

UID Debuts on BHIM App, Aadhaar Pay Launch Soon

14 banks have come on board for Aadhaar Pay, govt in talks with other banks too

Our Bureau

New Delhi: The government has enabled the Bharat Interface for Mobile (BHIM) app with Aadhaar and plans to launch the biometric-based Aadhaar Pay payment module in the coming weeks, seeking to accelerate the drive toward digital-money transactions in the country.

Aadhaar Pay service will enable people to make and receive payments using their Aadhaar number and the biometric technology, obviating the need to carry mobile phones for payments.

As of now, 14 banks have come on board for Aadhaar Pay and the government is in talks with other banks too, Minister for Electronics and IT, Ravi Shankar Prasad said on Friday.

"We are going to start Aadhaar Pay. With this, people will not require to carry their phone for payments. They can visit any merchant, share their Aadhaar number and verify themselves using biometrics to pay and receive money," Prasad said.

DIGITAL MONEY



Aadhaar Pay will enable people to make and receive payments using their UID number and the biometric technology

Aadhaar has already given unique numbers to 1.1 billion people in the country, and about 390 million bank accounts are linked to the 12-digit Aadhaar number.

ET had reported on January 16, 2017, that in a few weeks, the government will unveil a feature for payments through the integrated Unified Payments Interface (UPI) app BHIM by simply entering the Aadhaar. Prasad said that about 20 million people are linking their bank accounts with Aadhaar every month.

Transactions where Aadhaar is listed as a payment ID on the BHIM app will not require any biometric authentication or prior registration with the bank or UPI. This will make it more mainstream since almost a third of Indians already have Aadhaar numbers linked to their bank accounts.

Although BHIM allows sending money to a mobile number, it requires the receiver to be registered with the UPI to accept payment. In turn, the long process of generating a UPI PIN by entering debit card details may discourage the poor and those lacking in literacy.

There are five payment options on the BHIM app, including the mobile number, bank account and the IFSC code. The Aadhaar number will be the sixth such option.

"It (Aadhaar) has come a long way in less than six and a half years of its journey from being a unique identification (UID) programme to transforming itself into a critical development tool of public-centric good governance and targeted delivery of services, benefits and subsidies," Prasad said.