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Government of India
Ministry of Communications
Department of Telecom
O/o DG Telecom HQ

Dated 16/10/2019

To

All Heads of LSA Field Units

Subject: Guidelines for carrying out audit of CAFs of the mobile connections activated through Alternate Digital-KYC Process

AS Wing, vide its letter no. 800-26/2016-AS.II dated 03.04.2019 (03rd April 2019) issued the instructions for the subscriber acquisition through the alternate D-KYC process. Further, vide letter dated 27.05.2019, AS Wing issued clarification and decided the representation of telecom industry in respect of DoT instructions dated 03.04.2019 regarding Alternate Digital Process for issuing new mobile connections. In order to have clarity and uniformity across the LSAs in carrying out audit of CAFs of the mobile connections activated through this alternate D-KYC process, following guidelines are to be followed:

1. **Drawing of monthly/quarterly samples and submission of CAFs:**

i. TSPs shall submit the separate subscriber database pertaining to subscribers (a) acquired through conventional PoI/PoA paper based process, (b) acquired /re-verified through 'Aadhaar' e-KYC service of UIDAI and (c) Digital-KYC process.

ii. The requisite samples for monthly/quarterly audit shall be separately generated by LSAs from each type of subscriber database in the proportionate manner. However, LSA should issue preferable one consolidated Demand Note (DN) instead of issuance of separate DNs for each method.

iii. TSPs shall submit the soft copies (.pdf format) of the CAFs of mobile connections activated through alternate D-KYC process to respective LSAs.

2. **Guidelines for the audit of CAFs of mobile connections activated through alternate D-KYC process:** Following are the guidelines for the audit of CAFs of mobile connections activated through alternate D-KYC process:

a. **Photograph related:**

i. Live photograph of the customer is taken at POS terminal and the same photograph is embedded in the CAF.

ii. The background behind the customer while capturing live photograph should be of white color.

iii. No other person shall come into the frame while capturing the live photograph of the customer.

iv. The photograph should be clear and identifiable.

v. There should be a water-mark in readable form, placed by the system application of the Licensee, having CAF number, GPS coordinates, POS name, unique POS Code (assigned by licensees) and Date (DD:MM:YYYY) & time stamp (HH:MM:SS) on the captured live photograph of the customer. A value in decimal degree to a precision of 3 decimal places may be accepted.

vi. Live Photograph of customer resembles with the photo available in the POI/POA.

b. Photograph of original POI/POA documents

i. The live photograph of the original POI/POA documents shall be captured in proper

light so that they are clearly readable and identifiable. No skew or tilt in the mobile device shall be there while capturing the live photograph of the original documents.

ii. Water marking, in readable form as mentioned above in Para 2(a), is done on it. A value in decimal degree to a precision of 3 decimal places may be accepted.

c. **OTP related**

i. Customer Signature: Alternate mobile number provided by customer on which One Time Password (OTP) message was sent (customer's own alternate mobile number or that of his/her family member/relatives/known person) and date & time of OTP message shall be properly captured in CAF and subscriber database of the Licensee. Mobile number used in this OTP (customer signature) shall not be the mobile number of the POS. For this, CAF field should clearly state the mobile number used by the Customer for his/her signature. In order to bring clarity, Licensees may provide appropriate check-boxes for selection by customer i.e (a) Own Alternate Number (b) Family Members/Relatives and (c) Known Persons, while entering the mobile number for signature

ii. POS Declaration/Signature: Mobile number of PoS on which OTP was sent and date& time of OTP shall be properly captured in CAF and subscriber database of the Licensee. Mobile number used should be the registered mobile number of the POS with the licensee. The Live photograph of the POS agent shall also be captured in this POS declaration on the CAF.

iii. Pre-activated connection and missing CAF: The date of sale of SIM and date of Activation of SIM is required to be established from the entries in the CAF. In case it is established that the date of activation of SIM Card is prior to actual sale of SIM card, then it shall be treated as a sale of pre-active connection. For this purpose the date of OTP considered as customer signature will be treated as date of sale of SIM and the date on which the CAF is digitally signed by authorized representative of Licensee will be treated as date of activation of SIM. Also, if for the CAF Audit/ investigation, the CAF is not supplied to TERM Cell within given time frame (missing CAF cases in CAF Audit), the connection shall be treated as pre-activated.

