

F. No. HQ-13084/7/2025-AUTH-II HQ/C-18590

Unique Identification Authority of India
(Authentication and Verification Division)

UIDAI Head Office, Bangla Sahib Road
Gole Market, New Delhi – 110 001

Dated: 01 Aug 2025

Circular 10 of 2025

Subject: UIDAI framework for onboarding of State Co-operative Banks (StCBs) and District Central Co-operative Banks (DCCBs) in Aadhaar Authentication Ecosystem

Based on the requests received from National Bank for Agriculture and Rural Development (NABARD) and from various co-operative banks, Ministry of Cooperation and NPCI, a committee was constituted *vide* Order no. HQ-13018/1/2025-AUTH-II HQ/C-17855, dated 23.5.2025, to discuss on framework for onboarding of co-operative banks under chairmanship of Director (A&V) UIDAI.

2. On the basis of recommendation of the committee, a policy framework has been designed to onboard the (StCBs) and their associated DCCBs with ease on UIDAI Aadhaar authentication ecosystem. The policy framework document, along-with the form (comprising details of their respective DCCBs) to be submitted by the State Co-operative Banks is attached as **Annexure**.
3. This issues with the approval of the competent authority.


(Sanjeev Yadav)

Director

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Copy to:

1. Secretary, Ministry of Cooperation, Government of India, New Delhi
2. Managing Director and CEO (NPCI)
3. Chairman (NABARD), with request to circulate to all (StCBs) and DCCBs
4. All State Co-operative Banks

Copy to for information:

1. All Regional Offices, UIDAI
2. Technology Centre, Bangalore
3. Sh. Kumar Ram Krishna, Director, Ministry of Cooperation
4. Sh. Ajay Pal, Head AePS, NPCI
5. Sh. James P George, DGM, NABARD
6. Sh. Pankaj Pandey, Chief Technical Officer, Uttar Pradesh Co-operative Bank.

**UIDAI framework for onboarding of Co-operative Bank
for inclusion of Co-operative Banks in Aadhaar Ecosystem**

1. Objective

This policy framework will be named as “UIDAI framework for onboarding of Co-operative Bank” (hereinafter new framework) and it aims to institutionalize the process for the inclusion of co-operative Banks in the Aadhaar ecosystem. The objective is to enable these co-operative banks to leverage Aadhaar-based authentication services for customer onboarding and Aadhaar Enabled payment System (AePS) for the secure, efficient and transparent delivery of financial service especially to rural and underserved populations. The integration of co-operative banks into AePS is aligned with the Government of India’s goal of achieving universal financial inclusion. A comprehensive, coordinated strategy comprising financial assistance, technical facilitation, and policy-level interventions is proposed to realize this vision.

2. Background

(a) The Unique Identification Authority of India (UIDAI) plays a crucial role in enabling real-time online authentication for delivery of service, facilitating de-duplication, and streamlining customer onboarding through various modes and biometric modalities, including face authentication.

(b) New framework is in alignment with the objectives outlined in the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits, and Services) Act, 2016. The Act empowers the UIDAI to provide a digital identity platform, enabling the authentication of individuals' identity for the delivery of services and benefits.

(c) The AePS system developed by the National Payments Corporation of India (NPCI) is a key digital public infrastructure designed to promote financial inclusion. It facilitates interoperable Aadhaar-based transactions that includes both financial and non-financial services via Micro-ATMs deployed at Customer Service Points (CSPs). AePS plays a pivotal role in expanding banking access to India’s remotest regions and supports the overarching objectives of the Digital India initiative.

(d) By recognizing the indispensable role of co-operative banks in serving agrarian and rural population in the country, it is imperative to onboard these banks to AePS ecosystem to ensure last-mile delivery of financial services.

(e) Ministry of Cooperation (MoC) has also issued directions to facilitate faster onboarding of all co-operative banks in Aadhaar ecosystem.

3. Key Stakeholders

- (a) Unique Identification Authority of India (UIDAI)
- (b) National Payments Corporation of India (NPCI)
- (c) State and District Central Co-operative banks ((StCBs) and DCCBs)
- (d) National Bank for Agriculture and Rural Development (NABARD)

4. Facilitation and Support

- (a) A new identification is proposed to be given to DCCBs called as “DCB-ID”. This DCB-ID will act as internal identifier for the StCBs.
- (b) **Extension of DCB-ID:** All DCCBs will be onboarded by StCB through an internal identifier. List of all such DCB-ID will be shared with UIDAI and after approval of UIDAI, onboarding of DCCBs will be done. Any addition or deletion for onboarding/deboarding of DCCBs will be after approval of UIDAI only.
- (c) **Simplified compliance requirement:** Addressing of the regulatory obligation by respective State or Apex co-operative banks.
- (d) **Capacity Building Initiatives:** Joint training programmes are recommended to be conducted by UIDAI’s regional offices, NABARD and NPCI to enhance awareness and ensuring technical readiness.

