

# Frequently Asked Questions (FAQs)

## NACH Debit

NATIONAL PAYMENTS CORPORATION OF INDIA

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## I. OVERVIEW OF NACH DEBIT

### 1. What is NACH?

The National Payments Corporation of India (NPCI) offers to banks, financial institutions, Corporates and Government/s a service termed as “**National Automated Clearing House (NACH)**” which includes both Debit and Credit. It shall be referred to as NACH. NACH (Debit) & NACH (Credit) aims at facilitating interbank high volume, low value debit/credit transactions, which are repetitive in nature, electronically using the NPCI service.

### 2. What is NACH Debit?

NACH Debit is the product of NPCI to provide a better & efficient Mandate based debit services to the banks. Following are the key features of the NACH Debit:

- Automated processing and exchange of mandate information electronically with well-defined timelines for acknowledgement/confirmation.
- Each mandate needs to be accepted/authorized by the debtor bank before the User can initiate a transaction
- Each mandate is uniquely identified by Unique Mandate Reference Number (UMRN) which makes tracking of multiple mandate details easier for customers.
- Defined and agreed SLA's to be implemented-provide Governance model and defined timelines for mandate processing.
- Enable the usage of standardized Mandate Forms.
- Mandate repository containing Mandate details to be maintained for the purpose of validating mandate UMRN available on the NACH transaction files, at the time of NACH transaction processing.
- MMS would allow processing of debtor and creditor initiated mandates.
- MMS would allow processing of e-mandates as well as paper mandates, where e-mandates would consist of only data file upload while paper mandates would consist of mandate image and Data file uploads. E-mandates can be initiated only by a debtor bank.
- Bank can leverage on the existing CTS instrument scanning infrastructure for scanning and maintaining repository of the mandates images.

### 3. What are the benefits of NACH Debit to Banks?

Benefits of NACH debit are as follows:

- Standardization and digitization of mandates allowing complete audit trail of the Mandate lifecycle.
- Simplification of the mandate acceptance and recording process.
- Will result in reduced operational cost for the banks and its clients.
- Will result in higher revenues for the banks and its clients as the scope of services expand pan India - beyond the 90 clearing centers.
- Unique identifier number allocated to each mandate (UMRN - Unique Mandate Reference Number).
- Secure web access for file upload/download, dissuading the concept of regional NCC/Clearing House submissions.
- Mandates can be processed by the member for any branch across the country.
- Allows corporate clients to directly upload files for approval (DCA).
- Functions on International Messaging Standard - ISO 20022.
- Minimal time taken to activate the Mandate - same day processing possible.
- Corporates get to have direct access to the NACH systems, making it easier for them to get access to status of transaction/mandate without delay.
- Reduction of the uploading work to the sponsor banks, since the file upload will be done by the corporates themselves.

## II. MANDATE FORM

### 4. Which are the fields to be captured on the Mandate form?

Please refer Annexure 1.

### 5. Which are the Mandatory fields to be captured on the Mandate form?

All the fields are mandatory other than the fields mentioned below:

- a) Field No. 13 which is Consumer Reference Number.
- b) Field No. 14 which is Scheme/ Plan reference Number.
- c) Field No. 20, 21 & 22 (Telephone, Mobile & Mail-ID).
- d) Field No. 19 which is Customer Additional Identification.

### III. MANDATE MANAGEMENT SYSTEM (MMS)

#### 6. What is Mandate Management System?

Mandate Management System is a service of NACH Debit which facilitates the process of Mandate Creation, Mandate Amendment, Mandate Cancellation and offers all MIS related to the Mandate.

- a) Mandate Creation: Creation of a new mandate in favor of the User Institution.
- b) Mandate Amendment: Amendment of any of the variables of an existing Mandate, which is Active. UMRN needs to be quoted for Amendment.
- c) Mandate Cancellation: Cancellation of an active mandate - UMRN is required to be quoted.

#### 7. What are the different methods for creation of a Mandate?

There are two methods for creation of a mandate:

- a) UI based: The user can log into the NPCI provided MMS utility and initiate a mandate using a user interface.
- b) File based: The MMS utility also gives the user the facility to upload more than once mandate through a file upload method. File format accepted will be XML only.

#### 8. Why are there two options for creating a mandate?

The bank can use the UI option for uploading singular mandates. The UI allows the bank to create Mandate and approve it at any point of time during the day (between SOD and EOD), without linkage to the MRC and MARC cycles.

