

NPCI/IMPS/OC No 29/2013-14

Dec 3, 2013

To,

All Member Banks, Immediate Payment Service (IMPS)

Dear Sir/Madam,

Sub: IMPS - Reconciliation Process for Timed-out transactions (RC 08 / ISO RC-91).

Objective: The objective of issuing this Operating Circular is to explain the importance of reconciliation for timed-out transactions in IMPS.

Please refer to Operating Circular no. 28 dated 31-10-2013. We implemented deemed settlement of RC 08 (Timed out transactions) from 20th November 2013 so as to reduce customer complaints. Our analysis reveal that not all banks have fully implemented the requirements as per Operation Circular 28 and this has resulted in large no. of pending items either due to beneficiary bank not uploading Transaction Credit Confirmation (TCC) or Return (RET). We reiterate that banks have to take following action for Timed out transactions (RC 08/ RC 91) which are deemed settled in IMPS.

Reconciliation Process for Timed-out transactions at Beneficiary Bank:

- Download (RC 08) timed out transactions daily from the DMS Application after every settlement cycle.
- Reconciliation has to be performed immediately after each settlement cycle.
- Raise Transaction Credit Confirmation (TCC) immediately if credited manually or Credited Online.
- Credit to Customer Account without any delay if not credited.
- Raise Return (RET) immediately if the bank is not able to credit beneficiary customer account due to any reason whatsoever.

Reconciliation Process for Timed-out transactions at Remitter Bank:

- Download (RC 08) timed-out transactions daily from the DMS Application after every settlement cycle.
- Reconciliation has to be performed immediately after every settlement cycle.
- Download the dispute report daily containing Transaction Credit Confirmation (TCC) and Return (RET) to track timed out transactions.
- After receiving the Return (RET) form Beneficiary bank, the amount should be returned back to the Remitter Customer.

We once again request member banks to strictly adhere to the instructions contained in Operation Circular No. 28 dated 31-10-2013 so as to avoid large number of customer complaints. We would also like to highlight the importance of having a proper automated reconciliation mechanism to avoid any reconciliation problem at a later date.

Should you need any further clarification, please contact Mr Saktiswar Rao at saktiswar.rao@npci.org.in Mobile: 08108122856 / Mr Sourabh Shukla at sourabh.shukla@npci.org.in Mobile: 08108122897.

Yours faithfully,



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