

## **RBI nod to UPI transactions for recurring payments**

The Reserve Bank of India (RBI) will now allow consumers to give an e-mandate for recurring payments made through Unified Payments Interface (UPI), a move that is expected to ease small digital payments made at grocery shops and local stores.

This functionality will allow UPI users to bypass additional factor authentication (AFA) every time a payment is made to a regular merchant by giving a onetime instruction to the UPI service provider.

This facility was earlier available for card and wallet based payments. “On a review of the developments since this facilitation, it has been decided to extend the above instructions to cover UPI transactions as well,” the Reserve Bank of India notified on Friday, adding that the same guidelines on recurring payments currently applicable for the above-mentioned instruments will apply for UPI payments as well.

The limit on such recurring transactions has been set at ₹2,000. To initiate the facility on their payment device, customers will have to provide the merchant’s name, time frame for recurring payments to be applicable and a payment limit, as per the existing RBI guidelines.

*(Economic Times)*