NCDEX Nidhi

Mandate Registration Process - FAQs (English)

NCDEX Nidhi
Next-Gen Mutual Fund Platform

Frequently Asked Questions (FAQs)

Mandate Registration Process - FAQs

Q1. What is a mandate in mutual fund transactions?
In mutual fund transactions, a **mandate** is an authorization that investor gives to NCCL to **debit money directly** from your bank account through eNACH and UPI Autopay for SIP orders generated on NCDEX Nidhi. Mandate enables recurring investments for SIPs without requiring separate payment approval for each SIP installment.

Q2. Why is a mandate required for SIP transactions?
A mandate is required because SIP investments are processed automatically at regular intervals. An approved mandate allows future SIP instalments to be collected seamlessly on the scheduled dates.

Q3. Which mandate types are supported on NCDEX Nidhi?
NCDEX Nidhi currently supports mandate options such as eNACH and UPI Autopay for SIP transactions.

Q4. What is the difference between e-NACH and UPI Autopay?
Both E-NACH and UPI Autopay enable automatic collection of SIP instalments. eNACH is linked to a bank account, while UPI Autopay is linked to a registered UPI handle (Virtual Payment Address or VPA) and the underlying bank account associated with that handle.

Q5. How can one register a mandate?
A mandate can be registered independently or during the SIP setup process by selecting a preferred mandate option and completing the required authorisation steps through the applicable banking or UPI channel. The registration request is then processed through the relevant ecosystem participants before the mandate status is updated on the NCDEX Nidhi platform.

Q6. What happens after a mandate is successfully approved?
Once a mandate is approved, it becomes active and can be used to link for future SIP instalments.

Q7. How will one know whether the mandate has been successfully registered?
Mandate activation generally occurs after successful confirmation from the relevant banking or UPI ecosystem. The mandate status is updated on the NCDEX Nidhi platform after the registration process is completed. Investor will get communication on their registered Email ID and mobile number.

Q8. What happens if mandate registration is unsuccessful?
If a mandate registration is unsuccessful, the mandate does not become active and cannot be used for SIP instalments. In such cases, the investor may initiate a fresh mandate registration after resolving the underlying issue. The status of the unsuccessful registration will also be reflected on the NCDEX Nidhi platform. Investor will get communication on their registered Email ID and mobile number.

Q9. Can an existing mandate be modified?
No. Once a mandate has been activated, its key details cannot be modified. If any changes are required, the existing mandate must be cancelled and a new mandate must be registered.

Q10. How can a mandate be cancelled?
A mandate can be cancelled when a cancellation request is raised by the Distributor on NCDEX Nidhi or it can be cancelled by the investor directly through their bank or UPI app. The status is updated on NCDEX Nidhi upon confirmation from payment aggregator.

Q11. What happens after a mandate is cancelled?
Once a mandate is cancelled, future SIP instalments linked to that mandate cannot be processed. If SIP investments are to continue, a new mandate must be registered. The mandate status is updated after confirmation of cancellation is received from the relevant ecosystem participants.

Q12. What happens when a mandate reaches its expiry date?
When a mandate reaches its validity end date, it becomes inactive and can no longer be used for future SIP instalments. A new mandate registration is required to continue SIP investments.

Q13. Can an investor have more than one active mandate?
Subject to applicable platform rules and banking requirements, investors may register multiple mandates and use an eligible active mandate for their SIP transactions.

Q14. How can one check the status of the mandate?
Investors and distributors can view the mandate status through the NCDEX Nidhi platform, where the current status of registered mandates is displayed.

Q15. What are the possible statuses of a mandate?
A mandate may reflect one of the following statuses during its lifecycle:

- Created : Mandate has been created and is awaiting investor authorization (via bank site/app, or UPI app for Autopay).
- Approved : Mandate has been authorized by the investor's bank/NPCI and is active; can now be used for auto-debit of purchase orders.
- Rejected : Mandate was rejected by the investor's bank/NPCI during authorization.
- Cancelled : Mandate has been cancelled and can no longer be used for any payments.

Q16. What is the overall purpose of mandate registration and cancellation?
The mandate framework enables secure and convenient processing of recurring SIP investments. Mandate registration facilitates automatic SIP collections, while mandate cancellation or expiry prevents future debits from being processed through that mandate.

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