

NPCI/2017-18/NACH/Circular no. 224

May 02, 2017

To

All ACH Debit member banks

**Malpractices in mandate processing**

NPCI has been receiving complaints from various stakeholders as few corporates are using unapproved practices for registration of mandates and presentation of transactions.

***Virtual signature***

Printing of mandates through getting virtual signature from customers i.e., signing is done using mobile/handheld devices. Such process is in legally not tenable and also leading to large number of rejects on account of signature mismatch cases.


***Multiple transactions for a mandate issued with monthly frequency***

Transactions are initiated multiple time for a mandate registered with frequency as "monthly". Multiple presentations can happen only if the previous transaction for that month is returned.

The above practices are in contravention to the NACH procedural guidelines, sponsor banks should advise their corporates to not to adopt such methods. Banks may take an undertaking from the corporates confirming that they do not follow the practices listed above. Any breach of guidelines will be viewed seriously.

For any further clarifications, member banks/ corporates can write to [ach@npci.org.in](mailto:ach@npci.org.in).

With ward regards



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