

Rights and Obligations of the Sender / Originator for NEFT

- (a) Funds transfer instruction shall be issued by the sender / originator in a manner prescribed by the participant.
- (b) The format shall be complete and contain all requisite particulars. The sender or the originator shall be responsible for the accuracy of the particulars given in the payment instructions and special care should be taken while writing account number of the beneficiary, etc. This may entail originating participants advising customers enjoying online / internet banking facilities to input the beneficiaries' account number information more than once and customers submit funds transfer requests at branches to write down the beneficiaries' account number information twice in the application form.
- (c) Responsibility to provide correct inputs in the payment instructions, particularly the beneficiary account number information, rests with the remitter / originator. While the beneficiary's name shall be compulsorily mentioned in the instruction request, and carried as part of the funds transfer message, reliance will be only on the beneficiary's account number for the purpose of affording credit. This is applicable both for transaction requests emanating at branches and those originated through the online / internet delivery channel. The name field in the message format will, however, be a parameter to be used by the destination participant based on risk perception and / or use of post-credit checking or otherwise.
- (d) The sender / originator shall be bound by any payment instruction executed by the participant if the participant had executed the payment instruction in good faith and in compliance with the security procedure, provided that the sender/ originator shall not be bound by any payment instruction executed by the participant, if he proves that the same was not issued by him and that it was caused either by negligence or a fraudulent act of any employee of the participant.
- (e) The sender / originator shall ensure availability of funds in his / her account or remit cash while issuing the payment instruction to his / her participant.
- (f) The payment instruction shall become irrevocable once it is executed by the participant. The participant is not bound by any notice of revocation unless it is not in compliance with the security procedure.
- (g) In the event of any delay or loss on account of error, negligence, or fraud on the part of an employee of the beneficiary participant in the completion of funds transfer pursuant to receipt of payment instruction by the beneficiary participant leading to delayed payment to the beneficiary, the beneficiary participant shall pay compensation (at current RBI LAF Repo Rate plus two percent) for the period

of delay to the beneficiary. In the event of delay in return of funds transfer instruction for any reason whatsoever, the beneficiary participant shall refund the amount together with interest (at current RBI LAF Repo Rate plus two percent) for the period of delay to the remitter. Payment of penal interest shall be made to remitter / beneficiary even if no claim is lodged to that effect.

- (h) The originating participant shall endeavour to put through the request for NEFT transaction received by them, either online or across the counters from senders / originators, preferably in the next available batch, but, in any case, not exceeding two hours from the time of receipt of requests. In the likelihood of any delay / possible delay in adhering to this requirement, the sender / originator shall be informed of the delay / possible delay and the reasons for the same.
- (i) Customers can complain to the RBI's Integrated Ombudsman if the complaint is not resolved to his / her satisfaction within thirty days.