Unified Payments Interface (UPI) for Mutual Fund Investments: A Comprehensive Guide

In today's fast-evolving digital landscape, Unified Payments Interface (UPI) has revolutionized how Indian investors manage financial transactions. Whether you're investing from a metro or a growing urban center, UPI offers a secure, fast, and convenient way to invest in mutual funds.

What is UPI?

UPI is a real-time payment system developed by NPCI that enables instant money transfers between bank accounts via mobile apps. It allows users to link multiple bank accounts to a single app and transact using a Virtual Payment Address (VPA)—a unique ID like yourname@bank—instead of sharing sensitive bank details.

How to Set Up UPI

1. Download a UPI-enabled app (e.g., BHIM, Google Pay, PhonePe, or your bank's app).

2. Register your mobile number linked to your bank account.

3. Create a VPA (e.g., yourname@bank).

4. Link your bank account and set a secure UPI PIN.

Once set up, you can start making payments or investments instantly.

Using UPI for Mutual Fund Investments

Payment Options

You can invest using:
- UPI ID (VPA): Enter your UPI ID on the mutual fund platform, authenticate via your UPI app, and authorize the transaction using your UPI PIN.
- QR Code: Scan the QR code displayed during the payment stage, verify details, enter the amount, and confirm with your UPI PIN.

SEBI Guidelines

In accordance with SEBI circular dated June 11, 2025, a structured UPI mechanism has been introduced to enhance the security and accessibility of mutual fund transactions. Effective October 1, 2025, SEBI mandates that all payments to brokers, mutual funds, and registered intermediaries must be made using SEBI-validated UPI IDs ending in "@valid". These IDs feature recognizable intermediary names and a green triangle with a thumbs-up icon for easy verification and at the same time its absence

would caution investors of the risk that they are making payments to unauthorised entities.

Safety Tips

- Never share your UPI PIN.
- Verify UPI IDs and QR codes before payment.
- Monitor your transaction history regularly.
- Report suspicious activity to SEBI and your bank immediately.

Need Help?

For assistance to invest in the schemes of Unifi Mutual Fund, reach out to:
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Frequently Asked Questions (FAQs)

What is UPI and how is it used for mutual fund investments?

UPI (Unified Payments Interface) is a real-time payment system that allows investors to make secure and instant payments directly from their bank account to mutual fund using a UPI ID or by scanning a QR code.

How do I pay using UPI ID for mutual funds?

Choose the UPI option on the mutual fund platform, enter your UPI ID (Virtual Payment Address/VPA), and authenticate the transaction using your UPI app and mPIN.

How does QR code payment work for mutual funds?

Mutual fund platforms display a QR code at the payment stage. Scan this code with your UPI app, verify details, enter the investment amount, and confirm the payment using your UPI PIN.

Is it mandatory to use SEBI-validated UPI IDs for investments?

Yes. Starting October 1, 2025, payments to brokers, mutual funds, and other SEBI-registered intermediaries must be made using new verified UPI IDs featuring a recognizable intermediary name and ending in "@valid".

How do I verify if a UPI ID or QR code is legitimate?

The UPI IDs feature recognizable intermediary names and a green triangle with a thumbs-up icon for easy verification.

Can I invest using other payment methods?

Yes, you can still use NEFT, IMPS, cheques, or net banking if you prefer. UPI is an additional, convenient option.

What happens if a UPI payment fails during the investment process?

If a payment fails, consult your bank or UPI provider for issue resolution. Your investment will only be confirmed once funds reach the mutual fund account.

Are there transaction limits for UPI payments to mutual funds?

Yes. Banks set daily and per-transaction limits for UPI payments. You can check or adjust limits through your UPI app or bank customer service.

What are the benefits of using UPI and QR codes for mutual fund investments?

Fast and instant payment settlement.
Enhanced security due to verified payment channels.
No need to share sensitive bank details.
Easy authentication and tracking of transactions.

What should I do if I suspect fraud or impersonation?

Always verify UPI IDs and QR codes before payment. Use SEBI's verification tools and never share your UPI PIN or credentials. If you encounter suspicious activity, report it to both SEBI and your bank immediately.

Disclaimers:

• An Investor Education and Awareness Initiative by Unifi Mutual Fund.

• To know more about KYC documentation requirements and procedure for change of address, phone number, bank details, etc., please visit: https://www.unifimf.com/kyc-corner/

• Please deal only with registered Mutual Funds, details of which can be verified on the SEBI website under 'Intermediaries / Market infrastructure institutions.

• All complaints regarding Unifi Mutual Fund may be directed to services@unifimf.com and enq_ufi@camsonline.com and/or https://scores.sebi.gov.in/ (SEBI SCORES portal) and/or https://smartodr.in/login

• Nomination is advisable for all folios opened by an individual, especially with sole holding, as it facilitates an easy transmission process.

This communication is a part of the investor education and awareness initiative of Unifi Mutual Fund.

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.