



NPCI/2013-14/IMPS/Circular 14

Date: April 3, 2013

To,

All member Banks/Prepaid Payment Instrument Issuers (PPIs) of IMPS

Dear Sir/ Madam,

**Sub: Debit Adjustment to be raised within 5 working days in Immediate Payment System (IMPS)**

The IMPS Member banks are in process of implementation of various use cases using the Person to Account (P2A) and Person to Person (P2P) with their corporates, especially with the cash management and transaction banking processes. Banks have also started providing IMPS using P2A on the Internet Banking for retail customers. It is envisaged that through the above measures there will be a surge in the IMPS transaction volumes.

Currently the maximum timeline for raising Debit Adjustment in IMPS by beneficiary bank for a "timeout transaction" is 7 days; post which the remitting bank reverses the transaction amount to the remitter in case the debit adjustment is not raised in the stipulated period.

Several member banks had requested NPCI to reduce the duration of the Debit Adjustment period as remitters money gets blocked for 7 days and therefore it is inconvenient for the banks and customers. The recommendation by the banks was discussed in the IMPS Steering Committee meeting held on March 20, 2013 wherein it was agreed by the members that the date for resolution of the timeout transactions should be reduced from existing 7 days to 5 days. This may be successively evaluated in later time to reduce the timeline to 3 days.

Hence, all banks (as beneficiary) require raising the debit adjustments for successful transaction which were "timeout" within 5 days. Remitter banks would reverse such transactions of the remitter customers after 5 days in case debit adjustments are not raised on them by the beneficiary bank in the mentioned period. However, in case of a customer complain the existing resolution process and time period would be applicable.

This change will also be implemented in IMPS DMS with effect from May 1, 2013. All member banks of IMPS are requested to make note of the same and implement necessary measures at their end regarding the change in days for Debit Adjustment as mentioned in the Circular.

Yours sincerely,

M. Balakrishnan  
Chief Operating Officer (COO)