UPI payments via biometrics likely soon

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Unified Payments Interface (UPI) users may soon be able to authenticate transactions using biometrics, such as facial recognition and fingerprints, as an alternative to entering a personal identification number (PIN), according to industry players.

The National Payments Corporation of India (NPCI) is preparing to roll out this update to UPI, which is expected to enhance security and convenience. The move comes amid growing concerns around PIN theft and fraud and at a time when UPI accounts for over 80 per cent of digital transactions in the country.

Sources confirmed that the NPCI, which has been working on the feature for over a year, has shared the details with UPI ecosystem participants for review, feedback, and to ensure their readiness ahead of a potential rollout. A demo is likely to be showcased at the 2025 Global Fintech Fest.

A source who did not wish to be named said the feature was still a 'WIP' (work in progress). "It is a matter of having additional security that is better than a one-time password (OTP). The implementation is subject to approvals from the Reserve Bank of India, the NPCI steering committee, and the ecosystem at large," the person said.

An email sent to the NPCI did not elicit a response till press time.

the company had been consistently pushing for artificial intelligence(AI)-readiness and encouraging staff to reskill — this move seemed to contradict that effort. "We're being told to train ourselves in AI and we've been doing it. Then why this layoff? What does it say about how AI-ready we really are," asked a disappointed senior executive.

The fear and anxiety now extend beyond TCS. There is a growing concern that other major tech firms might follow suit. Many are also apprehensive that the actual number of layoffs at TCS might be much higher than what has been announced. "Attrition is already high. If TCS had simply managed workforce exits through natural attrition, it could have avoided this disruption over the next two to three quarters," said a senior HR leader in the industry.

Meanwhile, employee unions have taken up TCS workers' cause. The Karnataka State IT/ITeS Employees Union (Kitu) condemned the layoffs as illegal action by the management and said the labour department was being approached against the "unlawful move". "According to the Industrial Disputes Act, it is a punishable offence for an employer to compel an employee to resign. Every employee has the legal right to refuse to sign a forced resignation," the Kitu said in a letter.

Overhiring hangover
Industry analysts and HR experts largely attribute the decision to the overhiring spree during the pandemic years. While many peers corrected course by freezing or slowing down hiring between FY23 and FY25, TCS continued to hire aggressively from campuses and laterally, especially to build AI-related capabilities.

What has surprised many is that the layoffs are focused on the mid to senior levels — typically the most stable layer in IT organisational structures. Experts believe this could prompt a wider reassessment of talent pyramids across the sector. Only those who have either domain expertise, knowhow of client IP, or are good at technology, will be able to survive. Data from specialist staffing firm Xpheno shows the highest churn across Indian IT players occurs in the 1-5-year experience bracket (17 per cent), followed by the 5-10-year band (12 per cent). In contrast, attrition drops to 7 per cent for those with 10-15 years' experience and just 4 per cent for employees with over 15 years.

Kamal Karanth, cofounder of Xpheno, attributes the current bloated structure to the hiring boom of 2021-22. "The big-fat middle layer is a net outcome of the hyper-hiring phase, combined with three cycles of low to no fresher intakes," he said. "A large chunk of lateral hiring made during the demand surge now sits in the 5-13-year experience range — the very layers seeing restructuring now. Ironically, these were also the layers with the highest churn during the hiring boom," he added. Neeti Sharma, CEO of TeamLease Digital, said that people managers, especially those with 15-20 years of experience, are the most impacted. "These are typically project managers handling backend delivery. Many have not upskilled enough to take on front-facing or AI-related roles. If they don't adapt to new demands, it is tough to justify those roles."

tive at a payments firm said. In the first phase, the authentication mechanism will rely on biometric data already stored on a user's device. The system will generate an encrypted key based on the biometric data, which will be passed to the remitter bank (the user's bank) for final verification. The NPCI's common library for UPI will securely handle this encryption process. "It is more like a private key stored in the device. Some value will be encrypted to it and a public key is generated, which can be sent for validation to the remitter bank. The transaction will go through after the key is verified," a source explained. A remitter bank is the user's

bank account from which a transaction amount is debited.

Industry sources said the feature, in many ways, would be safer than traditional one-time passwords or PINs. "A user's biometric details will not flow through the system due to sufficient encryption. It is the public key, which is a value that has already been encrypted, that gets exchanged between the systems," the person explained.

Biometric authentication, as an alternative to PINs, is expected to enhance security, addressing issues such as forgotten PINs, repeated or weak patterns, and vulnerabilities to screen mirroring exposed through malware attacks.

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"The priority is face recognition-first. If it is enabled on your device, it will process face IDs for validation," an execu-

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