

RBI/2008-09/385

UBD.CO. BPD. (PCB) Cir. No.50/09.39.000/2008-09

February 17, 2009

To
Chief Executive Officer
All Primary (Urban) Co-operative Banks

Dear Sir / Madam

Reconciliation of transactions at ATMs failure-Time limit

We enclose copy of circulars issued by Department of Payment and Settlement Systems, Reserve Bank of India, [DPSS No. 711 / 02.10.02 / 2008-09](#) dated October 23, 2008 and [DPSS No.1424 / 02.10.02 / 2008-09](#) dated February 11, 2009 advising the banks to strictly adhere to the time discipline of 12 days, from the date of receipt of complaints, prescribed for reimbursement to the customers the amount wrongfully debited to their account. The directions have been issued under Section 18 of Payment and Settlement Systems Act 2007 (Act 51 of 2007).

Yours faithfully,

(A. K. Khound)
Chief General Manager

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The Chairman and Managing Director /
Chief Executive Officers
All Scheduled Commercial Banks including RRBs /
Urban Co-operative Banks /
State Co-operative Banks /
District Central Co-operative Banks

Dear Sir / Madam,

Reconciliation of Transactions at ATMs Failure - Time Limit

The use of Automated Teller Machines (ATMs) for cash withdrawal has been increasing in the country. However, of late, we have been receiving a number of complaints from bank customers, regarding debit of accounts even though the ATMs have not disbursed cash for various reasons. More importantly, banks take considerable time in reimbursing the amounts involved in such failed transactions to card holders. In many cases, the time taken is as much as 50 days.

2. After examining the procedures involved in verification and resolution of such complaints, the Reserve Bank has concluded that delay of the magnitude indicated above is not justified, as it results in customers being out of funds for a long time for no fault of theirs. Moreover, this delay can discourage customers from using ATMs. Therefore, it has been decided that, to start with, banks shall reimburse to the customers the amount wrongfully debited within a maximum period of 12 days from the date of receipt of customer complaints.

3. Please acknowledge receipt.

Yours faithfully,

Sd/-

(G. Padmanabhan)

Chief General Manager