

Summary of Reserve Bank of India (RBI)

Digital Payments – E-Mandate Framework, 2026



Key takeaways from the RBI Digital Payments E-Mandate Framework, 2026

RBI has issued the 'Digital Payments – E-mandate Framework', dated 21 April 2026, applicable to Payment System Providers and Payment System Participants involved in processing recurring domestic and cross-border transactions through cards, Prepaid Payment Instruments (PPIs), and Unified Payments Interface (UPI). Below is a summary of the directions:

01		03	04	05
Registration and revocation		Transaction notifications	Grievance redressal and velocity checks	Miscellaneous provisions
- E-mandates must be registered after successful Additional Factor Authentication (AFA) validation and validity period of the mandate must be communicated during registration - Customers must be able to modify or withdraw e-mandates at any time however, AFA is required for such changes - E-mandates may be for a fixed amount or a variable amount (within RBI-prescribed limits); and for variable mandates, customers must be able to set a maximum transaction limit - Customers must have the option to choose or change the mode (e.g., SMS, email) for receiving pre-transaction notifications.		- Issuers to send a notification 24 hours before actual amount debit - Issuers to also provide option to opt-out of an e-mandate post an AFA validation - Pre-transaction notification is not required for replenishing FASTag and National Common Mobility Card. Both pre-transaction and post-transaction notifications are required to contain the below mentioned fields: Merchant Name Transaction Amount Date of Debit Time of Debit Reference Number of E-Mandate Reason for Debit Post-transaction notifications are also required to contain details on grievance redressal for customer support	- Issuers to provide a grievance redressal mechanism to enable customers to lodge and resolve complaints - RBI customer liability norms for unauthorised transactions apply equally to recurring e-mandate transactions - Insurance premiums, mutual funds subscription and credit card bills can be made without AFA up to INR10 thousand per transaction.	- No fees shall be charged for using e-mandate services - For cards, existing mandates can be mapped to re-issued cards - Acquirers are responsible for reviewing onboarded merchants' compliance with these directions.
	02			
	First transaction and recurring transactions			
	- First transaction under an e-mandate requires AFA - Subsequent payments are not subjected to any additional customer-defined limits or controls - Transactions up to INR15 thousand do not require AFA.			



What should Regulated Entities do

Regulatory entities (REs) build an action plan considering following key aspects to strengthen compliance readiness, operational efficiency, customer experience and continual monitoring capabilities. KPMG in India, based on our extensive experience in designing and transforming digital frameworks, can support REs in managing seamless and effective implementation of regulatory guidelines.



Technology implementation

REs should enhance existing technology capabilities to support recurring payment processing:

- Configure mandatory AFA validation controls
- Enable automated debit notification triggers
- Integrate mandate validation with payment systems
- Implement centralised mandate lifecycle management
- Enable customer-defined transaction limit controls
- Strengthen consent and authentication audit logging
- Implement failed transaction exception workflows
- Enable real-time reconciliation and tracking
- Configure alerts for control and notification failures
- Integrate dispute management with monitoring systems.



Governance oversight and change readiness

REs must enhance existing technology capabilities to support recurring payment processing:

- Conduct periodic compliance and control reviews
- Monitor mandate and notification compliance metrics
- Track transaction failures and customer complaints
- Define remediation workflows for failed transactions
- Perform periodic control effectiveness assessments
- Establish centralised compliance reporting dashboards
- Maintain audit-ready consent and transaction records
- Conduct stakeholder awareness and training sessions
- Enable maker-checker oversight for exceptions.



Policy and operational alignment

REs should enhance existing technology capabilities to support recurring payment processing:

- Update e-mandate policies and SOPs
- Define customer consent and revocation procedures
- Standardise pre-debit and post-debit notifications
- Establish dispute and grievance workflows
- Define transaction threshold and exception handling
- Align merchant onboarding procedures with RBI requirements
- Formalise notification retention requirements
- Define failed and reversed transaction handling procedures
- Establish roles and accountability across teams.

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