

NPCI/2019-20/NACH/Circular No.008

May 31, 2019

To
All NACH Member banks

Pradhan Mantri Shram Yogi Maan-dhan (PMSYM)

Government of India has launched a contributory pension scheme for workers of unorganised sector namely Pradhan Mantri Shram Yogi Maan-dhan (PMSYM) to provide old age protection. For enrolment under the scheme, an eligible subscriber can approach the nearest Common Service Centre (CSC) with the documents viz. Aadhaar number, bank passbook, etc. Upon completion of enrolment process an auto debit mandate form will be generated and will be signed /under his/her thumb impression.

The contributions of the pensioner will be collected by sponsor bank through debit of the subscribers bank account registered for this scheme through NACH system. As this scheme is meant for workers of unorganized sector and constitutes an important milestone in providing them with social security, it has been decided to push only the mandate data without the images in the existing file format, this is to avoid any undue rejection on account of signature mismatch or due to usage of thumb impression in the mandate form by the worker.

The change in the process for sponsor & destination banks are given hereunder:

Sponsor bank

- MMS create/amend / cancel file format will be as per the existing format however there will be change in naming convention, both the file format and the new file naming convention is provided in **Annexure I** for reference.
- Category code to be captured as "W001" (PMSYM - Mandate without images) in create XML.
- The sponsor or destination bank will not be allowed to create/amend/cancel mandate through GUI and said operation can be done through xml only.
- To ensure system readiness to consume, Unique Mandate reference (UMR) number generated with identifier in fifth digit as "5".
- As the image of the mandate will not be transmitted to the destination bank the sponsor bank along with Life Insurance Corporation of India (LIC) and the Ministry of Labour & Employment will work out a mechanism for retrieval of images in case of disputes, mechanism for dispute registration and redressal etc. Document with detailed roles and responsibilities of all the stakeholders will be circulated to member banks in due course.



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Destination bank

- Identification of the mandate for processing through following options:
 - a. Unique Mandate reference (UMR) number will be generated with identifier in 5th digit as "5"
 - b. Category code will be "W001" in the inward mandate XML
 - c. Sequence number of the mandate inward file name will be prefixed with "LVMWI".
- To validate the customer account provided in mandate XML with CBS (mandate images will not be available) and upload the acceptance file into NPCI MMS.
- There is no change in the XML file format however there is a change in the file naming convention of inward file, both the file format and the naming convention is provided in **Annexure II** for reference.
- Destination bank should use the relevant reasons as provided in **Annexure III** when accepting / rejecting the mandate.

The Ministry of Labour & Employment has confirmed that the process has been approved by all the competent authorities including DFS and IBA. Detailed mandate registration process is provided in **Annexure IV**.

As an exception for the process related to this scheme, NPCI will not be charging the mandate processing fee of Rs. 1/- from the sponsor bank and Rs. 0.50 from the destination bank. Also as the destination banks will be only validating the account number the incentive of Rs.5/- paid for other category of mandates will not be applicable for data mandates presented under this scheme. The destination banks will be paid the inter change of Rs.0.50 per debit transaction. The destination banks shall automate the process of account validation and mandate registration and ensure that response is provided within 2 working days of receiving the mandates through NACH system.

The member banks registering the mandates on the basis of data alone will be responsible only for registering the mandates with the correct account number as is provided in the data mandate and processing the transactions on the basis of registered mandates with due validation. Other Disputes pertaining to mandate initiation, scheme administration etc will be handled by the Ministry of Labour & Employment & Life Insurance Corporation of India.

Above changes are to be implemented with effect from June 07, 2019. Member banks are advised to make necessary system for processing the PM-SYM files. The volume of mandates and transactions are expected to be on higher side all the banks are advised to do capacity planning for processing large volume within the available time window.



Any queries may please be raised through CRM tracker.

With warm regards,



Giridhar G.M
(Chief – Offline product operations & run technology)

Annexure - I

File name conventions for MMS file name conventions as Sponsor bank:

Create (Change highlighted in bold)

a. XML file name conventions:

MMS-CREATE-Bank code-User id-ddmmyyyy-**MWI**xxxxxx-INP.xml

b. Zip name conventions:

MMS-CREATE- Bank code-User id-ddmmyyyy-**MWI**xxxxxx-INP.zip

Amend

No Change

Cancel

No Change

Mandate file format:

No Change



Annexure – II

File name conventions for MMS inward and Accept for destination bank:

Inward: (Change highlighted in bold)

a. XML file name convention

MMS-CREATE-Bank code-User id-ddmmyyyy-**MWI**xxxxxx-INP.xml

b. Zip file name convention

MMS-CREATE- bank code-ddmmyyyy-**LVMWI**xxxxxx -INW.zip

Amend

No Change

Cancel

No Change

Mandate file format:

