

Airtel can do e-KYC till Jan 10 with riders

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The Unique Identification Authority of India (UIDAI) has conditionally allowed Bharti Airtel to conduct e-KYC verification of mobile subscribers up to January 10 if ₹138 crore of the cooking gas subsidy transferred into its subscribers' payment bank accounts is reverted to other bank accounts held by them.

The UIDAI had last week barred Airtel from conducting Aadhaar-based SIM verification of its mobile customers and payments bank clients after reports emerged that payment bank accounts were opened for its mobile subscribers without "informed consent" and cooking gas subsidy worth crores of rupees was deposited into them.

The UIDAI had requested the Reserve Bank of India (RBI) and the department of telecommunications (DoT) to conduct an audit of Airtel to ensure the company was in compliance with its licence conditions.



PricewaterhouseCoopers is conducting the audit.

A final decision on the matter will be taken after reports from the RBI and the DoT come in by January 10.

The National Payments Corporation of India (NPCI) has confirmed the cooking gas subsidy in remaining

Airtel payment bank accounts is being reversed. Airtel has requested NPCI to reverse cash transfers of ₹191.4 crore along with accrued interest of 7.25 per cent per annum for 3 million customers into their other bank accounts.

Sources said the UIDAI granted its conditional approval to Airtel keeping

in mind that its subscribers must link their Aadhaar numbers with their mobile phone numbers by March 31.

However, the UIDAI has not allowed Airtel Payment Bank to use the e-KYC licence key and "it shall remain deactivated until further notice," sources said.

CONDITIONAL RESPITE

- Airtel gets temporary relief till Jan 10 after which further decision would be taken based on reports from the RBI & DoT
- Airtel is to use the e-KYC and authentication service only for re-verification and issuance of SIM cards
- The e-KYC should not be used for obtaining consent for opening bank accounts, wallets
- The firm has deposited ₹138-cr DBT in customers' original accounts, remaining amount is also being transferred
- Airtel has also deposited an interim penalty of ₹2.54 cr with the UIDAI

Airtel can use the e-KYC and authentication service only for re-verification and issuance of SIM cards and not for obtaining consent of subscribers for opening bank accounts, wallet, DTH or any other service.

"The UIDAI has allowed Bharti Airtel to resume Aadhaar-based e-KYC services. We continue to engage with the authorities," a company spokesperson said. Airtel must inform all its subscribers within 24 hours via SMS that the cooking gas subsidy in their Airtel payment bank accounts has been duly reversed.

Airtel has said 1.38 million payment bank account holders are already using the subsidy amount and transfers to their accounts have not been reversed. The company has been asked to provide an option via SMS within three days to such customers to switch to their previous bank accounts. Sources said the Airtel case was a classic example about the misuse of Aadhaar e-KYC authentication or process violation by a corporate entity against the interests of its customers.