The file based method for creation of a mandate is particularly for supporting the banks automated process of initiating more than one mandate at a time.

#### 9. What is the file format to be used for Mandate Creation/Amendment/Cancellation?

- a) Mandate Creation : Pain009
- b) Mandate Amendment : Pain010
- c) Mandate Cancellation : Pain 011

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Response and Acknowledgement for each of the requests will be provided in Pain012 format. Kindly refer section 2.3 of the Bank Specification Document (BSD) to gather more details on the file formats.

**10. What is the size of the Mandate? Is it mandatory to restrict mandate to the specified size?**

The mandate has to be in the size of a standard cheque ie. 8” x 3 2/3”. It is mandatory to restrict the mandate to the size mentioned above.

**11. What should be the size and format of the scanned mandate?**

Given below is the specification of the scanned mandate.

**a) Front Image**

- The Image should be in black & white.
- The Image should be in TIFF Format
- DPI for the Image is 200

**b) Front Grayscale Image**

- The Image should be in grayscale
- The image should be in JPEG Format
- DPI for the Image should be 100

The size of a single image should not exceed 100 KB. The sample of the scanned copies is in Annexure 2.

**12. How many mandates can a bank upload at a time?**

The bank can upload any number of mandates to the MMS system, provided a single image file doesn't exceed 100 KB and a single zip file with multiple image and data files doesn't exceed 10 MB. The utility allows the bank to upload multiple zip files.

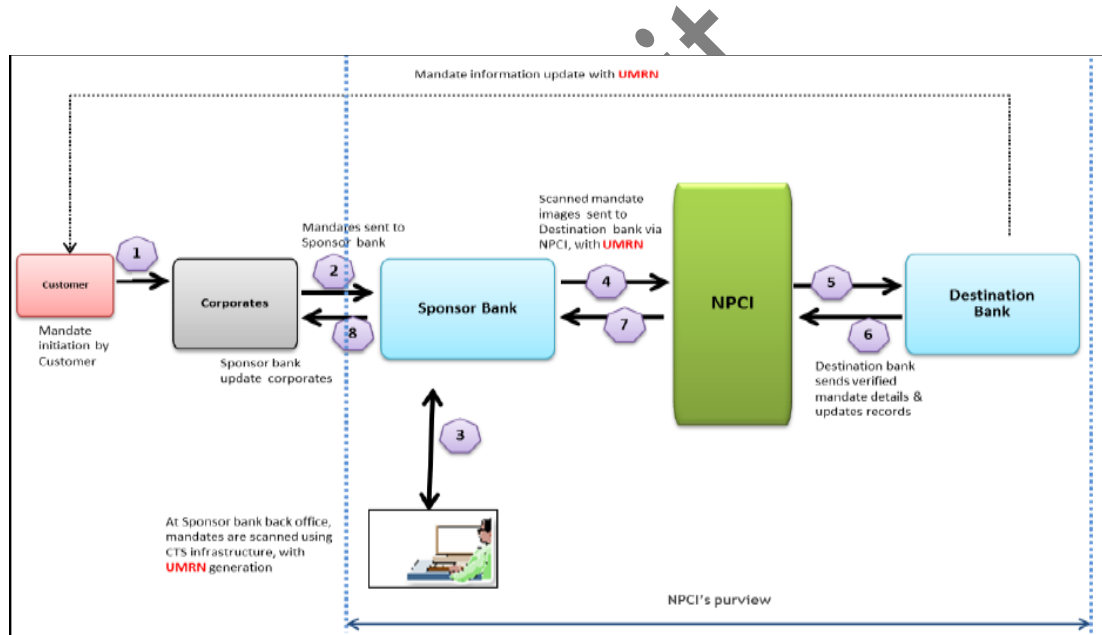
**13. Who can initiate a Mandate?**

The Mandate Creation/Amendment/Cancellation request can be initiated by both, the Creditor Bank or the Debtor Bank.

In the case where the Mandate is initiated by the Creditor Bank, a scanned copy of the physical mandate along with the data file will have to be submitted for Acceptance of the Debtor bank.

In the case where the Mandate is initiated by the Debtor Bank, the scanned copy of the physical mandate may not accompany the data file when submitted for acceptance of the Creditor Bank.

