

UIDAI lets Airtel conduct Aadhaar-based e-KYC with riders till 10 January

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NEW DELHI

The Unique Identification Authority of India (UIDAI) on Thursday decided to conditionally allow Bharti Airtel Ltd to resume Aadhaar-based e-KYC verification of telecom subscribers till 10 January. This has been done to facilitate linking of Aadhaar with mobile SIMs—the new deadline for which is 31 March—in line with the Supreme Court's directive.

However, the suspension of the e-KYC licence of Airtel Payments Bank has not been revoked.

UIDAI has asked Reserve Bank of India (RBI), Department of Telecom and audit and consultancy firm PwC India to conduct an audit of Bharti Airtel with respect to its systems, processes, applications, documentations and any other aspect as may be identified by RBI and DoT to ensure that the firm is in compliance with its licence conditions.

"Once the audit report is prepared, further action will be decided on 10 January," said a person familiar with the development.

The decision to provide a temporary reprieve to Airtel was taken after Rs138 crore of funds under the direct benefit transfer scheme were credited back to the original accounts of 55.63 lakh beneficiaries.

In September, UIDAI had sent a notice to Airtel after receiving complaints that it was opening payments bank accounts without the explicit consent of users. It was also alleged that government subsidies were being credited in these accounts without the knowledge of users.

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UIDAI last week had temporarily suspended Airtel and its payments bank from conducting Aadhaar-based verification of its mobile customers as well as those of the bank using the e-KYC process. The telco deposited Rs2.5 crore as penalty with UIDAI.

On Tuesday, UIDAI issued strict rules asking banks and the National Payments Corp. of India to ensure prior consent of beneficiaries of various government welfare schemes before switching bank accounts in which they receive subsidies due to them under the direct benefits transfer scheme. Airtel will now use e-KYC only for mobile phone verification.

"We would like to confirm that the UIDAI has allowed Bharti Airtel to resume Aadhaar-based e-KYC services. We continue to engage with the authorities," said an Airtel spokesperson. To be sure, around 13.8 lakh Airtel payments bank account holders are already using the DBT subsidy amount and therefore credit to their accounts has not been reversed. Airtel will provide an option to these customers by SMS within three days to switch to their previous bank accounts.

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