No Change



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Annexure – III

Sl.No.	Code	Name	Type
1	ac01	ACK Default Accept Reason	ACK Accept Reason
2	sack	Automatic cancel request acceptance	ACK Accept Reason
3	M036	Not a CBS act no.or old act no.representwithCBS no	Amendment Reason
4	A001	On customer request	Amendment Reason
5	C003	Account closed	Cancel Reason
6	C004	Account frozen	Cancel Reason
7	C005	Account inoperative	Cancel Reason
8	C002	Cancellation on corporate request	Cancel Reason
9	C001	Cancellation on customer request	Cancel Reason
10	M057	Account Holder Name Mismatch with CBS	NACK Accept Reason
11	M055	Account Inoperative	NACK Accept Reason
12	M041	Account blocked	NACK Accept Reason
13	M037	Account closed	NACK Accept Reason
14	M026	Account frozen	NACK Accept Reason
15	M034	Amount of EMI more than limit allowed for the acct	NACK Accept Reason
16	M035	Corporate name mismatch	NACK Accept Reason
17	M021	Duplicate mandate_first presented mandate already	NACK Accept Reason
18	M060	Invalid frequency	NACK Accept Reason
19	M056	Mandate Not Registered_ not maintaining req balanc	NACK Accept Reason
20	M052	Mandate Not Registered_Minor Account	NACK Accept Reason
21	M051	Mandate Not Registered_NRE Account	NACK Accept Reason
22	M030	Mandate registration not allowed for CC account	NACK Accept Reason
23	M053	Mandate registration not allowed for PF account	NACK Accept Reason
24	M054	Mandate registration not allowed for PPF account	NACK Accept Reason
25	M038	No such account	NACK Accept Reason
26	M031	Not a CBS act no.or old act no.representwithCBS no	NACK Accept Reason
27	M011	Payment stopped by attachment order	NACK Accept Reason
28	M012	Payment stopped by court order	NACK Accept Reason
29	M023	Refer to the branch_KYC not completed	NACK Accept Reason
30	M032	Rejected as per customer confirmation	NACK Accept Reason
31	ncex	TAT expired	NACK Accept Reason
32	M013	Withdrawal stopped owing to death of account holde	NACK Accept Reason
33	M015	Withdrawal stopped owing to insolvency of account	NACK Accept Reason
34	M014	Withdrawal stopped owing to lunacy of account hold	NACK Accept Reason



Annexure IV

Enrolment Process:

1. Eligible subscriber will visit the nearest Common Service Centre and complete an on-line registration process by sharing his Aadhaar number, bank particulars and other details of nominee and spouse.
2. Demographic authentication based upon Aadhaar number, OTP based mobile number verification, manual verification of bank particulars from supporting documents would be done at CSC.
3. Upon completion of enrolment process and payment of initial contribution, an enrolment cum auto debit mandate form is generated and signed by the subscriber.
4. CSC decentralised office would scan the signed enrolment cum auto debit mandate form and upload the same to CSC system.
5. Subsequent to this a pension card would be generated and given to subscriber along with cash receipt as proof of pension account having been opened.
6. The CSC centre would also return the original enrolment cum auto debit mandate form to the subscriber to be retained by him.
7. The data of subscribers enrolled and the amount collected from subscriber would be transferred by CSC to LIC on T+1 for further process.

Mandate registration process:

The pre-requisite of auto debit every month from an account is registration of mandate duly verified by the destination banks. As the subscribers for this scheme is from unorganized sector, (a few may be literate but may not be able to sign consistently and others may be illiterate who can provide thumb impression only), the process of registration of mandate is acting as a deterrent for smooth and seamless implementation of this Social Welfare scheme meant for the poor workers engaged in un-organised sector. To overcome this challenge the Ministry of Labour & Employment, in consultation with IBA, few major banks, LIC and NPCI designed a process wherein the mandates will be registered based on data without transmission of physical mandate copy to the destination banks. The proposed process flow is given below:

1. Customer will approach Common Service Center (CSC) for pension scheme registration. (The CSC is a strategic cornerstone of the National e-Governance Plan (NeGP), approved by the Government in May 2006, as part of its commitment in the National Common Minimum Programme to introduce e-governance on a massive scale. It works under MeitY).
2. CSC will ensure customer related information are validated using customer bank passbook before completing the registration process. Basic details to be validated are:
 - a. Customer name
 - b. Customer account number
 - c. IFSC/ MICR Code
 - d. Other customer information as available in the passbook which is required for mandate registration.
3. The onus of recording the correct details of the customer and validation of customer will be on CSC. If there are any dispute at a later date by the customer on the debits to his/her account, the onus of resolving the dispute to the satisfaction of the customer is entirely on LIC.



4. Post successful registration, CSC/LIC to prepare data mandate as per the format provided by NPCI (to be shared).
5. The data mandate to be shared with sponsor bank.
6. Sponsor bank on receiving the data to upload into NPCI portal.
7. NPCI will generate inward to respective customer banks for processing the mandates.
8. Customer banks will validate the account number only and accept if it is valid (name validation will not be carried out by the bank).
9. If the account number is correct, the bank will register the mandate. If the account number is incorrect, frozen, blocked or cannot be debited for any other reason, the bank will reject the mandate with appropriate reason as per the reasons list provided by NPCI.
10. NPCI on receiving the accept/reject reason from customer bank will generate response back to the sponsor bank of LIC.
11. LIC should share the response data with CSC.
12. LIC will ensure that the transactions are generated only on the mandates that are confirmed by banks as valid. In case LIC generates a transaction on a mandate that has been rejected by the bank, such transactions will be rejected by NACH system at the time of upload itself. It is the responsibility of LIC to ensure that the response files received from the customer's bank are updated in their database and originate transactions on valid mandates only.
13. At the time of transaction presentation by sponsor bank, NPCI will validate transaction data against the mandate data based on the Unique Mandate Reference Number (UMRN) generated at the time of mandate registration. The destination banks may also validate the transaction data against the mandate data registered in their internal systems before allowing debit to the customer account.
14. In the event of any dispute on the validity of the mandate or debit to an account, it will be the responsibility of LIC and the Government to handle the dispute and settle with the customer accordingly.
15. NPCI will provide the dispute management system to the banks concerned for raising disputes through the system. NPCI will follow up with sponsor bank, LIC for settlement of disputes as per the defined TAT. If the dispute is not settled within the agreed TAT, the sponsor banks account will be debited to the extent of disputed transaction amount and credited to the dispute raising bank for crediting to the customer account (this is as per the dispute management processed detailed in NACH procedural guidelines).