

New System Should be Ready in 10 Days, says DBT Official

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“We reviewed the entire system when the Airtel issue cropped up and we have decided that overwriting should be replaced to make it more restrictive,” said an official of the Direct Benefits Transfer (DBT) Mission. Another layer will be added to the mapping process so that banks overwriting an already Aadhaar-linked subsidy account will have to check which one will receive such payments.

The cooking gas subsidy of 4.7 million customers totalling around ₹167 crore was sent to Airtel payments bank accounts in the past two months. “We started receiving a lot of complaints since people were not aware that their subsidy was being directed to new accounts and they assumed the government had stopped their welfare payments,” said a UIDAI official.

“We believe that it will stem some of the over-enthusiasm by companies to make their own accounts as primary accounts for receiving government subsidy without the explicit consent of the customer,” said the DBT Mission official. “Now this automatic route will not be possible unless the customer explicitly

asks for the subsidy account to be changed.”

A finance ministry official said it had been decided jointly by all stakeholders including National Payments Corporation of India that customers’ informed consent was needed. “Norms will soon be worked out by IBA (Indian Banks’ Association) on this,” he added.

The cooking gas subsidy of 4.7 million customers totalling around ₹167 cr was sent to Airtel Payments Bank accounts in the past two months

said. The new system should be ready in the next 10 days, said the DBT official.

IBA has decided to hold a meeting next week with banks on a new form that will list the existing Aadhaar-linked bank accounts of customers, asking them which one is for subsidies, IBA CEO VG Kannan told ET.

UIDAI issued a notice to the company in September after receiving complaints about

Bank accounts without the knowledge of people.

SYSTEM AMENDED

Airtel told ET in a statement that it had sought to amend its system. “After UIDAI had brought the issue to our notice, we had put in a process, wherein, every customer had to give an explicit consent to open a bank account,” it said. “The express check within the app was also changed to opt-in mode.”

The current system dates from 2013-14 when only one account held by a person had to be linked to Aadhaar to receive subsidies. The current situation has emerged because the government has mandated that all accounts have to be verified with Aadhaar, said the DBT official. “Financial companies had to make the distinction between seeding and mapping, but they didn’t do that, so, we had to change the system,” added the DBT official.

UIDAI has also decided to boost monitoring of the system since many new financial services firms have come into the fray recently and are aggressively reaching out to customers for new accounts and their services, said the UIDAI official.

(Dheeraj Tiwari contributed to this report)