



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RPCD.RRB.RCB.AML.BC.No.32/07.51.018/2013-14

September 10, 2013

The Chairmen / CEOs of all Regional Rural Banks /
State and Central Co-operative Banks

Dear Sir,

Know Your Customer (KYC) Norms /Anti-Money Laundering (AML) Standards/ Combating of Financing of Terrorism (CFT)/Obligation of banks under Prevention of Money Laundering Act (PMLA), 2002 – e-KYC Service of UIDAI – Recognising on-line Aadhaar authentication (electronic verification process) to be accepted as an ‘Officially Valid Document’ under PML Rules

Please refer to our [circulars RPCD.CO.RRB.AML.BC.No 21/03.05.33\(E\)/2011-12](#) and [RPCD.CO.RCB.AML.BC.No.23/07.40.00/2011-12](#) dated October 13, 2011 and October 17, 2011 respectively on 'Know Your Customer Norms - Letter issued by Unique Identification Authority of India (UIDAI) containing details of Name, Address and Aadhaar Number' which state that letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number may be accepted as an 'Officially Valid Document'. Further in terms of paragraph 2(iii) of our [circular RPCD.CO.RRB.RCB.AML.No.6097/07.51.018/2012-13](#) dated [December 13, 2012](#), Regional Rural Banks and State and Central Cooperative Banks were advised that, while opening accounts based on Aadhaar, if the address provided by the account holder is the same as that on Aadhaar letter, it may be accepted as a proof of both identity and address.

2. In order to reduce the risk of identity fraud, document forgery and have paperless KYC verification, UIDAI has launched its e-KYC service. Accordingly, it has been decided to accept e-KYC service as a valid process for KYC verification under Prevention of Money Laundering (Maintenance of Records) Rules, 2005. Further, the information containing demographic details and photographs made available from UIDAI as a result of e-KYC process ("which is in an electronic form and accessible so as to be usable for a subsequent reference") may be treated as an 'Officially Valid

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हिंदी आसान है, इसका प्रयोग बढ़ाइए

चेतावनी: रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का ब्यांरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

Document' under PML Rules. In this connection, it is advised that while using e-KYC service of UIDAI, the individual user has to authorize the UIDAI, by explicit consent, to release her or his identity/address through biometric authentication to the bank branches/business correspondents (BCs). The UIDAI then transfers the data of the individual comprising name, age, gender, and photograph of the individual, electronically to the bank/BCs, which may be accepted as valid process for KYC verification. The broad operational instructions to banks on Aadhaar e-KYC service is enclosed as Annex.

3. Regional Rural Banks and State and Central Co-operative Banks are advised to have proper infrastructure (as specified in Annex) in place to enable biometric authentication for e-KYC.

4. Physical Aadhaar card/letter issued by UIDAI containing details of name, address and Aadhaar number received through post would continue to be accepted as an 'Officially Valid Document'.

5. Regional Rural Banks and State and Central Co-operative Banks may revise their KYC policy in the light of the above instructions and ensure strict adherence to the same.

Yours faithfully,

(A. Udgata)
Principal Chief General Manager

ANNEX

Operational Procedure to be followed by banks for e-KYC exercise

The e-KYC service of the UIDAI is to be leveraged by banks through a secured network. Any bank willing to use the UIDAI e-KYC service is required to sign an agreement with the UIDAI. The process flow to be followed is as follows:

1. Sign KYC User Agency (KUA) agreement with UIDAI to enable the bank to specifically access e-KYC service.
2. Banks to deploy hardware and software for deployment of e-KYC service across various delivery channels. These should be Standardisation Testing and Quality Certification (STQC) Institute, Department of Electronics & Information Technology, Government of India certified biometric scanners at bank branches/ micro ATMs/ BC points as per UIDAI standards. The current list of certified biometric scanners is given in the link below:

http://www.stqc.gov.in/sites/upload_files/stqc/files/UID_Auth_Certlist_250613.pdf

3. Develop a software application to enable use of e-KYC across various Customer Service Points (CSP) (including bank branch, BCs etc.) as per UIDAI defined Application Programming Interface (API) protocols. For this purpose banks will have to develop their own software under the broad guidelines of UIDAI. Therefore, the software may differ from bank to bank.
4. Define a procedure for obtaining customer authorization to UIDAI for sharing e-KYC data with the bank. This authorization can be in **physical** (by way of a written explicit consent authorising UIDAI to share his/her Aadhaar data with the bank/BC for the purpose of opening bank account) /**electronic** form as defined by UIDAI from time to time.
5. Sample process flow would be as follows:
 - a. Customer walks into CSP of a bank with **his/her 12-digit Aadhaar number and explicit consent** and requests to open a bank account with Aadhaar based e-KYC.
 - b. Bank representative manning the CSP enters the number into bank's e-KYC application software.
 - c. The customer inputs his/her biometrics via a UIDAI compliant biometric reader (e.g. fingerprints on a biometric reader).
 - d. The software application captures the Aadhaar number along with biometric data, encrypts this data and sends it to UIDAI's Central Identities Data Repository (CIDR).
 - e. The Aadhaar KYC service authenticates customer data. If the Aadhaar number does not match with the biometrics, UIDAI server responds with

an error with various reason codes depending on type of error (as defined by UIDAI).

- f. If the Aadhaar number matches with the biometrics, UIDAI responds with digitally signed and encrypted demographic information [Name, year/date of birth, Gender, Address, Phone and email (if available)] and photograph. This information is captured by bank's e-KYC application and processed as needed.
- g. Bank's servers auto populate the demographic data and photograph in relevant fields. It also records the full audit trail of e-KYC viz. source of information, digital signatures, reference number, original request generation number, machine ID for device used to generate the request, date and time stamp with full trail of message routing, UIDAI encryption date and time stamp, bank's decryption date and time stamp, etc.
- h. The photograph and demographics of the customer can be seen on the screen of computer at bank branches or on a hand held device of BCs for reference.
- i. The customer can open bank account subject to satisfying other account opening requirements.