

## **RBI Guidelines on AePS Operator Due Diligence**

The Reserve Bank of India (RBI), through its Notification **RBI/2025-26/63 dated June 27, 2025**, has issued new directions to enhance security and fraud risk management within the Aadhaar Enabled Payment System (AePS). The move follows reports of fraud involving identity theft and misuse of customer credentials in AePS transactions.

These directions focus on due diligence and risk oversight of AePS Touchpoint Operators (ATOs), individuals who facilitate transactions using Aadhaar authentication at designated points.

The banks' onboarding ATOs are now required to follow the Customer Due Diligence (CDD) procedure as per RBI's KYC guidelines. If the ATO has already undergone CDD as a Business Correspondent or sub-agent, that record may be used. Inactive ATOs, with no transactions for three consecutive months, must undergo a fresh KYC process before resuming operations.

Additionally, acquiring banks must continuously monitor ATO activity using risk-based parameters such as transaction volume and location. Operational guidelines must be reviewed regularly to align with evolving fraud patterns.

Technological integrations like APIs must be strictly limited to AePS-related functions. These directions are issued under the Payment and Settlement Systems Act, 2007, and will take effect from January 1, 2026.

### **Link**

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT63467C7E2AC96C4F1F88CC91C49CF18BEC.PDF>