

# **STANDARD OPERATING PROCEDURE**

## **PLI -SBI NACH INTEGRATION**

**VERSION 1.0**

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### **PART-II**

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## 1. Overview

This document describes the operating procedure for DoP users in PLI CPCs for handling SBI NACH functionality in the McCamish System, this functionality facilitates auto deduction of premia from the bank account of the policyholder on a specified date as opted by the policyholder.

## 2. System Validations: -

- 2.1 For policies that already exist in McCamish system, status for processing the billing method change request would always be done on policies with **Active (AP)** status. The request would not be processed in system on any other policy status such as Terminated Death (TD), Pending Maturity (PM), Active Lapse (AL), Inactive Lapse (IL) etc.

For e.g.: While indexing, the policy status is AP, however, when the system is scheduled to share the request file, the status changes to Terminated Surrender (TS) or Pending Maturity (PM). In this case, the system would not process the billing method change request and stop during approval.

- 2.2 System would always check the **Bill to Date (BTD) and Paid till Date (PTD)** for the specified case. The PTD would always be the last day of month of the previous frequency cycle. However, the BTD would always be the first date of the month for the current/upcoming frequency cycle.

For e.g.: If the billing frequency is monthly and ongoing month is June 2019, the BTD would be 1<sup>st</sup> June 2019 and the PTD would be 31<sup>st</sup> May,2019. Only in the said case, the system would process the billing method change request.

- 2.3 For cases where mandate has been registered, the current month premium has to be received in cash or previous set mode only. The newly set premium payment mode will be applicable from next cycle only.
- 2.4 NACH functionality will be for collection PLI/RPLI subsequent premium only.
- 2.5 If amount is not deducted from account due to any reason as per NACH schedule opted, customer has the provision to pay through cash/cheque /online for that particular period. If premium is not paid for that period through any other mode, request file for collection of premium through NACH will not be shared with the bank for this particular policy in the subsequent billing period.
- 2.6 Post registration of NACH, if customer approaches counter to pay in advance, he would be able to do so. However, in such scenario, the PTD will be updated and such policies will not be considered for deduction of premium through NACH for that particular months for which advance premium has been received.

- 2.7 If the customer approaches for stopping NACH, cancellation of the registered mandate will be done in SBI Portal and thereafter billing method change request is to be indexed and processed in McCamish system.
- 2.8 In case of any claim (terminating event such as maturity, death, surrender) NACH would be terminated automatically in McCamish. However, the mandate registered in the SBI portal also needs to be cancelled by the PLI CPC.
- 2.9 User will have to register mandate for each policy separately in McCamish by Billing method change request.
- 2.10 In case of cancellation or modification in registered mandate due to changes in existing collection mode, bank details etc, a fresh physical mandate allotting a fresh Unique Reference Number need to be obtained from the customer for registration of cancellation/modification in SBI portal, such modified debit mandates would carry old Unique Identification Number as well as new Unique Identification number to be written on right hand upper corner of mandate form for future references. Modification cases are to be registered on SBI Portal only after cancellation of concerned old mandate on receipt of specific request from the customer.

### **3. NACH Mandate registration in McCamish. (PLI-CPC)**

- 3.1** Customer walks into the Post office and wishes to change his/her billing method to NACH.
- 3.2** On receipt of the request, the Post Office user will get the NACH mandate form filled from the customer and verify the bank particulars & other details provided therein as per cancelled cheque leaf with pre-printed name in proof of customer's bank account or the first page of the passbook obtained as part of supporting document and details of the policy available in the McCamish. The sample NACH mandate form is at '**Annexure-I**'.
- 3.3** NACH form will be scanned and saved in ECMS by the user in the CPC. Pixel size for the image should preferably be 384\*816 (H\*W) & size of each image should not exceed 100 kb.
- 3.4** User indexes a billing method change request in McCamish. After indexing, in data entry screen, user selects Non-POSB as the drop-down option against "Bank Type" field. On selecting this option, user will enter the below mandatory details.

