zeta

The Authentication Shift Is Here!

RBI's New Circular On AFA Is A Turning Point

Encouraging adoption of modern and robust factors leveraging technology **beyond SMS OTP** to strengthen transaction security.

Enabling Issuers to dynamically adapt authentication based on transaction risk profiles empowering **risk-based authentications (RBA).**

Fostering interoperability across systems, channels, and providers with **open access** to technology.

Requiring Issuer accountability to ensure robustness and **integrity of authentication** mechanisms, with **responsibility for compliance** and customer protection.

Mandating Issuers to adhere to the **Digital Personal Data Protection Act (DPDP)**, 2023, ensuring secure data handling and **privacy-by-design.**

The draft RBI circular proposed **explicit consent** and **registration** for **new authentication factors**. Though **not in the final circular**, it could reappear, reflecting a focus on transparency and user control.

Three Categories Of Factors

Something you
Know

- PIN
- Password

Something you
Have

- OTP
- Device based Tokens
- Smartcards

Something you
Are

- Biometrics (Fingerprint, facial recognition, etc.)
- Behavioral Biometrics

Lead The Shift!

The Clock May be Ticking

RBI's new AFA directions require Issuers to adopt dynamic authentication by April 2026. SMS OTP alone may no longer meet regulatory expectations.

Issuers that act early can avoid last-minute compliance rush and gain operational readiness.

Customer Trust at Stake

Early adoption of dynamic authentication builds trust and strengthens banking security. SMS OTPs are prone to interception, SIM swap, man-in-the-middle attacks and phishing, and are deprecated by NIST for sensitive transactions.

Reducing reliance on SMS OTPs improves transaction resilience, enhances customer experience, and protects brand reputation.

Competitive Pressures

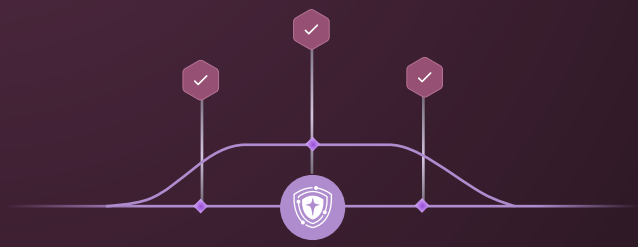
Progressive Issuers are already integrating risk-based authentication to meet evolving regulatory and operational needs.

Early adoption ensures operational resilience, helps close compliance gaps and positions banks ahead in the digital payments race.

INTRODUCING

Cipher AFA

A zero-trust, modular IAM (Identity and Access Management) platform for issuers that delivers advanced authentication and access controls, enabling compliance and future-ready security.



Richest AFA Catalogue in India

Cipher goes beyond SMS OTP with **diverse range of authentication factors** like Passkeys, biometrics, device tokens, Dynamic PIN, Swipe2Pay, digital cards, PAN-CVV, push notifications, and more. **Fully future-ready!**

Risk-Based Authentication

Cipher integrates with Issuer **risk models to adapt authentication** dynamically: E.g.

- High-value transactions → 2FA with Passkeys
- Multiple rapid transactions → Step-up to 3FA

Interoperability & Modularity

Cipher is **built to work with any TSP** and supports all card networks (RuPay, Visa, Mastercard, Diners). Our modular design ensures **vendor flexibility and adaptability**.

Issuer Accountability & Indemnity

Cipher **delivers secure, robust AFA with full audit trails**, indemnifying* fraudulent transactions and **reinforcing compliance** and issuer trust.

Standards Adherence & Data Protection

With **tokenization** and **adherence to NIST, PSD2, and other global best practices**, Cipher minimises data exposure. It is **DPDP-compliant and PII-vaulted** for strong privacy and regulatory adherence.

Consent-Ready - Stay Ahead of Regulation

Cipher's Customer Profile Manager offers **consent-ready** self-service, device/credential control, and full audit trails, keeping issuers **prepared before consent regulations**.

Compliance, Certifications & Adaptive authentication ◆ ISO 27001 ◆ PCI DSS ◆ SOC 3 certified ◆ ACS 2.0 Ready

Factors supported (AFA)

Widest

factors supported

Authentication success rate

99.7%

Login Authentication Success rate

Fraud reduction

Up to 100%

Fraud reduction in account takeover attempts vs SMS OTP alone

AFA coverage rate

99%

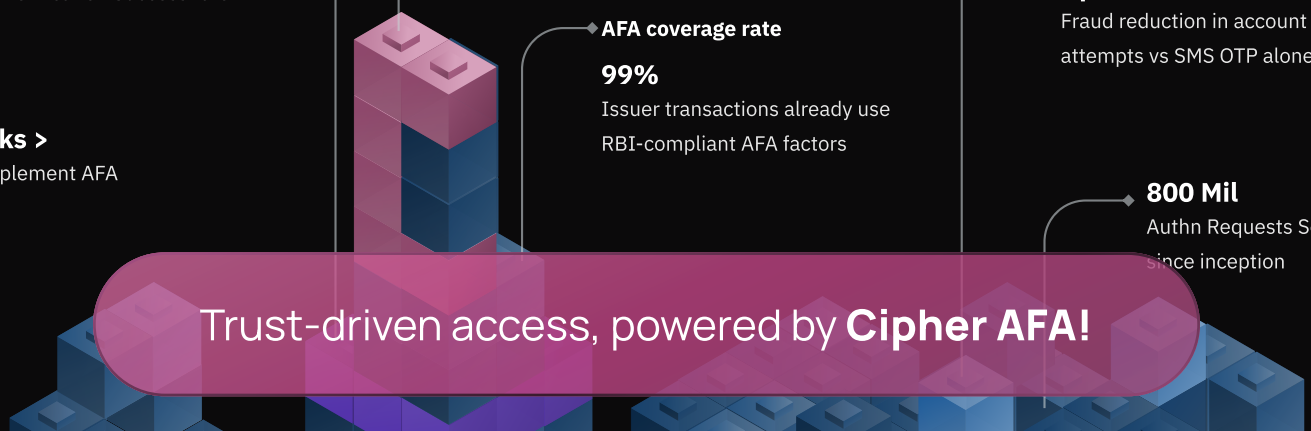
Issuer transactions already use RBI-compliant AFA factors

< 4 weeks >

Time to implement AFA

800 Mil

Authn Requests Served since inception



Trust-driven access, powered by **Cipher AFA!**