

Abridged Minutes of NFS Steering Committee Meeting Held on 15th July, 2021

1. The settlement cycles in NFS have been increased from 2 to 4 settlement cycles per day with effect from 5th Jul'21, including on weekends.
2. RMD circular no. NPCI/2021-22/RMD/001 was issued on 18th Jun'21 giving details about the introduction of new Settlement Guarantee Mechanism (SGM) Policy - standardized across all online products.
3. Issuers to review the process of handling fallback transactions and may choose to either decline all fallback transactions OR may keep some checks while approving fallback transactions based on certain parameters like the profile of the customers, frequency / amount limit, type of transaction (financial / non-financial), etc. as per their internal policy.
4. Acquirer to focus on ATMs giving high fallback transaction and take necessary actions. Acquirers should not stop fallback transactions at their end but route it to NFS.
5. ATM Interchange fee has been revised in NFS network from Rs.15/- to Rs.17/- for financial transactions and from Rs.5/- to Rs.6/- for non-financial transactions done on ATMs with effect from 1st Aug'21. (Reference: RBI circular dated 10th Jun'21 on 'Usage of Automated Teller Machines / Cash Recycler Machines – Review of Interchange Fee and Customer Charges'). *Status quo* is maintained for the interchange fees for card + PIN transactions on micro-ATMs and for Interoperable Cash Deposit (ICD) transactions.
6. Committee endorsed onboarding of non-bank PPIs on NFS network for facilitating cash withdrawal transactions on ATMs by Full-KYC PPI holders as per RBI circular dated 19th May'21.
7. Interoperable Cardless Cash Withdrawal (ICCW) using UPI for authorization was made live (pilot) in Feb'21 with City Union Bank (CUB) as a pilot bank. BHIM UPI app and Yes Bank as Issuer is also enabled for ICCW transactions on pilot basis. Few more members to join as pilot banks in due course.
8. Since on-boarding of few banks on Interoperable Cash Deposit (ICD), there has been traction in the approved transaction volumes More members to enable offering ICD transaction on their Cash Deposit / Recyclers and to their customers in due course.
9. Project for acceptance of RuPay International cards issued in India on ATMs in Nepal in alliance with Nepal SBI Bank Ltd. was under progress. Operating Circular (OC) shall be issued informing the date of go-live in due course.
10. NPCI has issued OC 401 advising members to mandatorily implement MACing by 30th Sep'21. NPCI shall be forced to take action as deemed necessary to ensure compliance, including penal action on banks that are not live on MACing by the specified date.
11. Members to focus on OC 389 dated 24th Feb'21 and 391 dated 3rd Mar'21 on self-attestation and adherence of NFS OSG.
12. Members to focus on resolving ATM cash withdrawal complaints at the earliest i.e. within the specified time period. Disputes raised to be resolved at chargeback or at pre-arb stage, wherever required, rather than referring to the next level, so as to reduce the time period for resolution.
13. Banks having high technical declines to work towards addressing issues and control the declines
14. OC 398 is issued providing details for implementing Unified Dispute and Issue Resolution (ODR) functionality for NFS ATM cash withdrawal transactions by members.

15. RMD circular was issued on 5th Jul'21 to set up BIN level limits at NPCI (network level) end. (Reference RBI circular on Master Direction on Digital Payment Security Controls dated 18th Feb'21 Para 72).
 16. RMD advisory was issued on 2nd Jul'21 to members giving information on recent incidents on Automated Deposit and Withdrawal Machine (ADWM) / cash recycler machines for their noting and necessary action to avoid future occurrences.
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