

F. No. K-11022/630/2017-UIDAI (Auth-II)
Government of India
Unique Identification Authority of India
(Authentication Division)

9th Floor, Tower I, Jeevan Bharati Building,
Connaught Circus, New Delhi – 110001.

Dated: 15th January, 2018

CIRCULAR No. 3 of 2018

In continuation to this office Circular No. K-11022/630/2017-UIDAI (Auth-II) dated 31st May, 2017 wherein, the Authority had issued Authentication User Agency (AUA)/e-KYC User Agency (KUA) and Authentication Service Agency (ASA) Agreement v4.0 along with the proposal for charging of License Fees, Bank Guarantee and schedule of financial disincentives for availing Aadhaar authentication services provided by the Authority. The License Fee vide ibid letter was to be deposited by 30th June 2017, the date was further extended upto 31st August 2017 vide order dated 30th June 2017.

2. Few AUA/KUA/ASA entities had raised the issue of applicability of Goods and Services Tax(GST) on License Fee and Disincentives, the matter was subsequently referred to GST Council. GST Council has now clarified that *“the services provided by UIDAI to the Authentication User Agencies (AUAs)/e-KYC User Agencies (KUAs) and Authentication Service Agencies (ASAs) against the license fee are classifiable in the Goods and Services Act, 2017, under Section ‘8’ of Chapter 99, which deals with “Business and production Services” and attracts GST @ 18%.”* Besides, *“ Services provided by AUAs, KUAs and ASAs to the service recipient against charge of fees may also be liable for GST @ 18% under SAC-9997.”*

3. In view of the above and clarifications by GST Council, following directions are issued for immediate compliance by AUAs/KUAs and ASAs:

- (i) AUAs/KUAs and ASAs who have deposited the License Fee after 30.06.2017 are now required to pay the GST @ 18% over and above the license fee as follows:

| | Pre-production License Key | | Production License Key | |
|---------|----------------------------|--------------|------------------------|---------------|
| | Fees | GST @ 18% | Fees | GST @ 18% |
| AUA/KUA | Rs. 5 Lakh | Rs. 90,000 | Rs. 20 Lakh | Rs. 3,60,000 |
| ASA | Rs. 10 Lakh | Rs. 1,80,000 | Rs. 1 Crore | Rs. 18,00,000 |


- (ii) AUAs/KUAs and ASAs who have deposited Financial Disincentives after 30.06.2017 are also required to pay the GST @ 18% over and above the financial disincentive.

4. Further UIDAI, vide Circular F. No. K-11022/630/2017-UIDAI (Auth-II) dated 8th August, 2017 had instructed the AUAs/KUAs/ASAs depositing License Fee after the due date of 31st August 2017 to deposit the License fee along with late payment charges @ 1% of license fee as applicable per month or part there of which shall be payable till 31st March, 2018. As such AUAs/KUAs/ASAs who have deposited License fee after 31st August, 2017 or are yet to deposit are also required to pay the late payment charges and GST over and above the prescribed License Fee.

5. Further, in terms of section 50(1) of CGST Act 2017 for any delay in depositing and e-filing of GST returns attracts payment of interest @ 18% for the tax or any part thereof remains unpaid. Hence, AUAs/KUAs /ASAs entities may deposit the GST as applicable to avoid any penalty or adverse action.

6. AUA/KUA/ASA entities are also requested to quote their GSTN no. for making future payments.

7. UIDAI GST No: **07AAAGU0182Q1ZS.**


15/11/18
(Ajai Chandra)

Assistant Director General (Auth.)

Copy to:

- 1) All AUAs /KUAs /ASAs
- 2) PAO,UIDAI HQ