NPCI भारतीय राष्ट्रीय भुगतान निगम
NATIONAL PAYMENTS CORPORATION OF INDIA

NPCI/IMPS/OC No 45/2014-15   November 20, 2014

To,

All Member Banks of Immediate Payment Services (IMPS)

Dear Sir / Madam,

Sub: IMPS - Chargeback Process (Revision in timelines).

The objective of this document is to update the changes in DMS on timed out transactions that had been recommended by the IMPS Steering Committee held on Feb 25, 2014.

The instructions contained herein will come in to effect from 1st December 2014.

We refer to Operating Circular vide reference no: NPCI/IMPS/OC No 28/2013-14 wherein we have informed that raising chargeback even if TCC is already present will be reviewed. This matter has been deliberated in the Steering Committee and was approved for implementation as follows:

1. **Chargeback & TCC-102/103 Process**

   Existing Process:

   As per existing process, chargeback is allowed even though TCC 102/103 is updated by beneficiary bank on timed out transactions (i.e. RC-08/ ISO RC-91)

   Proposed Process:

   A. Chargeback will not be allowed if TCC-102/103 is present.
   B. TCC will not be allowed if chargeback is raised and settled.
   C. If a beneficiary bank raise TCC where chargeback is already raised by the remitting bank in such case DMS will process the TCC-102/103 and reject the chargeback provided
      (i) Both the adjustments (chargeback & TCC-102/103) are raised on the same day
      (ii) Chargeback is not accepted by beneficiary bank
      (iii) Chargeback is not rejected by beneficiary bank
      (iv) Chargeback is not settled

   D. **Deferred chargeback** – In exceptional cases, on receiving customer complaint a remitting bank can raise Deferred Chargeback. **On raising the deferred chargeback, funds will not be settled immediately. Funds will be settled either on acceptance or on deemed acceptance** (i.e. no action taken by beneficiary bank within the TAT). For TAT please refer Annexure – A.

If the deferred chargeback is rejected remitting bank can raise pre-arbitration. If pre-arbitration is rejected, then the remitting bank can raise arbitration. Please refer Annexure – A & B for details.

> Note: DMS allows deferred chargeback only when TCC is raised by beneficiary bank and the remitting bank cannot raise chargeback.

E. **Adjustment Reports**: Adjustment reports on deferred chargeback till arbitration is made available in DMS in same way as existing chargeback cases. IMPS members can download Deferred Chargeback Report from the DMS on daily basis and initiate appropriate actions within the TAT.

F. **Bulk upload file format**: Bulk upload can be done using .CSV file. Please refer to annexure – D for CSV file format. Bulk upload option is provided for Deferred Chargeback, Acceptance of Deferred Chargeback, and Re-presentment of Deferred Chargeback. For details, please refer Annexure - C

G. **Reason Codes for raising adjustments**: Please use appropriate reason codes while raising disputes either through front end option or bulk upload option. Please refer to Annexure – B for details.

H. **Upload evidence for re-presentment or reject pre-arbitration of deferred chargeback**: Beneficiary bank has to upload confirmation that the customer account has been credited.

2. **Revision of Chargeback TAT on timed out transactions:**

Existing Process:

Chargeback is allowed to be raised by remitting bank on T+2 onwards irrespective of transaction value

Proposed Process:

(i) Chargeback will be allowed on T+1 onwards if the transaction amount is greater than or equal to 25000.
(ii) Chargeback will be allowed on T+2 onwards if the transaction amount is lesser than 25000.

3. **Reconciliation Actions:**
   (i) As a Remitter: Bank should ensure to raise chargeback only on receiving a complaint from the customer. PLEASE NOTE IMPORTANTLY THAT CHARGEBACKS SHOULD NOT BE RAISED WITHOUT CUSTOMER COMPLAINT.

