

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1370**  
TO BE ANSWERED ON 29-12-2017

**UNAUTHORIZED USE OF e-KYC TO OPEN PAYMENTS BANK ACCOUNTS**

**1370 SHRI RIPUN BORA:**

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether government has opened payments bank accounts to private players;;
- (b) whether it is a fact that UIDAI has complained against some companies who have allegedly opened payments bank accounts without the consent of customers;
- (c) if so, the action taken by Government in this regard; and
- (d) the proposal of Government to stop misuse of e-KYC being used in this regard?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI ALPHONS KANNANTHANAM)

(a): Yes, Sir. Reserve Bank of India has issued Payments Banks Licence to seven entities, including private players, till date. Out of these, four entities namely, Airtel Payments Bank Ltd, India Post Payments Bank Ltd, FINO Payments Bank Ltd and Paytm Payments Bank Ltd have already commenced their banking operations.

(b) and (c): Unique Identification Authority of India (UIDAI) has received complaints from some residents that their payment bank accounts have been opened without their consent. In this regard, UIDAI has issued notices against the violators and also imposed financial disincentives.

(d): There are specific provisions in the Aadhaar Act, 2016 to prevent the misuse of Aadhaar information. As per Section 8 of the Act, it is mandatory to take consent of an individual specifying the purpose of authentication. As per Section 29 (3)(a) of the Act, no identity information available with a requesting entity shall be used for any purpose, other than that specified to the individual at the time of submitting any identity information for authentication. For any violations, there are strict provisions for punishment with imprisonment and fine under Sections 38(g), 40 and 41 of the Act.

Department of Telecommunications (DoT), in order to prevent the possible misuse of mobile subscribers' data, has also directed all Telecom Service Providers on 23.10.2017 not to bundle any of their services like Broadband, Direct-To-Home (DTH), Payment Banks, etc., with Aadhaar based re-verification of mobile subscribers.

\*\*\*\*\*