Field	Max Field Size/Format	Mandatory/Optional	Remarks
Serial No.	NA	NA	Would not be displayed on screen. Will be maintained only at backend.
UMRN	Exactly 25 (Alphanumeric)	Mandatory	Editable- As generated in SBI portal
Utility Code	Exactly 35(Alphanumeric)	Mandatory <b>(Auto-populated)</b>	<b>(non-editable)</b>
Utility Name	Max 30 (Alphanumeric)	Mandatory <b>(Auto-populated)</b>	<b>(non-editable)</b>
Debit Customer Name	Max 50(Alphanumeric)	Mandatory	Editable-As per NACH mandate form
Debit Account No.	Max 35 (numeric)	Mandatory	Editable- As per NACH mandate form
Debit Account Type	7 (alpha)	Mandatory	Dropdown values: Debit Account Type. Savings CC, Other, Current.
Debit IFSC	Exactly 11(Alphanumeric)	Mandatory	Editable- As per NACH mandate form
Debit Bank Name	Max 30(Alphanumeric)	Mandatory	Editable- As per NACH mandate form
Amount	Max 14,2(Numeric)	Mandatory <b>(Auto-populated)</b>	Renewal amount including GST amount would be <b>pre-populated</b> and uneditable.
Customer Ref No.	Max 20(Alphanumeric)	Mandatory <b>(Auto-populated)</b>	Policy No. to be <b>pre-populated</b> (uneditable)
Payment Type	Exactly 4(Alphanumeric)	Mandatory <b>(Auto-populated)</b>	RCUR-Recursive Debit <b>pre-populated</b> by default and un-editable.
Frequency	Alphanumeric	Mandatory <b>(Auto-populated)</b>	Dropdown values would be: Monthly, Quarterly, Semi-annually, Yearly (Frequency selected in the policy would be <b>pre-populated</b> in this field and would be uneditable)
Start Date	DD/MM/YYYY	Mandatory <b>(Auto-populated)</b>	"Next premium Due Date" would be <b>pre-populated</b> and un-editable
End Date	DD/MM/YYYY	Mandatory <b>(Auto-populated)</b>	Last premium due date on the policy (a month before maturity) would be <b>pre-populated</b> and un-editable. The date would be based on the auto debit date selected.
Auto Debit Date	DD	Mandatory	Dropdown Values would be :7 <sup>TH</sup> , 12 <sup>TH</sup> , 17 <sup>TH</sup> (Based on the frequency of the policy, the selected date will be considered for auto debit)

- 3.5 UMRN/UIN number will be generated on successful registration of the mandate through SBI portal, upon successful generation of UMRN/UIN through SBI portal, Data Entry (DE) user while processing the billing method change request in McCamish will add "**Success**" in the comment section of the billing method request and push the service request to the next stage of workflow. At this stage, McCamish will save the above entered data at its end.
- 3.6 On approval of the request, billing method for the policy will be changed to '**NACH**' and all the workflow stages would proceed for completion. Billing method change SMS and email as applicable will be triggered.
- 3.7 The physical copy of the NACH mandate will be retained in safe custody for the period of 10 years, this is as per RBI guidelines. Physical copy of mandate, if needed on demand from SBI, in case any dispute arises, will have to be retrieved and supplied by concerned CPC to SBI through proper channel.

**Important to Note:**

- i. Please ensure billing method change request is completed in McCamish sufficiently **before the last day of the month** as McCamish validation **restricts billing method to get changed on last day of the month**.
  - ii. Please ensure that UMRN number entered in the relevant field of McCamish during data entry is correct, **re-verification of the UMRN number needs to be done**, Quality Checker and Approver must **review the details like customer name, account number, bank name, IFSC code, UMRN etc.** entered by DE user while processing billing method change request in McCamish.
- 4. Process Transaction/Reverse file Exchange (Bank, McCamish, Nodal Office, CEPT & IPPB).**
- 4.1 At T-3 (night batch), McCamish system will share the transaction/demand file (list of registered policies) with the designated sFTP folder of the SBI, for which NACH is to be processed at T i.e. NACH debit date (7<sup>th</sup>, 12<sup>th</sup> 17<sup>th</sup> of the month). **(Action: McCamish).**
  - 4.2 Transaction/demand file, at present, is being placed in the DoP folder by McCamish, thereafter, the same is being moved to SBI mount point from DOP folder for processing by SBI system. Similarly, the reverse path is being followed in case of response file received from SBI for consumption by McCamish system. Till such time, the file sharing process is automated. It is the responsibility of IPPB & CEPT team to ensure timely placement of the

request/response files to and from SBI mount point as per the scheduled dates. **(Action: IPPB and CEPT)**. Similarly, SBI team is expected to place the response file in SBI mount point on timely basis at the end of each debit dates but not later than subsequent day of the debit date. **(Action: SBI)**