(ii)   As a Beneficiary: Bank should ensure to raise valid TCC-102/103. Do not raise TCC where customer a/c is not credited either online or manually. Ensure to raise the TCC immediately in any case within T+1 to avoid chargebacks.

4. Applicability

The above implementation is applicable only on timed out transactions (RC - 08/ISO - 91) of P2P, P2A, P2U and P2M.

5. Effective Date

This revised process will be implemented w.e.f. 27th November 2014. All IMPS members are requested to take a note of the above and ensure that instructions contained herein are delineated to all concerned.

Should you need any further assistance, please contact following officials:-
* Mr Sourabh Shukla at sourabh.shukla@npci.org.in Mobile 08108122897,
* Mr Ashish Mandrekar at ashish.mandrekar@npci.org.in Mobile 07506446525,
* Mr Saktiswar Rao at saktiswar.rao@npci.org.in Mobile 08108122856.

Yours faithfully,

SD/-

Ram Sundaresan
Head – Operations

DEFERRED CHARGEBACK SETTLEMENT PROCESS				
Adjustment Type	Remitting bank	Beneficiary banks	Fund Movement (Transaction Amount + Interchange Fee + Service tax)	Remarks
Deferred Chargeback TAT-60 days from next day of transaction date	YES	--------	NO FUND MOVEMENT	Remitter raise deferred chargeback based on customer complaint even after updating that customer a/c has been either credited online/credited manually
Accept Deferred Chargeback TAT-4 days from next day of Chargeback date	--------	Yes	FUNDS WILL BE SETTLED	--------
Re-present on Deferred Chargeback TAT-4 days from next day of Chargeback	--------	Yes	NO FUND MOVEMENT	Evidence is mandatory if rejected
Pre-Arbitration on Re-presentment TAT-15 days from next day of deferred chargeback is rejected	YES	--------	NO FUND MOVEMENT	In case if customer of remitting bank still claims funds not credited to beneficiary
Accept Pre-arbitration TAT-5 days from next day of pre- arbitration on deferred chargeback	--------	Yes	FUNDS WILL BE SETTLED	--------
Reject Pre-arbitration TAT-5 days from next day of pre- arbitration on deferred chargeback	--------	Yes	NO FUND MOVEMENT	Evidence is mandatory if rejected
Arbitration on Deferred Per-arbitration Reject TAT-30 days after pre-arbitration is rejected	YES	--------	BASIS PRD CONFIRMATION	If arbitration is decided in favour of remitter-fund movement will be done through DMS. If arbitration is decided in favour of beneficiary-fund movement will not be done through DMS.
Note: Deferred chargeback will be settled on deemed acceptance, In case of no actions taken by beneficiary bank within the TAT of 4 days.				

DEFERRED CHARGEBACK DISPUTES FLAG & REASON CODES   <u>ANNEXURE – B</u>

Dispute Category	Transaction Type that are applicable	Dispute Flag	Front End Option	Bulk Upload Option	Reason Code	Reason Code Description
Deferred Chargeback	P2P, P2A, P2U & P2M – (Timed out transactions only)	FB	Yes	Yes	121	TCC has been raised but customer still complaining that Beneficiary a/c is not credited.
Deferred Chargeback Acceptance	P2P, P2A, P2U & P2M – (Timed out transactions only)	FA	Yes	Yes	122	Customer a/c is not credited, TCC raised inadvertently
Re-presentment of **Deferred Chargeback**	P2P, P2A, P2U & P2M – (Timed out transactions only)	FR	Yes	Yes	123	Customer a/c is credited successfully and TCC raised accordingly
Pre-Arbitration on **Deferred Chargeback**	P2P, P2A, P2U & P2M – (Timed out transactions only)	FP	Yes	No	124	Customer is still complaining for not crediting the beneficiary customer a/c.
Pre-Arbitration on **Deferred Charge back** Accept	P2P, P2A, P2U & P2M – (Timed out transactions only)	FAP	Yes	No	125	Customer a/c is not credited, TCC & Re-Presentment raised inadvertently
Pre-Arbitration on **Deferred Charge back** Reject	P2P, P2A, P2U & P2M – (Timed out transactions only)	FPR	Yes	No	126	Customer a/c is credited successfully and TCC & Re-Presentment raised accordingly
Arbitration on **Deferred Chargeback**	P2P, P2A, P2U & P2M – (Timed out transactions only)	FAR	Yes	No	127	Customer is complaining even after raising Deferred Chargeback and Pre-Arbitration on Deferred Chargeback where both have been rejected by Beneficiary Bank

