

Regulation of Payment Aggregator – Cross Border (PA–CB)

Who will be considered as PA-CBs?

Entities facilitating cross-border payments for import/ export of permissible goods and services.

Requirements for Applying for Authorisation

Registration

Registration with FIU-IND by Non-Bank PA-CB

Net worth

- Min ₹15 cr (application stage)
- Min ₹25 crore (for existing PA-CB – by March 31, 2026)
- Min ₹25 crore (for new PA-CB – by end of 3rd FY from grant of authorisation)

Compliance based on Activity-based Categories

RBI has introduced activity-based categories for the purposes of approval/ authorisation as below -

1. Import only PA-CBs
2. Export only PA-CBs
3. Import and Export PA-CBs

Specific compliances have been prescribed by the RBI based on the category in which PA-CB falls.

RBI Authorisation

Non Banks that are PA-CBs

- **The Non Banks PA-CBs shall be required to obtain RBI approval/ authorisation in order to carry out the service of a PA-CB.**
- Application (format as per Form A of extant circular) - by April 30, 2024, failing which entities have to wind-up PA-CB activity by July 31, 2024.
- Can carry out PA-CB activities till the receipt of RBI Approval.
- During such period ensure compliance with the extant circular (within 3 months from 31st Oct, 23) (31st January 2023)

Auditor's certificate

- Existing Non-Bank PA-CB – to submit statutory auditor's certificate & financial statements.
- New Non-Bank PA-CB- to submit statutory auditor's certificate (certifying current Net worth) & provisional Balance sheet.

Change in Category of PA-CB

- Approval – at least 60 calendar days prior to the commencement of business in the new activity category
- Commence business only after approval.(Regulatory requirements for new activity category applicable from date of approval)

Exemption from authorisation

AD Cat-I exempted from authorisation of RBI (to comply with other compliances of Circular)

Ceiling on transaction amount processed

The max value per unit of goods/ services sold/ purchased shall be ₹25 lacs