

Circular: NPCI/2020-21/AEPS/005

Date: 6<sup>th</sup> November, 2020

To,

All Members of Aadhaar Enabled Payment System

**Implementation of eFRM for Aadhaar Enabled Payment System**

To maintain sanctity of AePS ecosystem, NPCI has enabled the e-FRM solution for AePS transactions. All the banks have been made live on e-FRM from 1<sup>st</sup> June'20.

e-FRM in AePS is implemented in 2 phases. In the phase 1, since banks do not require any certification and the evaluation of risk score will be carried out at NPCI end immediately after getting the transactions from Acquirer bank end. In this case, if risk score is high (as per attached rules for Phase 1), NPCI switch will decline the transaction with ISO Response code 59 to Acquirer Bank. The risk score will not be passed to issuer bank as it will require certification to accept additional value. Such transactions will be part of raw data files, which are provided through DN system & case management portal will not be provided in Phase 1. In Phase 1, only Aadhaar no based transactions will be evaluated.

In Phase 2, Issuer banks need to certify with NPCI to process the risk score under revised transaction flow. In this phase, the evaluation of risk score is based on UIDAI token. In this, bank will be provided Case Management portal access to tag the fraud cases and also get alerts. Bank can also check the risk score of decline cases using case management portal. Only global rules will be implemented in e-FRM for AePS.

Member banks are requested to make a note of the above and disseminate the information to respective stakeholders.

Regards,



Praveena Rai  
Chief Operating Officer