

NPCI/2020-21/NACH/Circular No. 001

May 26, 2020

To

All NACH Member banks

Revival of eSign and improvement in validation process

Refer to circular no. 35 on “Suspension eSign based E-Mandate” dated November 23, 2018, we wish to inform you that we have received confirmation from the competent authority that Aadhaar authentication for e-sign services is permitted under Section 4(4)(b)(i) of the Aadhaar Act 2016. It has been decided to re-launch eSign based E - Mandate (2.0) with effect from June 01, 2020.

In order to bring in more controls and process efficiency the updated version of eSign based E - Mandate will be launched with additional validations in central system. If the mandate and data are not presented as per the specifications issued by NPCI it will lead to validation failure and rejection by the central systems. Member banks / corporates may refer to the technical specifications issued vide our circular No. 017 dated July 17, 2018 and ensure strict compliance to specifications and data/certificate consistency/integrity.

If the data presented by the bank is not in adherence with the specifications such mandates will be rejected by the central system. Member banks may note that the central system will be performing validations only from the technical correctness perspective, the onus of validating the data against the signed content and also the validity of the digital certificate will continue to be the responsibility of the destination banks. There should not be any dilution in the process of validation at the destination bank.

Destination banks who were participating in this variant are advised to confirm their system readiness as per the format provided in **Annexure I**. Corporates and Sponsor banks may note that NPCI shall publish the list of participating banks on the web site, mandates can be processed only as per the list published by NPCI. Any mandate drawn on non-participating bank is presented, the central system will reject such mandate.

Apart from the above changes, all the other process and procedural guidelines issued by NPCI will continue to be in force. The information herein may be disseminated to all the concerned for necessary action.

For clarifications, please raised in the CRM tracker

With warm regards,



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

Annexure I

(To be printed in bank letterhead)

To,

Chief - Offline product operations & technology,
National Payments Corporation of India
C/O ICICI Towers, 6th Floor,
Tower I, North Wing,
Plot No. 12, Financial District, Nanakram Guda,
Hyderabad, Telangana 500032.

Sub: Enabling of bank in eSign product in NACH platform

We _____(bank name) having short code ____ (4 digit code provided by NPCI) participating in National Automated Clearing Cell (“NACH”) confirm that we are ready with infrastructure for handling eSign based E-Mandate as destination bank and request NPCI to enable our bank for eSign variant.

(Signature of Authorized Signatory)

(Name of the Authorized Signatories & designation with bank seal)