**14. What are the steps involved in initiating a mandate through Sponsor Bank via Corporates / Service Provider?**



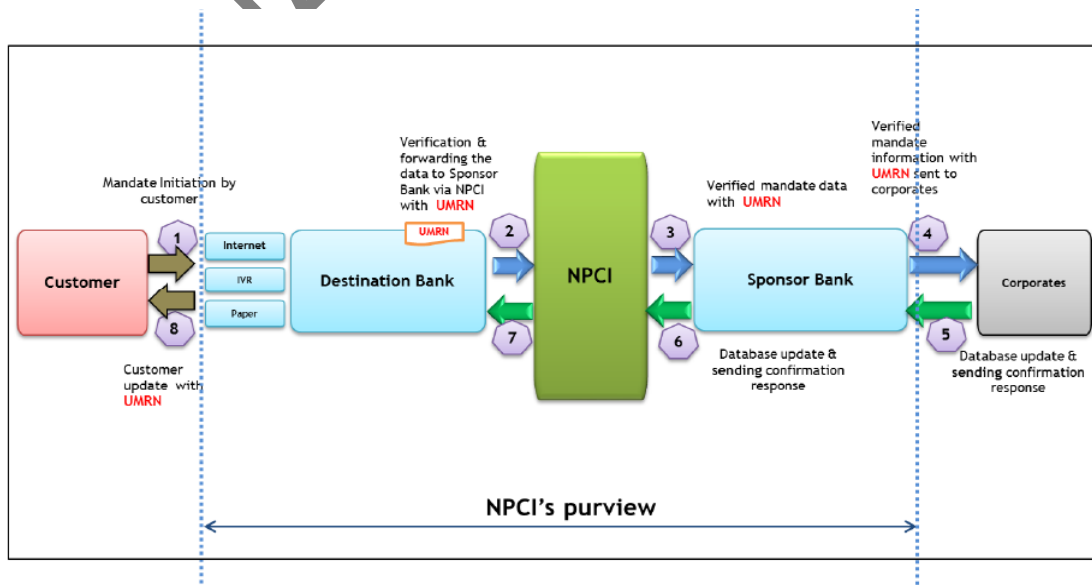
- Step 1:** The Corporates / Service Providers that holds an account with Sponsor Bank send an application to the sponsor Bank for getting Utility Code, which would allow them to participate in the NACH process.
- Step 2:** A customer who has purchased or subscribed the service from corporate/service provider and desires to pay through a mandate arrangement would fill up NACH mandate form provided by the corporate and sign it for authorizing debit to his bank account. Customer will hand over duly filled up

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mandate form to corporate/service provider, who in turn would submit the same to the sponsor bank.

- c) **Step 3:** The sponsor bank will capture the Destination Bank IFSC / MICR details & other mandatory mandate transaction details and send it to NPCI.
- d) **Step 4:** The mandate image and the related mandate transaction data will be routed to the concerned destination banks over the MMS system within the timelines stated by NPCI.
- e) **Step 5:** The Destination Bank will validate the transaction date and the details given on the image of mandate. It will send the mandate verification and acceptance confirmation message to sponsor bank via NPCI, and updates records at its end.
- f) **Step 6:** The Sponsor bank sends mandate information update with UMRN to corporate for their record updates to ensure the NACH transaction file carry the UMRN reference against the transactions sent for processing in future. Once a mandate is uploaded, Corporate can view the same, since access has been enabled to them directly by NPCI.

**15. What are the steps involved in the process of customer initiating mandate request through Destination Bank?**



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- a) **Step 1:** The end customer that holds an account with Destination Bank sends the mandate initiation request through Internet/ IVR/ Paper (Mandate form) to the Destination bank.
- b) **Step 2:** Destination bank receives the mandate request along with the mandate data and sends the mandate information over the MMS (e-Mandate).
- c) **Step 3:** The mandate transaction data will be routed to the concerned sponsor banks with UMRN generated by NACH system.
- d) **Step 4:** Sponsor bank updates its record and forward it to corporate/ service provider.
- e) **Step 5:** Corporate /service provider updates its record and sends the confirmation to Sponsor bank.
- f) **Step 6:** Sponsor bank sends the confirmation to NPCI.
- g) **Step 7:** NPCI routes the confirmation toward the Destination bank.
- h) **Step 8:** Up on receiving the confirmation from Sponsor bank/ Corporate via NPCI MMS the destination banks provides update to its customer on the status of the mandate.

