केनरा बैंक Canara Bank
सिंडिकेट Syndicate

NOTICE TO MERCHANTS

Applicability of Merchant Discount Rate (MDR) on RuPay Credit Card Transactions through UPI

Dear Merchant,

The Bank is in process of implementing Merchant Discount Rate (MDR) on RuPay Credit Card transactions through UPI. Merchants intending to receive RuPay Credit Payments through their UPI QR codes are requested to provide their consent before 11.11.2026.

The facility shall be enabled for merchants who have provided their consent and the applicable MDR charges will be collected in accordance with the Bank's approved tariff and the terms detailed in this notice.

Key Terms & Conditions:

1. **Mandatory Consent for Service Enablement:**
   - Acceptance of RuPay Credit Card on UPI payments is an optional service.
   - The facility will be **enabled only for merchants who provide explicit consent/acceptance** of the applicable MDR structure and terms.
   - Merchants who do not provide consent will not have the RuPay Credit Card on UPI acceptance facility enabled (standard UPI payments via Savings/Current accounts will continue unaffected).
2. **How to Provide Consent / Enable/Disable Facility:**
   - Merchants can submit their consent or request to enable/disable acceptance of RuPay Credit Card on UPI payments through their respective home branches.
3. **MDR Applicability & Thresholds:**
   - **Small Merchants (Annual Turnover up to ₹20 Lakhs):** MDR charges shall be applicable only on transaction amounts exceeding **₹2,000/-** (transactions up to ₹2,000/- will attract nil MDR).
   - **Large Merchants (Annual Turnover exceeding ₹20 Lakhs):** MDR charges shall be applicable on **all transactions**, irrespective of the transaction amount.
4. **MDR Rate Structure:**
   - MDR for transactions made via RuPay Credit Card on UPI will be determined according to the merchant's MCC/category. For MCCs covered under industry-specific concession programs, respective category rates will apply.
   - For general/standard MCCs not covered under specific industry programs, a standard rate of 1.93% per transaction (without cap) will apply as per the Bank's approved tariff.
     (Refer to the Annexure for detailed category-wise MDR rates).
   - **GST Applicability:** All MDR charges are exclusive of applicable Goods and Services Tax (GST). An additional GST of 18% will be applicable on the MDR amount.
5. **Settlement and Deduction:**
   - MDR charges along with applicable taxes will be automatically deducted/debited from the merchant's settlement account at the time of transaction settlement or as per the Bank's standard settlement cycle.
6. **Bank Rights:**
   - The Bank reserves the right to revise the MDR schedule and terms from time to time in accordance with regulatory/NPCI guidelines. Any updates will be communicated through official Bank communication channels and the website.

Action Required:

Merchants wishing to continue or enable acceptance of Credit Card on UPI payments are requested to submit their consent at their servicing branch at the earliest. For further details, queries, or assistance, please contact your Branch Manager or designated Bank Relationship Official.

Annexure

MDR on RuPay Credit Card Transactions through UPI

The MDR for RuPay Credit Card transactions through UPI shall be determined based on the merchant's MCC/category.

A. Industry Program

For MCCs covered under the Industry Program, the following rates shall apply:

Sl. No.	Merchant Category / MCC	Applicable Rate
1	Agriculture – Fertilizer Dealers, Pesticides/Insecticides, Seeds, Farm Equipment, Agricultural Machinery, Other Agricultural Inputs, Agricultural Cooperatives, Horticultural & Landscaping Services, Lawn & Garden Supply Stores	0.776%
2	Contractor Services – General Contractors, Air Conditioning/Heating/Plumbing Contractors, Electrical Contractors, Insulation/Masonry/Plastering/Stonework/Tile Setting Contractors, Carpentry Contractors, Roofing & Siding/Sheet Metal Work Contractors, Concrete Work Contractors, Special Trade Contractors – NEC	1.220%
3	Railways – MCC 4111 & 4112	0.776%
4	Transit – MCC 4784	0.776%
5	Telecom Services – MCC 4814	0.776%
6	Supermarkets – MCC 5411	1.220%
7	Fuel – MCC 5541, 5542 & 5983	0.832%
8	Convenience Stores / Specialty Stores & Vending Machines – MCC 5499 and Fast Food Restaurants – MCC 5814	1.220%
9	Insurance – MCC 5960 & 6300	0.998%
10	Public Sector Insurance Companies – MCC 6529	0.555%
11	Property Management / Cleaning & Maintenance – MCC 7349	0.776%
12	Education – MCC 8211, 8220, 8241, 8244, 8249 & 8299	0.776%
13	Government – MCC 9211, 9222, 9311, 9405, 9399 and other specified similar services	0.776%
14	Post Office – MCC 9402	0.776%

The above rates are based on the applicable Industry Program categories and MCCs specified in the NPCI RuPay interchange framework.

B. Other MCCs – Standard Rate

For MCCs not specifically covered under the Industry Program, the following MDR shall apply:

Transaction Type	Applicable MDR
RuPay Credit Card transaction through UPI above ₹2,000 – MCC not covered under Industry Program	1.93% per transaction, without any cap

General Notes:

1. The above MDR is applicable to RuPay Credit Card transactions through UPI.
2. The applicable rate shall be determined based on the MCC assigned to the merchant.
3. Where an MCC is covered under the Industry Program, the corresponding Industry Program rate shall apply.
4. Where an MCC is not covered under the Industry Program, 1.93% per transaction without any cap shall apply.
5. The above MDR shall be applicable only to merchants who have enabled acceptance of RuPay Credit Card payments through UPI.
6. Merchants can enable or disable acceptance of RuPay Credit Card payments through UPI through their respective Branches.
7. There shall be no cap on the MDR applicable to RuPay Credit Card transactions through UPI under any category.
8. The applicable merchant charge shall be determined based on the applicable MCC/category.