

Users' consent must for changing bank accounts to receive subsidies: UIDAI

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NEW DELHI

The Unique Identification Authority of India (UIDAI) on Tuesday issued strict rules asking banks and the National Payments Corporation of India (NPCI) 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.

The problem arose in light of the mandatory linking requirement of Aadhaar with bank accounts as the subsidy from the government started getting transferred to the bank account which was most recently linked to Aadhaar by the beneficiary and not the designated bank account.

It is mandatory to link bank accounts, permanent account number or PAN, insurance policies and mobile numbers with the 12-digit unique iden-



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PRIVANKA PARASHAR/MINT

tification number by 31 March.

The notification also seeks to address complaints of telcos like Airtel opening bank accounts using Aadhaar without prior consent using information provided by the customer to link his mobile number with the unique identity number and the government subsidy getting transferred to these new bank accounts with-

out prior knowledge of the beneficiary.

"There have been complaints that, when an Aadhaar holder visits the telecom service provider for verifying his mobile number with Aadhaar, Airtel is opening his payment bank account and putting that bank account on NPCI's Aadhaar payment bridge mapper, overriding the existing bank

account mapping without the informed consent of the Aadhaar holder," UIDAI said in the notification, pointing out that complaints were received from a number of beneficiaries of the cooking gas subsidy scheme.

This inconvenienced beneficiaries under the government's direct benefit transfer scheme, particularly in rural and remote areas, as they are "clueless about receipt of subsidy and also unable to withdraw the subsidy amount credited in payment bank accounts as payment banks are not having branches or cash-out points in sufficient number in these areas," UIDAI said.

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

To address these concerns, the authority on Tuesday mandated that NPCI will permit an override request only if it contains the Aadhaar holder's current bank and a confirmation from the new bank that explicit informed consent of the Aadhaar holder has been received.