**16. When is a UMRN generated/assigned to the mandate?**

The UMRN is generated immediately after the initiating bank/party creates the mandate using a GUI or the xml file upload. The ACK/NACK file generated immediately after mandate submission will reflect the UMRN.

**17. Can the Destination bank view and approve/reject all inward mandates using the GUI?**

Yes. The GUI allows the Destination bank to view and approve/reject all mandated, irrespective of the fact that the mandate has been created by the Sponsor bank using the GUI or an xml file upload.

**18. Does the bank need to encrypt the mandate files being uploaded to MMS? Does the bank need to decrypt the INW mandate received for acceptance?**

Yes. Standard encrypt/decrypt process followed by NACH.



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**19. Can banks send multiple mandates Create / Amendment / Cancel zip files to NPCI throughout the day?**

Yes, Banks can send multiple separate mandates create/amend/cancel files to NPCI throughout a day.

**20. Can banks receive multiple mandates Create / Amendment / Cancel zip files from NPCI through the day. Or would the files be bundled at NPCI and what the bank would receive will be a single Create / Amendment / Cancel zip file for a day?**

Bank will receive a separate file for create/amend/cancel/accept, throughout a day. No bundling will be done at NPCI.

**21. Who will be responsible for managing the physical mandates?**

It will be responsibility on the sponsor bank to retain a physical copy of the mandate for the period as per RBI guidelines. Sponsor bank should also ensure that the image copy and mandate transaction date to be retained as per RBI guidelines.

**22. What is the time available to the instructed agent to accept the mandate?**

The instructed agent will have to accept/reject the mandate within 5 business days of the generation of inward file. In the event of the destination bank not processing a response for the mandates, the same would be considered as deemed rejected.

**23. What does Reject Reason Code mean?**

Reject Reason Codes are the codes defined by NPCI. The instructed agent while rejecting a mandate will assign one of these codes as a reason for rejecting the mandate.

**24. What are the Session Timings for MMS?**

Session Timings for Mandates are as follows:

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Start of Day (SOD)	All Days	10:00 AM
Mandate Request Cut-off (MRC)	Weekdays	10:00 AM to 12:30 PM
	Saturday	10:00 AM to 11:30 PM
Mandate Acceptance Report Cut-off (MARC)	Weekdays	12:30 PM to 05:00 PM
	Saturday	11:30 AM to 03:00 PM
End Of Day (EOD)	Weekdays	05:00 PM
	Saturday	03:00 PM

## 25. What is the Centralised Mandate Validation Service offered by NPCI?

The Centralised Mandate Validation service was launched on October 7, 2013. The service ensures that only 'good to debit' transactions are sent to the bank by NPCI for debit processing after validating parameters like the customer account number, bank IFSC/MICR, amount, start date/end date of the underlying active mandate. Fields which will be validated at NPCI includes:

- UMRN - Active/Non-Active
- Customer Account Number
- Destination Bank IFSC/MICR
- Amount
- Maximum Amount
- Start Date
- End Date/Until cancelled
- Status of the Mandate (Active/Inactive)

If the input transactions fail above validations, NPCI will reject those transactions at Sponsor Bank end's itself and these transactions will not be sent to destination bank for processing.

## IV. QUERIES RELATED TO PAIN009

### 26. What is a 'User Number'? Can a single corporate have two or more user numbers?

It is the ID issued to a corporate that is linked to the Sponsor bank. The corporate will have to get a new User number if it changes its bank or will have to maintain multiple user number if it is transacting with more than one bank.

**27. Does NPCI validate the User Number?**

Yes, User number is being validated during the transaction leg and NPCI will reject the transaction, without sending it to destination bank, in case of incorrect User number.

Scenarios in which User number will be considered invalid is as follows:

- a) If the user number mentioned in the transaction file does not match with the one that was mentioned in the mandate.
- b) If the user number does not exist.
- c) If the user number does not match with the User Name.

**28. What is the logic followed for generation of User Number?**

User number will be generated by NACH. Logic is Sponsor bank's short code followed by running sequence number.

**29. Is the User Number unique to the Corporate or is it linked to the Sponsor Bank?**

User number is unique across the system. If a corporate has a tie up with two banks he will have 2 user numbers.

**30. Can the same User Number be used across all the products or banks have to seek different User Number for Different Products?**

As the user number fields having different lengths depending on the file formats so user can't use NACH Credit or Debit user numbers for APB and ECS.

