

NPCI/2018-19/NACH/Circular No.017

July 17, 2018

To

All NACH Member banks

Change in eSign creation and validation process as per regulatory requirement

Reference may be taken from our Circular no. 226 on “eSign mandate variant live in MMS” dated May 04, 2017. UIDAI, vide their circular no. 06 dated January 10, 2018 on “Implementation of Virtual ID, UID token & Limited KYC”, has advised user agencies to discontinue the usage of Aadhaar number for consumption and transmission across systems.

The eSign variant of E-Mandate was introduced on May 05, 2017. With this a customer can digitally sign the mandate using his/her Aadhaar number, which in turn, is validated at the bank end for further processing, approval and registration of E-Mandates. Currently 122 banks and 50 corporates are live in this module of NACH platform.

As per the revised directions issued by UIDAI, in the digital certificate issued based on Aadhaar authentication, only the last 4 digits of the Aadhaar number (first 8 digits will be masked). It may please be noted that despite this change the combination of account number and the last 4 digits of the Aadhaar number continue to be unique.

In compliance to the above regulatory requirement, a few modifications are made in the existing eSign creation and validation process. The modifications are detailed below:

Corporate / Sponsor Bank

- Last four digit of Aadhaar number prefixed with zero should be captured in open content of the XML format of NPCI.
- E-Sign tags in XML format
 - a. Digital certificate will contain last four digit of Aadhaar.
 - b. Signed content should not contain the Aadhaar number.

Destination Bank

- Cross check open content data mandate with Signed content except Aadhaar number
- Match last 4 digit of Aadhaar in digital signature with the last 4 digits of the Aadhaar number linked to the bank account.


Excluding the above, the other process of mandate management and validations remain unaltered.

We are working with the stakeholder on additional factors like Demographic authentication for verification of the DN qualifier provided in digital certificate and other measures. In view of the time required for the changes we are releasing specifications for immediate changes so that the processing will not be impacted on August 01, 2018. We shall release next phase of changes once a workable solution with additional factors is finalized.

Member banks and user agencies are advised to incorporate these new changes in their process effective from August 01, 2018 and disseminate the information to all the concerned for necessary action.

For clarifications, please write to ach@npci.org.in

With warm regards,


Giridhar G.M
(SVP - NACH & CTS Operations)

Annexure I - Existing process vs revised process

Sl. No.	Particulars	Entity	Existing process	Revised process
1	Create file format	Sponsor bank	12 digit Aadhaar number in Aadhaar field of xml and hashed value in digital certificate	Last 4 digit of Aadhaar number preceding with zero to be captured in Aadhaar field in xml and no Aadhaar hashed value in digital certificate
2	Verification of data	Destination bank	Mandatory fields in encoded format (base 64) with the data mandate (including 12 digit Aadhaar number)	Mandatory fields in encoded format (base 64) with the data mandate excluding the Aadhaar number
3	Aadhaar validation	Destination bank	Retrieve Aadhaar number of account in CBS and convert to hash value and cross check with Aadhaar hash value available in digital certificate	Retrieve the last 4 digit of Aadhaar number of the account in CBS and cross check with last 4 digit of Aadhaar number in digital certificate

