

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
STARRED QUESTION NO. *205
TO BE ANSWERED ON 26.12.2018

AADHAAR FOR eKYC

***205. SHRIMATI VASANTHI M.:**

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Aadhaar eKYC can be used to authenticate beneficiaries of Government subsidies and welfare schemes while for other customers, physical Aadhaar card can be used for verification;

(b) if so, the details thereof;

(c) whether it is also true that the Unique Identification Authority of India has written to the banks clarifying the instances and modes in which Aadhaar can be used for verification; and

(d) if so, the details thereof ?

ANSWER

MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)

(a) to (d): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED
QUESTION NO.*205 FOR 26.12.2018 REGARDING AADHAAR FOR E-KYC**

(a) and (b): The Hon'ble Supreme Court in its judgement dated 26/09/2018 in the matter of W.P. (Civil) No. 494 of 2012 & connected matter has upheld Section 7 of the Aadhaar Act 2016, the provisions of which authorizes the Central Government or a State Government to, inter alia, require an individual to undergo authentication or furnish proof of possession of Aadhaar number or apply for an Aadhaar number, as a prerequisite for receiving any subsidy, benefit or service for which expenditure is incurred from the Consolidated Fund of India. In this regard, the Hon'ble Court has recorded the following conclusion in para 446(b) of the judgement:

“(b) Insofar as subsidies, benefits or services to be given by the Central Government or the State Government, as the case may be, is concerned, these Governments can mandate that receipt of these subsidies, benefits and services would be given only on furnishing proof of possession of Aadhaar number (or proof of making an application for enrolment, where Aadhaar number is not assigned). An added requirement is that such individual would undergo authentication at the time of receiving such benefits etc. A particular institution/body from which the aforesaid subsidy, benefit or service is to be claimed by such an individual, the intended recipient would submit his Aadhaar number and is also required to give her biometric information to that agency. On receiving this information and for the purpose of its authentication, the said agency, known as Requesting Entity (RE), would send the request to the Authority which shall perform the job of authentication of Aadhaar number. On confirming the identity of a person, the individual is entitled to receive subsidy, benefit or service. Aadhaar number is permitted to be used by the holder for other purposes as well.”

The use of physical Aadhaar Card, without authentication, in order to establish the identity of the Aadhaar number holder, purely on a voluntary basis, is not prohibited by the aforesaid judgement of the Hon'ble Court. On the other hand, certain observations in the judgement expressly contemplate and permit such voluntary use of the Aadhaar number/card by the holder. In this regard, paragraph 367 of the said judgement reads as:

“ 367) The respondents may be right in their explanation that it is only an enabling provision which entitles Aadhaar number holder to take the help of Aadhaar for the purpose of establishing his/her identity. If such a person voluntary wants to offer Aadhaar card as a proof of his/her identity, there may not be a problem.”

(c) and (d): Yes Sir. The Unique Identification Authority of India (UIDAI) issued a circular dated 23/10/2018 regarding use of Aadhaar for opening bank accounts and withdrawal of money through Aadhaar enabled Payment System (AePS). The circular, inter-alia, provided clarification on voluntary use of physical Aadhaar and Aadhaar based authentication by banks of beneficiaries who are availing subsidies, benefits, services covered by Section 7 of Aadhaar Act.