**31. Does NPCI validate the User Number / User Name at the time of Mandate Processing?**

No, NPCI does not validate the User number/User name at the time of Mandate processing or transaction processing.

**32. What do you mean by "Utility Code"?**

Utility Code/ Corporate User ID refer to the User Number that has been allocated by NPCI, to the Corporates.

#### V. QUERIES RELATED TO PAIN010

##### 33. What are the fields that can't be amended?

The fields that can't be amended are:

- a) UMRN
- b) Payment Type
- c) Debtor Bank Name
- d) Debtor Bank ID
- e) Name of Debtor Account Holder

#### VI. QUERIES RELATED TO PAIN012

##### 34. Is the process similar to the NACH debit file whereby banks can get an ACK, partial ACK or a NACK?

For every mandate, there is an ACK or NACK generated. Since bank will get the Pain012 messages for each mandate, there will not be any partial ACK, as done in ACH.

##### 35. Do bank need to send one mandate response file (PAIN012 - Mandate Acceptance ) for each file they receive from NPCI, or can they send one consolidated PAIN012 containing details of all acceptance and rejections for mandate initiation, updating and cancellation requests?

For every acceptance, there is a pain012 message is sent. Consolidated file upload process is not available.

##### 36. For the 3 separate files that the bank receives, can they send back a single pain012 file containing records which could pertain to mandate creation, amendment or cancellation.

The banks cannot use a single Acceptance xml file for all three types of mandates - Creation, Amendment and Cancellation. Each mandate will have to be accepted individually.

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**37. If the bank receives 5 mandates on day 0, can it stagger the approval/rejection over the next 5 days i.e. approve one mandate on day 1, two mandates on day 2 and remaining mandates on day 5.**

Once the inward for a mandate is generated the Instructed agent has 5 business days to approve the mandate. The Instructed agent may decide to stagger the approval/rejection over the period of these five days.

## VII. QUERIES OF ACH DEBIT (AT TRANSACTION LEVEL)

**38. For every single Input file (Transaction File), does the destination bank receive separate inward file?**

No, the destination bank will not get different inwards for different input files. Instead it will get a single consolidated inward file for all the input files initiated on the bank. Only in case where the transaction count exceeds 20000 records, the file gets split into multiple file with 20000 or less records in each.

**39. What are the Session Timings of NACH Debit?**

### Presentation and Return Timings

Weekdays	Presentation: 10:00 AM - 12:30 PM	Return: 03:00 PM - 05:00 PM
Saturdays	Presentation: 10:00 AM - 11:30 PM	Return: 02:00 PM - 03:00 PM

### Settlement Timings

Weekdays	Presentation Settlement: 01:00 PM - 02:00 PM	Return Settlement: 05:30 PM - 06:30 PM
Saturdays	Presentation Settlement: 12:00 PM - 01:00 PM	Return Settlement: 03:30 PM - 04:30 PM

## ANNEXURE 1 - DESCRIPTION OF MANDATE FILEDS

1. **UMRN** - UMRN is a Unique Mandate Reference number allocated to each new mandate created in NACH Debit. It is auto generated by the NACH system during mandate creation. UMRN is mandatory for every transaction and even during mandate amendment and cancellation.
2. **DATE** - The date on which the mandate was initiated. It should be in the following format: DD/MM/YYYY.
3. **SPONSOR BANK CODE** - Sponsor Bank IFSC/MICR code.
4. **UTILITY CODE** - It is the User Number allocated to the Utility/Biller/Bank entity/Aggregator.
5. **NAME OF UTILITY/BILLER/BANK/COMPANY** - It is the name of the service provider.
6. **ACTION** - Action that the customer want to take i.e. Create/Amend/ Cancel.
7. **A/C TYPE** - It is the type of account held by the Payer against which the mandate is being issued (for e.g. Savings, Current, CC, Others).
8. **LEGAL ACCOUNT NO.** - Payer's bank account number.
9. **NAME OF THE DESTINATION BANK WITH BRANCH** - Name of the Payer's Bank and its Branch Name.
10. **IFSC/MICR CODE** - IFSC/MICR Code of Payer's bank.
11. Maximum amount per transaction that could be processed, in words.
12. Amount in figures, similar to the amount mentioned in words.
13. **CONSUMER REFERENCE NUMBER (Reference 1)** - It is the reference number that has been allotted to the Payer by the User institution (Utility/Biller/Bank entity).
14. **SCHEME/ PLAN REFERENCE NUMBER (Reference 2)** - Scheme/Plan reference number under which the Payer is authorizing the User institution to debit his/her account.
15. **FREQUENCY** - It refers to the frequency of transactions.
16. **PERIOD** - Validity of mandate with dates in DD/MM/YYYY format.
17. Names of customer/s and signatures as well as seal of company (where required).
18. **UNDERTALING BY CUSTOMER**
19. **CUSTOMER ADDITIONAL IDENTIFCATION** - Permanent ID of customer For e.g. PAN/Aadhaar No.
20. Telephone number with STD Code, of Payer.
21. 10 digit mobile number of Payer.