5. Way Forward –Terms of the Policy

To support smooth onboarding of co-operative banks in Aadhaar ecosystem for enablement of AePS, the following policy measures are proposed:

a) **Financial Support by NABARD:**

- (i) As committed by NABARD, infrastructure setup costs (e.g., ADV, HSM) for the same shall be borne by NABARD.
- (ii) All miscellaneous onboarding-related expenses will be borne by NABARD.

b) **Technical handholding by NPCI:**

- (i) NPCI will provide comprehensive technical support and guidance for onboarding eligible member banks on AePS.
- (ii) NPCI will facilitate prioritised test slots and faster integration cycles.
- (iii) Joint training sessions will be conducted by NPCI with other stakeholders.

Note: Banks to follow NPCI guidelines, procedures and process for onboarding on AePS.

c) **Regulatory easing by UIDAI:**

- (i) UIDAI will provide advisory support during the onboarding process.
- (ii) UIDAI will do the technical handholding in ensuring compliance requirements.
- (iii) Consideration of all DCCBs and the respective State/Apex Co-operative bank as a single entity for the purposes of licensing and regulatory compliances.

6. Onboarding Process Flow for co-operative Banks:

This framework outlines a streamlined approach for onboarding of State and District Co-operative banks as a requesting entity in Aadhaar ecosystem. It aligns with the approach of "One State One Apex Co-operative Bank" to ensure centralized compliance and enhance operational efficiency.

- (a) UIDAI will onboard State Co-operative Bank as a master Authentication User Agency (AUA) and e-KYC User Agency (KUA), subject to official recognition and submission of the requisite onboarding documents.
- (b) The State Co-operative Bank shall make an application to UIDAI to get onboarded as an AUA/KUA.

- (c) UIDAI will grant in-principal approval based on the evaluation of submitted documents by the respective bank subject to execution of the agreement, deposit of prescribed license fee as applicable for AUA and KUA, transaction validation and submission complied IS audit report conducted by a CERT-In empanelled auditor.
 - (d) After meeting all pre-production requirements, the co-operative bank will be onboarded in production post approval of the Competent Authority.
 - (e) Once State Co-operative Bank is onboarded as an AUA/KUA in production, a request letter on the letter head of State Co-operative bank addressing to the CEO UIDAI along with onboarding documents, shall be submitted on behalf of its District Central Co-operative Bank (DCCBs) for issuance of “DCB-ID”.
 - (f) DCCBs will only use the DCB-ID code issued by UIDAI, based on the recommendation of the State Co-operative bank. The State Co-operative bank cannot onboard any DCCBs independently without notifying and obtaining formal approval from UIDAI.
 - (g) UIDAI will raise invoice to the StCB for all authentication transaction charges pertaining to the onboarded DCCBs. There shall be no separate license fee charged to the DCCBs owing to StCBs and its DCCBs being considered as one single entity and DCCBs like branches of respective StCBs.
 - (h) State Co-operative bank shall ensure that all its DCCBs comply with the provisions of the Aadhaar Act, 2016 and its associated regulations, directions, processes, standards, guidelines, notifications, specifications and protocols, as issued by UIDAI.
7. Policy for existing onboarded co-operative banks—
- (a) All new onboarding of StCBs and DCCBs will be as per the “UIDAI framework for onboarding of Co-operative Banks”.
 - (b) Should any co-operative bank desire, they may choose to be onboarded as per existing policy of AUA/KUA and Sub-AUA/Sub-KUA.
 - (c) Existing co-operative banks may choose to continue with the existing structure as AUA/KUA and Sub-AUA/Sub-KUA or these co-operative banks may choose to adopt new framework.
 - (d) The license fee once paid by co-operative banks already in production or in pre-production till issue of the new framework will not be refunded. After the current license fee cycle, the co-operative banks may make payment of license fee as per new framework.

Encl: Application form for onboarding DCCBs

Application for appointment as a DCCBs under (StCBs) as per the framework of onboarding of co-operative Bank

Details of the DCCBs						Details of Key Managerial Person of (StCBs)				
State	Name of DCCBs	Registration/Incorporation No.	RBI License No. (Pls attach copy of the document)	Registered Office address	GSTN registration number	Name	Email	Full Designation	Mobile Number	Alternate office telephone number
1	2	3	4	5	6	7	8	9	10	11