

**GOVERNMENT OF INDIA  
MINISTRY OF COMMUNICATIONS  
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA  
UNSTARRED QUESTION NO.3674  
TO BE ANSWERED ON 7<sup>TH</sup> DECEMBER, 2016  
VERIFICATION OF SUBSCRIBERS**

3674. SHRI C.S. PUTTA RAJU:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether over five crore cell phone users in the country have not been verified as per the KYC norms which is posing a serious threat to the security of the nation;
- (b) if so, the number of unverified cell phone users in the country, State-wise;
- (c) the preventive steps being taken by the Government to curb the alarming number of unverified users in the country;
- (d) the action taken by imposing penalties on erring telecom service providers; and
- (e) the time limit by which the verification of all the cell phone users, as per KYC norms, is likely to be completed?

ANSWER

**THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &  
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS  
(SHRI MANOJ SINHA)**

(a) to (e) Madam, as per the instructions issued by Department of Telecom (DoT), all the Telecom Service Providers (TSPs) are mandated to verify all the customers as per prescribed KYC norms before enrolling them.

In order to ensure adherence of these instructions by all the TSPs in carrying out the verification as per prescribed KYC norms, the Telecom Enforcement, Resource & Monitoring (TERM) Cells carry out sample verification of Customer Acquisition Form (CAF) of 0.1 % of all the customers available in the system at the end of each month. The sample size in respect of J&K, NE and Assam Service Areas is 0.2% on quarterly basis. In case a CAF is found non-compliant, penalty is imposed for each failed CAF ranging from Rs. 1,000/- to Rs. 50,000/- per CAF based on the CAF failure rate. The non-compliance report is also shared with TSPs for corrective actions.

This process of CAF verification is carried out by TERM Cells on monthly basis since April, 2007. As on 30.09.2016, out of total of 7.84 crores CAFs audited, a total of 43.20 lakhs CAFs were found non-compliant by TERM Cells during such CAF verification process and a total financial penalty of Rs 2335.90 crores have been imposed on erring TSPs for violation of CAF verification norms. The Licensed Service Area (LSA) wise details of number of CAFs audited and found non-compliant are enclosed at **Annexure-I**.

The 100% verification is mandated to be done by the TSPs and TERM Cell carry out physical sample verification of prescribed sample size of all the customers available in the system at the end of each month which is good enough size to represent the whole population. As verification of mobile customer is carried out by TSPs as and when customer is acquired and the TERM Cells carry out the verification of prescribed sample size every month; thus customer verification for mobile connection is a continuous process.

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## Annexure-I

Sr. No.	License Service Area	Total number of CAFs audited by TERM Cells (as on 30.09.2016)	Total number of Non Compliant CAFs found by TERM Cells (as on 30.09.2016 )
1	Andhra Pradesh	55,04,029	3,51,527
2	Assam	11,42,027	63,691
3	Bihar	53,87,646	1,71,412
4	Delhi	31,91,195	1,47,503
5	Gujarat	39,16,414	2,06,441
6	Haryana	19,52,307	80,967
7	Himachal Pradesh	7,59,832	34,492
8	Jammu & Kashmir	4,20,851	51,957
9	Karnataka	47,62,436	4,08,964
10	Kerala	28,89,755	1,49,697
11	Kolkata	21,56,817	86,298
12	Madhya Pradesh	46,68,366	2,25,824
13	Maharashtra	64,37,591	4,26,568
14	Mumbai	30,11,003	1,43,057
15	North East	5,35,833	26,830
16	Odisha	23,33,599	1,14,426
17	Punjab	27,05,410	2,75,709
18	Rajasthan	45,10,668	3,32,717
19	Tamil Nadu	76,05,357	2,99,889
20	UP East	62,23,054	3,34,607
21	UP West	43,46,325	2,13,957
22	West Bengal	39,85,851	1,74,318
	<b>Grand Total</b>	<b>7,84,46,366</b>	<b>43,20,851</b>