



India and Nepal Launch Cross-Border Remittance Mechanism to Strengthen Bilateral Financial Connectivity

Seamless, secure and instant P2P transfers enabled through direct linkage of India's UPI and Nepal's National Payments Interface

The initiative strengthens financial inclusion, boosts digital and economic integration, and enhances convenience for travellers and businesses across both countries

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In a major boost to digital financial connectivity and neighbourhood cooperation, India and Nepal officially launched a peer-to-peer (P2P) cross-border remittance mechanism on June 6, 2026.

The newly operationalized system establishes a direct link between India's Unified Payments Interface (UPI) and Nepal's National Payments Interface (NPI). This integration enables citizens of both nations to make seamless, real-time, and secure instant money transfers directly via mobile banking applications and digital wallets.

The UPI-NPI linkage represents a major advancement in financial inclusion, fostering stronger economic and digital ties between India and Nepal. This aligns perfectly with regional goals for accessible, safe, and affordable cross-border payments, reinforcing longstanding social and economic bonds.

Driving Economic and Digital Integration:

The technical integration was executed via collaboration between NPCI International Payments Limited (NIPL), the international arm of the National Payments Corporation of India—and the Nepal Clearing House Limited (NCHL).

The Strategic Impact: Key Features of the UPI-NPI Remittance Linkage:

This digital payment corridor represents a major shift in how commerce operates between the two countries, delivering immediate benefits:

- **Enhanced Traveler Convenience:** Eliminates the friction of physical currency exchange, carrying large amounts of cash, or navigating unfamiliar foreign exchange fees.
- **Economic Boost for Local Merchants:** Nepal businesses gain immediate access to a massive, tech-savvy Indian visitor demographic, driving higher transaction volumes.
- **Operational Efficiency:** Local merchants will experience optimized cash management, lowered overhead costs associated with physical cash handling, and secure, real-time transaction settlements.

- Real-Time, Direct Transfers: Eliminates the need to carry physical cash across borders or rely on slower, traditional banking channels.

UPI Coverage around the world:

UPI is accepted in Nine countries - Singapore, the United Arab Emirates, France, Mauritius, Nepal, Bhutan, Qatar, Sri Lanka and Cambodia - enabling Indian travellers to make seamless payments abroad through familiar platforms.

NB/AD

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