22. Mail Id of Payer.

NACH Debit

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**ANNEXURE 2 - MANDATE IMAGE**

**Mandate Valid till November 30, 2014**

UMRN <input type="text"/>		1	2	
Sponsor Bank Code <input type="text"/>		Utility Code <input type="text"/>		
SESHAASI MANDATE INSTRUCTION FORM	I/We hereby authorize _____ (Name of Utility / Biller / Bank / Company)		Action: Create mandate on: <input type="checkbox"/> Cancel mandate on: <input type="checkbox"/> Update mandate on: <input type="checkbox"/>	
	Legal Account Number: <input type="text"/>		A/c Type: Savings: <input type="checkbox"/> Current: <input type="checkbox"/> CC: <input type="checkbox"/> Others: <input type="checkbox"/>	
	with _____ (Name of Destination Bank with Branch)		IFSC / MICR Code: <input type="text"/>	10
	Rupees <input type="text"/>		to debit amount of / up to a maximum of <input type="text"/>	12
for Payment towards Consumer reference Number: <input type="text"/>		13		
Scheme / Plan reference Number: <input type="text"/>		14		
FREQUENCY <input type="checkbox"/> Monthly <input type="checkbox"/> Half Yearly <input type="checkbox"/> Bi-Monthly <input type="checkbox"/> Yearly <input type="checkbox"/> Quarterly <input type="checkbox"/> as and when presented		PERIOD <input type="text"/> Starting from <input type="text"/> <input type="text"/> Upto <input type="text"/> Or <input type="checkbox"/> Until cancelled		
<small>I/We hereby declare that the particulars given on this mandate are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I/We would not hold the Utility / Service provider / Participating Banks responsible. I/We have read the option invitation letter and agree to discharge the responsibility expected of me / us as participant / s under the scheme. I/We authorise use of above mentioned contact details for the purpose of this specific mandate instruction processing. I/We hereby confirm adherence to terms on this mandate. 18</small>		Name/s and Signature/s of Account Holder/s 17 (as per bank records)		
<small>Customer Additional Identification:</small> <input type="text"/> 1 Telephone: ( ) <input type="text"/> 20 Mobile: <input type="text"/> 2 Mail ID: <input type="text"/> 2				

**Revised Mandate Form effective from April 25, 2014**

UMRN <input type="text"/>		Date <input type="text"/>	
Sponsor Bank Code <input type="text"/>		Utility Code <input type="text"/>	
Tick (✓) <input type="checkbox"/> CREATE <input type="checkbox"/> MODIFY <input type="checkbox"/> CANCEL	I/We hereby authorize _____ Name of Utility/Biller/Bank/Company		to debit (tick✓) SB /CA /CC /SB-NRE /SB-NRO /Other
Bank a/c number <input type="text"/>			
with Bank _____ Name of customers bank		IFSC <input type="text"/>	or MICR <input type="text"/>
an amount of Rupees <input type="text"/>		₹	
FREQUENCY <input type="checkbox"/> Mthly <input type="checkbox"/> Qtlly <input type="checkbox"/> H-Yrly <input type="checkbox"/> Yrly <input type="checkbox"/> As & when presented		DEBIT TYPE <input type="checkbox"/> Fixed Amount <input type="checkbox"/> Maximum Amount	
Reference 1 <input type="text"/>		Phone No. <input type="text"/>	
Reference 2 <input type="text"/>		Email ID <input type="text"/>	
PERIOD From <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> To <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Or <input type="checkbox"/> Until Cancelled		Signature Primary Account holder _____ Signature of Account holder _____ Signature of Account holder _____	
1. Name as in bank records		2. Name as in bank records	
		3. Name as in bank records	
<small>This is to confirm that the declaration has been carefully read, understood &amp; made by me/us</small>			