

NPCI/2016-17/NACH Circular No.165A

June 29, 2016

To

All NACH member banks

Clarification on Mandate category

Refer to our circular no. 165 dated June 07, 2016 on the categories to be used for mandates.

Extract of the circular

“Mandates that are pertaining to recovery/collection with definite periodicity like EMI/SIP (Mutual funds) should not be presented with the option of ‘as and when presented’. Mandates under all other categories can be presented with ‘as and when presented’ option” effective from August 01, 2016.

Clarification:

It is clarified that the spirit of the circular is to encourage the users to use right categories with definite frequency wherever possible, meaning in case of SIP if the customer upfront specifies the frequency viz Monthly/quarterly/half-yearly and yearly then such frequency should be selected at the time of presenting the mandates. In all the other cases of mutual fund investments and SIPs if the customer opts for ‘as and when presented’ frequency the mandates can be presented with such frequency under mutual fund category as well.

With Warm Regards,



(Giridhar G M)

VP & Head - NACH & CTS Operations