

UIDAI Restores Airtel's eKYC Licence, but with Conditions

Co has to give quarterly compliance reports; payments bank eKYC licence still suspended

Our Bureau

New Delhi: Bharti Airtel's authorisation to conduct Aadhaar-based electronic verification of its mobile subscribers has been restored by Unique Identification Authority of India (UIDAI), but suspension on its payments bank eKYC licence remains.

Allowing Aadhaar-based verification of Airtel's subscribers by the authority, however, comes with some riders. The company will have to submit quarterly compliance reports which will be verified by UIDAI on its own or through an auditor.

"Airtel's KYC licence has been extended beyond March 31 subject to certain conditions. They will have to give a quarterly report of the meeting various provisions under the Aadhaar Act," an official of UIDAI said.

"The department of telecom and the UIDAI had done their audit and whatever deficiencies have been found, the company has complied with that. So



on that basis, their license has been extended but they will submit quarterly report to ensure that no misuse happens in the future," the official said.

Airtel payment bank's license suspension continues and only after RBI gives their clearance will it be given back, he added. Bharti Airtel did not immediately respond to queries seeking comment.

The country's largest carrier Bharti Airtel found itself in a quagmire after Unique Identification Authority of India (UIDAI), in mid-December, temporarily barred Airtel Payments Bank and Airtel from conducting Aadhaar-based verification under the e-KYC process for opening payments bank accounts of its subscribers without their knowledge and consent, thus violating the Aadha-

ar Act, 2016. A fine of Rs 2.5 crore was also imposed on the payments bank, and the fiasco led to the exit of payments bank's chief executive officer Shashi Arora.

The issue came under larger limelight when oil companies and the oil ministry claimed that ₹167 crore of LPG subsidies had been deposited in the accounts of Airtel Payments Bank without the knowledge of customers, who were unaware that such accounts had been opened.

UIDAI also asked Reserve Bank of India (RBI), Department of Telecommunications (DoT) and audit and consultancy firm PricewaterhouseCoopers India to conduct audits of Bharti Airtel and Airtel Payments Bank on whether the company's systems, processes, applications, documentations and any other aspect was compliant with licence conditions.

The telco deposited ₹2.5 crore as penalty with the authority and returned the full ₹167 crore with a 7.25% interest to the original DBT accounts of some 55.63 lakh beneficiaries.

In January this year, Airtel Payments Bank terminated relationships with nearly 1,000 retailers for not following due process while on-boarding customers.