iv. The time sequence of time stamping provided on CAF and subscriber database of the Licensee in respect of Date & time of Customer OTP considered as Customer Signature, date & time of PoS OTP and date & time of SIM card activation needs to be in order.

d. **Transaction id/reference id number of the process**: There should be a unique Transaction/reference id number in the CAF as well as in the subscriber database of the Licensee.

e. **Digital Signature of authorized representative of the Licensee**: The CAF must be digitally signed by the authorized representative of the Licensee. For this purpose, TSPs shall submit list of Authorized Representatives of Licensee with his/her name, mobile number, designation for digital signature on CAF along with monthly/quarterly subscriber database. Alternatively, the use of digital signature of the telecom company is permitted.

f. **Correct feeding of subscriber details in CAF and subscriber database of Licensee:** There shall not be any mismatch between information in (i) PoI/PoA document and the information provided in CAF and (ii) subscriber details in CAF form and subscriber database of the licensee, such that the error leads to any person or address other than the intended person or address.

g. **Compliance of other instructions:** The above guidelines have been derived bases on the existing instructions which are specific to acquisition of mobile subscribers through alternate Digital KYC Process. However, the other instructions in general

including those issued vide letter no. 800-09/2010-VAS dated 9th August 2012 and other relevant instructions which are issued from time to time shall be applicable. Penal provisions in case of non-compliant CAFs in respect of above paras will be governed by process laid down by DoT instructions vide letter no. 800-20/2010-VAS dated 4.11.2010, 800-2/2011-VAS dated 12.12.2011, letter no. 800-09/2010-VAS dated 09.08.2012 and 800-32/2011-VAS dated 26.04.2013 and other relevant instructions which are issued from time to time.

3. The TSPs shall submit the (a) List of Authorised Representatives of Licensee with his/her name, mobile number, designation for digital signature on CAF and (b) List of PoS with name, address, mobile number and photograph along with monthly/quarterly subscriber database.
4. These guidelines define broad framework for the purpose of auditing the D-KYC based CAFs. In addition to these guidelines, LSAs may adopt suitable practical measures, if required, to audit the D-KYC based CAFs.
5. The LSAs may carry out PoS Inspection to check the following App related features through which the subscribers have been acquired in the Digital KYC process and take necessary action as per existing guidelines/instructions of DoT.

i. POS is using the authenticated applications (App) hosted by the Licensee to conduct the entire process.
ii. The access of the App is controlled by the Licensee.
iii. The App is accessible only through log-in & password controlled mechanism given by the Licensee to its authorised Point of Sal (POS). If there are multiple agents working in POS, then each POS agent is registered with the Licensee and is given a separate log-in & password for accessing the App.
iv. The App is installed only on those POS device which are having SIM card (mobile number) registered with the Licensee. The registered mobile number refers to the number of POS agent registered in Licensee's database during onboard of POS. The Licensee App shall only be installed on the POS devices containing SIM card of such registered mobile number. In case of multiple agents working in POS, then each POS agent and each mobile number shall be registered with the Licensee and be given a separate login-id and password for accessing the App in accordance with DoT's instructions dated 03.04.2019.
v. The App of the licensee has the feature that only live photograph of the customer is captured and no printed photograph of the customer is captured.

6. Penalty/demand notices to TSPs are to be issued based on the combined compliance percentage achieved in carrying out CAF audit of all types of CAFs.
7. In pursuance of any modification/clarification/amendment, if issued by DoT on this matter, these guidelines may stand modified to that extent.
8. Further, following is also clarified:-

i. These CAF audit guidelines will become valid after one month from date of issue.
ii. DoT has issued instructions for D-KYC process vide letter dated 06.11.2018 (POC of D-KYC process) and dated 03.04.2019. These D-KYC based CAFs will be audited through these instructions only, till above CAF audit guidelines become effective. No separate audit instructions shall be issued.

Signature Not Verified
Digitally signed by KARAN GOYAL
Date: 2019.10.16 15:51:46 IST

(Karan Goyal)
ADG (P&N)