- 4.3 Basis the transaction/demand file received from McCamish system, SBI portal will consume the above file at T-3 for populating the transaction file data in the SBI portal in order to enable identified DoP authorizer at **Nodal Office, Bengaluru GPO** to authorize the transaction/demand file through SBI portal itself. **(Action: SBI)**
- 4.4 However, before authorizing the transaction/demand file by Nodal Office, CEPT/IPPB will send the data (i.e. list of 'NACH' registered policies) at T-2 in the same format of demand/transaction file as per SRS for the defined NACH debit date i.e. 7th, 12th & 17th to the Nodal Office for reconciling the data of transaction file auto generated as per McCamish system and as provided to Bengaluru GPO by CEPT/IPPB before authorizing the same on the SBI Portal at T-2 or T-1 day. **(Action: CEPT/IPPB)**
- 4.5 In case of mismatch in count of transaction or in the amount as per data populated on SBI portal w.r.t data received from CEPT/IPPB. Nodal Office may refer to '**transaction file upload status report**' under '**Reports & Enquiries**' menu of SBI portal to ascertain the reasons for such mismatch of records on SBI portal. Wrong UMRN number, IFSC, Bank account number, customer or bank name etc. may generally lead to such mismatch in the figures/count. **(Action: Nodal Office, CEPT and IPPB)**
- 4.6 In case of variation in the data due to reasons other than wrong UMRN number, IFSC or bank account number quoted, Nodal Office shall coordinate with concerned CEPT and IPPB teams for concluding the reconciliation activity. CEPT & IPPB team will extend support to Nodal Office Bengaluru GPO in reconciling the data before approval in the SBI portal. Once data is reconciled, Nodal Office will authorize the transaction/demand file on SBI portal. **(Action: Nodal Office, CEPT and IPPB)**
- 4.7 Once transaction/demand file is authorized by Nodal Office after due reconciliation, SBI portal will initiate processing thereof for debiting the respective customer's bank account and sharing a consolidated single reverse file to designated sFTP folder for consumption by McCamish system. **(Action: Nodal Office and SBI)**
- 4.7.1 If response is **Successful** in the reverse file - McCamish system will update the policies. Receipt will be generated based on the "Processing

Date” and renewal premium message will be triggered as per existing logic.

4.7.2 If response is **Rejected** - McCamish system will save response received from SBI. For failed transactions, there will be no 2nd attempt for the same policies in same month. SMS will be triggered to the customer mentioning that transaction has failed and he/she will have to pay the default month premium through cash/cheque/online as per their convenience.

4.7.3 If response is **Pending** - McCamish system will save response received, also SBI will be resending the response file with the updated debit status for each record either 'Success', 'Rejected' or 'Pending' on daily basis with the same file name until all the status get changed either to 'Success' or 'Rejected'.

**Important Note:**

- i) All responses either '**Success**' or '**Rejected**' against the transaction should mandatorily be received from SBI before 27<sup>th</sup> of the current month.
- ii) Nodal Office to keep a watch on the status of transactions for each debit date by referring to reports available in SBI portal & report delay (if any) in receipt of the responses, to CEPT & IPPB teams for escalation to SBI to avoid occurrence of instances where date of receipt of response may go beyond 27<sup>th</sup> of the month.

**5. Reconciliation & Accounting by Nodal Office, Bengaluru GPO:**

5.1 Nodal Office will carry out reconciliation activity on T+1 day as per the daily report received from CEPT/IPPB in the format as mentioned below:

Sr. No	Receipt No.	UMRN No.	Transaction No.	Policy Number	Insured Name	From date	To date	Effective Date	Premium Amount (Excl. of GST)	CGST	SGST	UTGST	Total GST	Rebate	Default	Total Amount collected	Payment Type (First Year/Renewal Year)	Product Type	Carrier Type	Debit Date (07 <sup>th</sup> , 12 <sup>th</sup> , 17 <sup>th</sup> )

5.2 Nodal Office will initiate reconciliation of the transactions (success/failure/pending) at T+1 of the defined debit dates i.e. 07<sup>th</sup>, 12<sup>th</sup> & 17<sup>th</sup> and complete this activity for each debit dates. A status report on reconciliation, to this effect, will be published to PLI Directorate, Karnataka Circle & concerned DAP on every month end in the following format similarly as is presently being done in case of CBS-PLI integration.

Month	Debit Date (07th, 12th, 17th)	Number						Amount						Sample			
		Total Transaction		Total Success		Total Rejected		Total Transaction		Total Success		Total Rejected		%Success		%Failure	
		PLI	RPLI	PLI	RPLI	PLI	RPLI	PLI	RPLI	PLI	RPLI	PLI	RPLI	PLI	RPLI	PLI	RPLI
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5.3 The necessary accounting of the transaction under this integration will be performed by Nodal Office as per standard accounting procedure issued vide PAF Division vide letter no. PA/CSI/04/123/2021-22 dated 18-08-2023 circulated to Nodal Office Bengaluru GPO vide accounts section, PLI Dte email dated 24-08-2023.

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