

NPCI / NACH / 2013-14 / 36

7<sup>th</sup> March, 2014

To,

All members of National Automated Clearing House (NACH)

Madam / Dear Sir,

**NACH transactions -Narration in the account statement / pass books of the destination bank account holders- Standardisation**

Reference is made to the 15<sup>th</sup> Steering committee meeting on NACH held on 18<sup>th</sup> February 2014 at NPCI's office, Goregaon. It was decided that banks would standardize the narration text pertaining to the NACH transactions that would be displayed to the account statement of the account holders.

2. RBI in its circular **DPSS (CO) EPDD No. 788/04.03.01/2010-11** dated. 08<sup>th</sup> October 2010 has directed the banks to furnish details of the electronic transactions to the account holders. It is therefore essential to adopt a uniform approach for providing relevant and standardised information to the beneficiaries which will help them to identify the source of credit/debits processed through NACH. The CBS systems of the banks should be enabled to capture the complete information in the appropriate fields which will be displayed whenever the accounts are accessed either online (internet banking etc.) or offline i.e. the pass books, account statements etc.

3. The recommended approach is as under;

**<NACH>/<USER Details 1>/<USER Details 2>**

While the first four characters in the narration text would be constant i.e. **NACH**. Banks may populate the rest of the narration text with user details viz. 'User Name' and 'User Number'.

4. Relevant information may be picked up from the corresponding fields in the input files.

Product	Fields	Type	Length (characters)	Location in Input file
ACH Cr/Dr (306 chr file format)	User Name	Alpha Num	20	88-107
	User Ref. No.	Alpha Num	30	232-261
NACH Cr ECS (156 chr file format)	User Name.	Alpha Num	20	88-107
	User Ref. No	Alpha Num	13	108-120

5. In addition to this, banks may provide any additional information as they deem necessary or useful e.g. UMRN in case of NACH Debit.
6. Sponsor banks must advise the user institutions to provide 'User Name' and 'User Ref. No. in the relevant fields so that the details recorded by the destination banks would reveal the correct picture of the transactions.
7. The above approach will help the banks to provide meaningful information to their customers who in turn would enable them to identify, track and reconcile various transactions pertaining to NACH consequently reducing the number of customer queries and complaints.

With Warm Regards,



Vipin Surelia

SVP - Cheque Clearing & NACH