

NPCI/2016-17/CERT/OC001

May 2, 2017

Certification Fees for Commercial Banks, Co-operative Banks and RRBs FY 17-18

We, NPCI are committed to create comprehensive digitally inclusive nation and Member banks participation is pivotal in its success. Our launching of innovative payment products like UPI, BHIM, AEPS,NETC, Aadhar Pay etc. is a testimony to our alignment to create less cash society; with your immense support to NPCI we believe to deliver world class payment experience to all Indians. Robust systems and process are core to create an efficient onboarding experience. We are continuously improving our processes to foster efficiency and request your support in this endeavor.

Certification is a part of **NPCI's Payment Schemes'** Governance and Compliance Program and aimed at mitigating the potential risk in financial transactions.

Currently Certification team is performing following Certifications for various NPCI Products.

01. Non-EMV On-line Certifications for various Products.
02. EMV – Online Certifications which include White Plastic, Terminal and H2H Certifications.
03. Off-line Certifications which include DMS/RGCS/i-RGCS etc.
04. Support activities for banks pre and post certifications by NPCI
05. UPI/IMPS/NACH/Aadhar Pay/AePS & Associate Certifications along with other certifications provided by NPCI.

For Initial years NPCI has not levied any certification fee to member Banks. The initial heavy lifting of certification for all NPCI products was incurred by NPCI, with effective from 2015-16. NPCI introduced Annual Certification fee for all NPCI products with the aim to support wide range of innovative products. The Initial Certification fee was decided Rs. 75,000 per annum for Member Banks (as per Circular no. NPCI/2015-16/BS/Circular 058 attached)

NPCI has decided to increase the Annual certification fee from INR 75,000 to INR 3,00,000 excluding Service Tax for Commercial Banks and INR 1,50,000 for RRBs and Co-operative Banks. The increase in certification fee is on account of Manpower, Outsourcing and technology cost.

The revised fee structure for annual certification fee is as follows with effect from 1st April, 2017

Sl. No.	Description	Annual Fees in lakhs (One time)
1	Commercial Banks	Rs. 3 Lac
2	RRBs and Co-operative Banks	Rs 1.5 Lac

However with this revised certification fee also, NPCI's certification cost is higher for these certifications and only recovering less than 50% of overall certification cost from the member banks and the remaining cost shall be taken care by NPCI.



Applicability: - It's an Annual Fee, Bank has to pay for any certification done during the financial year, this fee is applicable for all the products of NPCI including Test Support and Issuer and acquirer side certifications except BBPS Product.

Scope of Certification fees: -

Sl. No.	Item Description	Clarification
1.	Certification start & end date	Financial year and Date of creation of Certification ID by NPCI will be considered, to bill bank for annual certification fees irrespective of year of completion.
2.	Product enhancement by NPCI	If a bank comes in for the first time for any product, certification fees for FY 17-18 is applicable. Bank has to pay total of Rs. 3 lac only for any certification in this financial year.(excluding BBPS Product)
3.	Multiple channels/products for IMPS/UPI/RuPay/NFS/ NACH/Branch/Mobile/Internet/ATM/SMS	Bank has to pay only Rs.3 lacs for multiple Certifications during this financial year. Bank has to pay Certification fee in current financial year before going live on product. If Certification carry forward in next financial year Bank need not to pay any certification fee but if Bank is coming for any new certification on any new channel Certification charges will be applicable.
4.	Recertification Fee paid by Bank	INR 3 Lacs

With warm regards,



Dilip Asbe
Chief Operating Officer