

Banks Give Wrong UID Nos of 20L Loan Waiver Beneficiaries

SCHEME DELAYED Maharashtra govt, with UIDAI's help, averts major financial bungle by detecting data provided by banks on most distressed farmers were wrong

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New Delhi: The Maharashtra government with the help of Aadhaar averted a major financial bungle in its farm loan waiver scheme by detecting in time that data provided by banks on distressed farmers seeking waiver had wrong or inconsistent Aadhaar numbers.

Banks in the state had fed wrong Aadhaar numbers of nearly 20 lakh farmers of a total of 25.57 lakh applicants in their records. The consequence is that the state's farm loan waiver rollout may now be delayed. Maharashtra Chief Minister Devendra Fadnis pulled up the state level bankers committee on the matter on October 25, the state government informed the Centre.

Out of records of 25.57 lakh farmers submitted by the banks along with their Aadhaar numbers, 19.85 lakh records were found with either invalid or junk Aadhaar numbers after upon cross-checking with Unique Identification Authority of India (UIDAI), a senior government official told ET, speaking on condition of anonymity.

"Due to incorrect Aadhaar numbers provided by banks, the process of matching the farmer data with bank data has become cumbersome and error prone, leading to delays in finalising the list of beneficiaries and the computation of benefit amount that will flow to each applicant. The state government said these errors could lead to excess or short payment," the official said.

Officials in the Centre commended the Maharashtra government for making Aadhaar mandatory for the Chhatrapati Shivaji Maharaj Shetkari Sanman Yojana (CSMSSY) for farm loan waiver,

A Check in Time

Banks submitted to state government 25.57 lakh records of farmers with pending farm loan along with the person's Aadhaar number fed in by the bank

Only 5.18 lakh records were found with a valid Aadhaar number on being checked with UIDAI's Central Identities Data Repository (CIDR)

10.36 lakh records were found with invalid Aadhaar numbers

9.48 lakh records were found with junk data/invalid Aadhaar numbers

State government tells Centre that due to such serious errors and inconsistencies by banks in feeding incorrect Aadhaar numbers, delays have been caused in finalising list of beneficiaries and computation of loan waiver amount

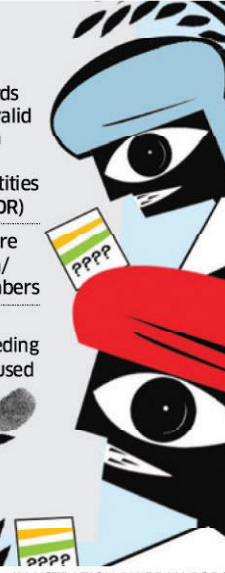


ILLUSTRATION ANIRBAN BORA

INCONSISTENT DIGITS



There are cases of a random 12-digit Aadhaar number like '100000000000' or '111111111111' or '123123123123' provided for multiple individuals

which proved instrumental in preventing the massive misallotment.

Farmers in the state have been protesting for loan waiver amidst a spate of farmer suicides. The state government had asked farmers in July to register on the CSMSSY portal using Aadhaar e-KYC authentication – nearly 1.05 crore people did so.

Banks were asked, separately, to provide information regarding pending farm loans in a 66-column template. Banks have so far provided 30 lakh records to the state go-

vernment, and provided Aadhaar number of the loan account holder in 25.57 lakh records.

"But the state government found that the data provided by the banks in 80% of these records having serious errors and inconsistencies," the official quoted earlier said.

Errors were found mainly of three kinds after the bank data was validated by matching it with the Central Identities Data Repository (CIDR) of UIDAI. One, simply the incorrect Aadhaar number was provided by the bank.

Two, the same valid Aadhaar number was provided for multiple individuals. Third, the same invalid Aadhaar number was provided for multiple individuals.

There are cases of a random 12-digit Aadhaar number like '100000000000' or '111111111111' or '123123123123' provided for multiple individuals.

"Banks did not realise that UIDAI does not allot Aadhaar numbers starting with 0 or 1. It seems wilful forgery by banks. If the data was not cross-checked with UIDAI, the state government may have credited the loan waiver amount to banks while actual beneficiary farmers would have struggled to get the benefit," an official said.

The state's chief minister told the state level bankers committee on October 25 to ensure that all subsequent data provided by them is free of such errors and inconsistencies. This may lead to further delay in the loan waiver roll-out in Maharashtra.

A state official explained that the software application of CSMSSY uses Aadhaar number as a primary key for matching data provided by applicants and the information provided by banks regarding loans. The Maharashtra government also found other errors in the data provided by banks – like incorrect savings and loan account numbers, a mismatch in principal amount and interest amount that did not match the total amount provided by banks and same account number being classified in overdue category and fully paid category.

Grave irregularities have earlier been detected on part of the banks, both government-run and private, during the demonetisation exercise, like allowing huge deposits and withdrawals by lakhs of suspect companies.