to the PSP Bank and Third Party Application Providers (TPAP) which in turn enables the end-user customers / merchants
- b) PSP Bank, either through its own app or TPAP's app, on-boards and registers the end-user customers on UPI and links their bank accounts to their respective UPI ID.
- c) PSP Bank is responsible for authentication of the end-user customer at the time of registration of such customer, either through its own app or TPAP's app
- d) PSP Bank engages and on-boards the TPAPs to make the TPAP's UPI app available to the end-user customers
- e) PSP Bank has to ensure that TPAP and its systems are adequately secured to function on UPI platform
- f) PSP Bank is responsible to ensure that UPI app and systems of TPAP are audited to safeguard security and integrity of the data and information of the end-user customer including UPI transaction data as well as UPI app security
- g) PSP Bank has to store all the payments data including UPI Transaction Data collected for the purpose of facilitating UPI transactions, only in India
- h) PSP Bank is responsible to give all UPI customers an option to choose any bank account from the list of Banks available on UPI platform for linking with the customer's UPI ID.
- i) PSP Bank is responsible to put in place a grievance redressal mechanism for resolving complaints and disputes raised by the end-user customer

Roles & responsibilities of TPAP (Third Party Application Providers)

- a) TPAP is a service provider and participates in UPI through PSP Bank
- b) TPAP is responsible to comply with all the requirements prescribed by PSP Bank and NPCI in relation to TPAP's participation in UPI
- c) TPAP is responsible to ensure that its systems are adequately secured to function on the UPI platform
- d) TPAP is responsible to comply with all the applicable laws, rules, regulations and guidelines etc. prescribed by any statutory or regulatory authority in relation to UPI and TPAP's participation on the UPI platform including all circulars and guidelines issued by NPCI in this regard
- e) TPAP has to store all the payments data including UPI Transaction Data collected by TPAP for the purpose of facilitating UPI transactions, only in India
- f) TPAP is responsible to facilitate RBI, NPCI and other agencies nominated by RBI/ NPCI, to access the data, information, systems of TPAP and carry out audits of TPAP, as and when required by RBI and NPCI
- g) TPAP shall facilitate the end-user customer with an option of to raise grievance through the TPAP's UPI app, e-mail, messaging platform, IVR etc. for redressal of customer grievances