

Big Changes to Aadhaar-subsidy Linking

Govt directs banks & NPCI to change process of mapping Aadhaar-linked accounts for subsidies

Our Bureau

New Delhi: The government has issued a notification directing banks and the national payment corporation of India (NPCI) to change the process of mapping Aadhaar-linked bank accounts for government subsidies. **ET** had reported on Monday that apart

from overhauling its process for mapping Aadhaar-linked bank accounts to subsidy payments, government is also temporarily halted the existing provision of overwriting existing subsidy-linked bank accounts with freshly mapped Aadhaar accounts.

The change comes after allegations that top telecom service provider Bharti Airtel used the electronic know-your-customer (e-KYC) verification process mandated by the Aadhaar Act to open payments bank accounts without users being aware of this. These were then alleged to have been mapped as the accounts to which subsidy payments would be directed without their informed consent.

In a notification, the Unique Identification Authority of India (UIDAI) said, "NPCI shall allow override request pertaining to an Aadhaar holder only if it is accompanied by the name of his current bank on the APB (Aadhaar Payment Bridge) mapper and confirmation from the



requesting bank that it has obtained the requisite consent of the Aadhaar holder for switching to the requesting bank on the mapper."

It added that the NPCI shall disable the override feature on the APB mapper immediately till the new process is implemented. "Banks shall send request for mapping of a new account or overriding an existing bank account to NPCI only after taking explicit informed consent of their custom-

ers," the notification said.

Any violation of these directions shall amount to violation of Sections 37, 40, 41, 42, and 43 of the Aadhaar Act, 2016 and Regulations framed, it added.

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. The allegations against Bharti Airtel have led UIDAI to temporarily bar Airtel and its payments bank from using Aadhaar linking for mobile verification or opening new accounts. Meanwhile PTI reported that Airtel has deposited an interim penalty of ₹2.5 crore with the UIDAI. The company is also learnt to have given the assurance that it will return ₹190 crore that had flown into the 'unsolicited' payments bank accounts of over the next 24 hours and will also inform the customers that their subsidy-linked account is being switched back to the originally-chosen account.

(With inputs from PTI.)

