

GUIDELINES FOR NOTIFYING USE OF AADHAAR

1. **The Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2016** has come into force *w.e.f* 12th September, 2016 and a notification to this effect has been published in the official gazette.

2. Aadhaar has now been given to more than 107 crore people and is the most widely held identity document in the country. It is also the *only* identity which is authenticable online from practically anywhere, anytime. In view of the above, Aadhaar can now be used not only as one of the official valid documents for KYC and other identification purposes, but also as a condition precedent and primary identification for the delivery of various services, benefits or subsidies.

3. The use of Aadhaar as a primary identifier will simplify the Government's delivery process bringing in good governance, transparency and efficiency and would enable residents and citizens to get services directly in a convenient and hassle free manner. In addition, use of Aadhaar as primary identifier will also help departments to clean up their databases by removing duplicates and fakes, thereby saving revenue and facilitate Direct Benefit Transfers to the beneficiaries without any intermediaries. When the Ministries use Aadhaar for their services, they can use their own identifiers for their beneficiaries but at the back-end those identifiers should be linked to beneficiaries' Aadhaar numbers. In view of this, necessary action needs to be taken by the departments in respect of the following two categories:

(i) The Central Ministries/State Governments which intend to use Aadhaar for delivery of services, benefits and subsidies to individuals as well as groups where money is being spent from the Consolidated Fund of India, Aadhaar can be used as a condition precedent and primary identifier by issuing a notification to this effect under Section 7 of the Aadhaar Act and Regulation 12 of the **Aadhaar (Enrolment and Update) Regulations 2016**. The Section 7 of the Aadhaar Act provides that:

"The Central Government or, as the case may be, the State Government may, for the purpose of establishing identity of an individual as a condition for receipt of a subsidy, benefit or service for which the expenditure is incurred from, or the receipt therefrom forms part of the Consolidated Fund of India, require that such individual undergo authentication, or furnish proof of possession of Aadhaar number or in

the case of an individual to whom no Aadhaar number has been assigned, such individual makes an application for enrolment:

Provided that if an Aadhaar number is not assigned to an individual, the individual shall be offered alternate and viable means of identification for delivery of the subsidy, benefit or service."

The Regulation 12 of the **Aadhaar (Enrolment and Update) Regulations 2016** provides as under:

" Any Central or State department or agency which requires an individual to undergo authentication or furnish proof of possession of Aadhaar number as a condition for receipt of ay subsidy, benefit or service pursuant to Section 7 of the Act, shall ensure enrollment of its beneficiaries who are yet to be enrolled, through appropriate measures, including coordination with registrars and setting up enrolment centres at convenient locations or providing enrolment facilities by becoming a registrar itself."

Therefore, a notification requiring use of Aadhaar to be issued should include following

- a) The notification should mention the service, benefits or subsidies funded from the Consolidated Fund of India, which will require, as a condition precedent, a beneficiary applicant to undergo Aadhaar Authentication or furnish proof of possession of Aadhaar Number.
- b) The notification should mention that in case the applicant does not have Aadhaar Number, he will be required to make an application for Aadhaar enrolment, if he is entitled to obtain one under Section 3 of the Act and the arrangement made by the concerned Central Ministries/State Governments as the case may be to provide Aadhaar Enrolment facilities to him. Regulation 12 of the said Regulations casts responsibility on the Ministries/State Governments or Agencies under their control to facilitate/provide Aadhaar Enrolment facilities nearby, they are required to become UIDAI Registrars so that they can set up enrolment facilities themselves in consultation with UIDAI.
- c) The notification should also list the alternate Identity documents and verification methodologies to confirm the identity of the beneficiary applicant to whom Aadhaar Number has not been assigned for delivery of services, till such time, Aadhaar Number is assigned.

In this regard, a copy of the circular dated 15.09.2016 of UIDAI for issue of notification under Section 7 of the Aadhaar Act and Regulation 12 of the Aadhaar Regulation 2016 is attached herewith as **Annexure-I**. A copy of the

circular dated 30.9.2016 of Ministry of Petroleum and Natural Gas (MoPNG) under Section 7 of the Aadhaar Act requiring the Aadhaar number of the residents for getting LPG subsidies is attached herewith as **Annexure-II**.

(ii) For the services where money is not spent from the Consolidated Fund of India, such as issue of SIM cards, KYC for opening bank accounts, pension accounts, etc., Aadhaar may be used as primary identification document. In order to do so, the concerned Ministry/Department or the agencies in their jurisdiction should amend their own rules, issue circulars, orders or guidelines under their laws thereby prescribing use of Aadhaar. Such use of Aadhaar will be permissible under Section 57 of the Aadhaar Act and would have to conform to data protection and privacy provisions provided in the Act (Section 8 and Chapter VI). The Section 57 of the Aadhaar Act that provides as under:

“Nothing contained in this Act shall prevent the use of Aadhaar number for establishing the identity of an individual for any purpose, whether by the State or any body corporate or person, pursuant to any law, for the time being in force, or any contract to this effect:

Provided that the use of Aadhaar number under this section shall be subject to the procedure and obligations under section 8 and Chapter VI.”

4. The Ministries/Departments may immediately undertake an exercise to identify schemes and services falling in the above two categories (under S.7 & S.57 of the Aadhaar Act) including schemes identified by DBT Mission and issue necessary notifications for use of Aadhaar as condition precedent as well as primary identifier in DBT identified schemes and other schemes /services in consultation with CEO, UIDAI to ensure that notifications comply with the requirements of the Aadhaar Act.

5. It, however, may be noted that subsidy and other benefits should not be denied only on the reason that the person does not possess Aadhaar and as envisaged in Section 7 of the Aadhaar Act, temporary enrollment details of Aadhaar or Photo Identify Card, Bank passbook etc., of the person can be considered till Aadhaar number is obtained which may be facilitated by the Ministries/Departments as envisaged in circular dated 15th September 2016 of UIDAI.