BULK UPLOAD FILE FORMAT (Same as extant format, only flag has changes)   **ANNEXURE – C**

Header	Description	Length	Example
bankadjref	Bank Adjustment Reference Number	Length-100 (AN)	REM/BEN/CB/081013
Flag	FB/FA/FR/FP/FAP/FPR/FAR	Length-03 (A)	FB
Shtdat	Transaction Date	YYYY-MM-DD (AN)	10/8/2013
Adjamt	Dispute amount	(N)	1000
Shser	RRN	Length-50 (AN)	1.23457E+11
Shcrd	1. P2P - NBIN + Mobile Number (19 Digits) 2. P2A - NBIN + Account Number (19 Digits) 3. P2U - NBIN + Aadhar Number (19 Digits)	Length-53 (AN)	**E.g.5234001008108122883)** 5234(NBIN)/ 00 (Reserved)/ 1 (Product Number) 00 (Reserved)/ Mobile Number
filename	.CSV file name	Length-50 (AN)	Remdbfile.csv
Reason	Reason Codes	Length-05 (AN)	121
specifyother	Bank remarks	Length-400 (AN)	TCC has been raised but customer still complaining that Beneficiary a/c is not credited.

SAMPLE CSV BULK UPLOAD FILE FORMAT

ANNEXURE - D

A	B	C	D	E	F	G	H	I
Bankadjref	Flag	shtdat	adjamt	Shser	Sncrd	filename	reason	specifyother
REM/BEN/CB/201014	FB	2014-10-08	1000	123456789102	5234001008108122883	Remdbfile.csv	121	you may leave blank in case of no other reason
REM/BEN/CB/201014	FB	2014-10-08	1000	123456789103	5234001008108122884	Remdbfile.csv	121	you may leave blank in case of no other reason
REM/BEN/CB/201014	FB	2014-10-08	1000	123456789104	5234001008108122885	Remdbfile.csv	121	you may leave blank in case of no other reason
REM/BEN/CB/201014	FB	2014-10-08	1000	123456789105	5234001008108122886	Remdbfile.csv	121	you may leave blank in case of no other reason
REM/BEN/CB/201014	FB	2014-10-08	1000	123456789106	5234001008108122887	Remdbfile.csv	121	you may leave blank in case of no other reason

.CSV sample file

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Remdbfile.csv - Notepad

File  Edit  Format  View  Help

Bankadjref,Flag,shtdat,adjamt,Shser,Shcrd,filename,reason,specifyother
REM BEN CB 201014,FB,2014-10-08,1000,123456789102,5234001008108122883,Remdbfile.csv,121,you may leave blank in case of no other reason
REM BEN CB 201014,FB,2014-10-08,1000,123456789103,5234001008108122884,Remdbfile.csv,121,you may leave blank in case of no other reason
REM BEN CB 201014,FB,2014-10-08,1000,123456789104,5234001008108122885,Remdbfile.csv,121,you may leave blank in case of no other reason
REM BEN CB 201014,FB,2014-10-08,1000,123456789105,5234001008108122886,Remdbfile.csv,121,you may leave blank in case of no other reason
REM BEN CB 201014,FB,2014-10-08,1000,123456789106,5234001008108122887,Remdbfile.csv,121,you may leave blank in case of no other reason
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