Reforms for Mobile User Protection

By IASToppers | 2023-08-22 15:50:00

Reforms for Mobile User Protection

Minister of Communications, Railways and Electronics & IT has recently launched two reforms towards **digital transformation and enhancing customer Protection.**

[Ref - SmartKarrot]

About the reforms:

- **Two Reforms:** Know Your Customer (KYC) Reforms and Point of Sale (POS) registration Reform.
- **Aim:** to strengthen Government of India's commitment to fostering a **digitally inclusive society** and maintaining the **highest standards of security and customer protection.**
- Reforms are in the direction of earlier reforms introduced with the launch of **Sanchar Saathi**.

Objectives:

- To promote **safe utilization of Telecom resources** in order to facilitate protection of mobile users.
- To safeguard the **interests of citizens** of the country.
- To **fortify customer security** and bolster protection against the growing threat of telecom frauds.
- To promote the **highest level of safety and trust** within the telecommunications landscape to provide a secure and reliable communication environment for all.

About KYC Reforms:

About KYC:

- KYC is a process to **uniquely identify a customer** and enable his traceability before providing him telecom services.
- **Strengthening the existing KYC process** is a tool to protect telecom service users from potential fraud and enhance confidence in the digital ecosystem.

New guidelines for KYC:

- The **demographic details** will mandatorily be captured by **scanning QR code of printed Aadhaar** to prevent misuse of printed Aadhaar.
- In case of **disconnection of a mobile number**, it will not be allocated to any other new customer till expiry of 90 days.
- **Stringent SIM Replacement Process:** A subscriber has to undertake **complete KYC for replacement of the SIM**.

- There will be a **bar of 24 hours** on outgoing & incoming SMS facilities.
- In addition to thumb impression and iris-based authentication in Aadhaar E-KYC process, **facial-based biometric authentication** is also permitted.
- Introduction of **business connections** for issuing of mobile connections to entities (companies, organizations, trusts, society, etc).
- **Entities can take any number of mobile connections** subject to complete KYC of all of its end-users.
    - SIM will be activated only after successful KYC of end users and **physical verification** of address of the entity.

About Point-of-Sale (POS) Registration Reforms:

- This reform introduces the process for **mandatory registration of Franchisees, Agents and Distributors** (PoS) by Licensees.
- This will **eliminate the rogue PoS** who by fraudulent practices issue SIMs to anti-social/anti-national elements.
- The PoS registration process includes **indisputable verification of PoS by Licensee**.
- The process mandates **written agreement between the PoS and the Licensees**.
- If a PoS indulges in any **illegal activity**, it will be terminated and blacklisted for a period of 3 years.
- All the **existing PoS will be registered** as per this process by Licensees **within 12 months**.
- This will help in **identifying, blacklisting and eliminating rogue PoS**, from the licensees' system and provide an encouragement to the upright PoS.

About Sanchar Saathi:

- It is a **citizen-centric portal** that has empowered India's fight **against the menace of cybercrimes and financial frauds**.
- It was **launched on** 17 May 2023 (**World Telecommunication Day)** for protection of mobile users.
- This portal empowers mobile subscribers to:
    - **Find out mobile connections** registered in their name
    - Report fraud connections registered in their name, if any
    - **Report stolen/ lost mobile** handsets & **block them**.

Impacts of Sanchar Saathi:

- Out of about 18 lakh complaints about **fraudulently registered mobile connections in their name**, 9.26 lakh complaints have been resolved.
- Out of 7.5 lakhs **complaints about stolen/ lost mobile handsets**, 3 lakhs mobile handsets have been traced.
- **114 illegal Telecom setups unearthed** and action taken by **Law Enforcement Agencies** (LEAs) since 2022.
- With the help of **Sanchar Saathi portal** and **ASTR tool**, around **114 Crore active mobile connections have been analyzed**.
- The outcome is:
    - More than **66 lakh suspected mobile connections were detected.**

- **Failing re-verification** more than 52 lakh mobile connections have been disconnected.
- More than **67000 Points of Sale (PoS) have been blacklisted.**
- About 17000 mobile handsets have been blocked.
- More than **300 FIRs** have been registered against more than 1,700 PoS.
- More than **66000 WhatsApp accounts have been blocked.**
- About **8 lakh bank/wallet accounts used by fraudsters** have been frozen.

About ASTR:

- ASTR stands for **Artificial Intelligence and Facial Recognition powered Solution for Telecom SIM Subscriber Verification**.
- It is an **artificial-intelligence-based facial recognition tool**.
- It was developed by the **Department of Telecommunications** (DoT).
- It can potentially bring down cyber frauds by **detecting and blocking possible fraudulent mobile connections.**