

UPIs must take your permission before capturing location data

Updated: 12 Jul 2022, 04:08 PM IST

The National Payments Corporation of India (NPCI) has mandated that all Unified Payments Interface (UPI)-based applications obtain consumers' prior authorization before recording their location or geographic coordinates. In a circular, NPCI stated that the provisions for the same must be offered without any refusal if the consumer has already given agreement to disclose the location originally while using the services.

"Apps should continue to provide the UPI services even after the customer has revoked the consent for sharing the location or geographical details for the app," the circular added.

Any time a client gives permission to record their location, the permission must be properly communicated to the UPI; else, the company will take stern action. The service provider should not refuse or disable the payment services if the client disputes providing consent, it was added.

All the aforementioned rules must be followed by all members by December 1, 2022, and they only apply to domestic UPI transactions between individuals.

Credit card penetration into digital payments is anticipated to increase with the linking of credit cards to the UPI. The UPI system, which has developed into the most inclusive form of payment in the nation, will initially be connected to Rupay credit cards under RBI's initial plan. Fintech platforms are anticipated to profit from the increased use of UPI as a transactional medium. In light of this, it is anticipated that the integration of credit cards with UPI will benefit Paytm, a provider of full-stack financial solutions.

Services for UPI and Rupay cards will soon be accessible in France. According to the ANI news agency, the international branch of NPCI has agreed to an MoU for the acceptance of UPI and Rupay in France with Lyra Network.

"The whole world is watching that India is doing 5.5 billion UPI transactions in a month. This is a big achievement for India. Today's MoU with France is a big step towards the world," Union Communication minister Ashwini Vaishnaw said.

(With agency inputs)