Aadhaar to Soon BHIM Your Payments Home

Govt looking at increasing usage of BHIM app by integrating it with Aadhaar for transactions

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New Delhi: Your Aadhaar card could soon become a universal payment ID. In a few weeks, the government will unveil a feature for payments through the Bharat Interface for Money (BHIM) app by simply entering the 12-digit Aadhaar number.

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 Unified Payment Interface (UPI). This will make it more mainstream since almost one-third of India already has Aadhaar numbers, which have been linked to their bank accounts.
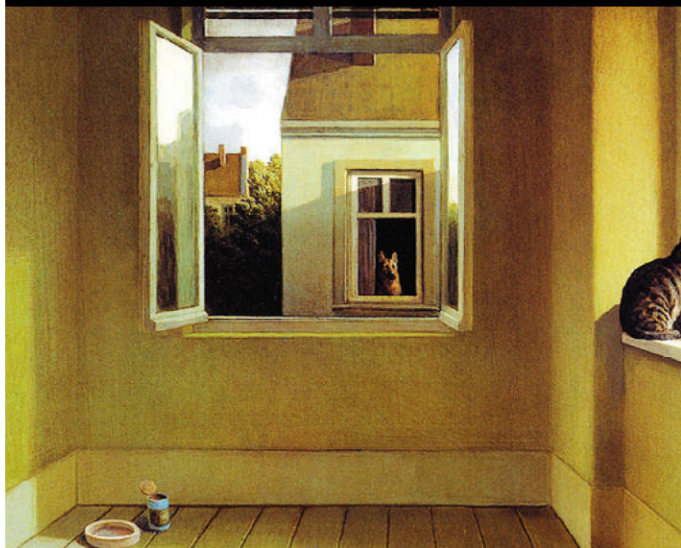
UIDAI is currently working with banks and the National Payments Corporation of India (NPCI) and expects to roll out the feature in the "next few weeks."

Ajay Bhushan Pandey, chief executive of Unique Identification Authority of India (UIDAI), told **ET** that almost 38 crore people have already linked their bank accounts with Aadhaar and can receive payment directly from the UPI app without having to register first.

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

"Through Aadhaar, any person — large service providers or independent ones such as plumbers or carpenters, irrespective of whether they are on BHIM or not — can get payments for their services directly into their bank accounts if it is

OPENING A WINDOW

MICHAEL SOWA, *A Summer Night's Melancholy*

PhonePe Hits Back at ICICI

Bengaluru: PhonePe, the mobile wallet and UPI-based payments company owned by Flipkart, on Monday hit back stating that ICICI Bank has not made any official complaint on why they are blocking its services. PhonePe added that more than 20,000 UPI transactions worth over ₹5 crore have failed "due to this action taken by ICICI Bank inconveniencing their own customers." Late last week, ICICI Bank blocked payments by its customers on PhonePe, citing "restrictive practices" and security concerns

over data. The response by PhonePe was given through an open letter to its customers, saying that there were no security issues. "We followed all the detailed guidelines and procedures laid down by NPCI for an app to go live on UPI. We went through over a 100 plus use case test cases, detailed certification, vulnerability assessment, penetration testing and third-party application security testing, before NPCI gave us permission to go live," wrote founder Sameer Nigam.

linked to Aadhaar," said Pandey. He added that almost two crore people are linking with accounts with Aadhaar every month and total fi-

gure for such accounts should go up to 50-60 crore — half the country — in the next two to three months.

Currently, there are five payment

A NEW WAY
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options on the BHIM app — namely mobile number, bank account or IFSC code, among others. Aadhaar number will be the sixth such option. "There are some teething troubles but we are working on strengthening security," said Pandey.

Making Aadhaar a payment address is only part of the plan. It will also be possible to key in the Aadhaar number at a point-of-sale device and authenticate using biometrics.

Pandey said this feature will be more useful for those making payments rather than receiving, such as shoppers. "A pilot is underway at fair price shops in Andhra Pradesh, where shopkeepers are accepting payments from PDS beneficiaries. The results are very encouraging," Pandey had told ET earlier.

The process involving biometrics is complicated and could see failure due to weak fingerprints, biometric reader device malfunctions or even internet connectivity issues. On the other hand, integration with BHIM makes it a relatively hassle-free method.

BHIM app for UPI, launched by Prime Minister Narendra Modi last month, works on both feature as well as smartphones.