

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 685
TO BE ANSWERED ON 08.02.2019

AADHAAR-ENABLED PAYMENT SYSTEMS

685. SHRI SANJAY SINGH:
SHRI P. L. PUNIA:

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

- (a) whether Aadhaar-enabled payment systems have been discontinued in all the banks or not;
- (b) if not, the reasons therefor; and
- (c) whether the RBI is in talks to allow the use of QR Code-based 'Offline Aadhaar'?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI S.S. AHLUWALIA)

(a) & (b): The Hon'ble Supreme Court has upheld the constitutional validity of the Aadhaar Act, 2016 in its Judgment dated 26.09.2018. However, the Supreme Court said that the benefits under the Aadhaar project should be in the nature of welfare schemes. Banks would be entitled to seek authentication of the beneficiaries, who are availing subsidies/benefits/services covered by Section 7 of the Aadhaar Act, for the purpose of transfer of any monetary subsidy or benefit to the bank account of the beneficiary as well as for facilitating the withdrawal of money by beneficiary through Aadhaar based micro-ATM machines. Accordingly, the Aadhaar enabled Payment System (AePS) shall remain operative as the same is not adversely affected by the Aadhaar Judgment.

(c): The Banks and Reserve Bank of India (RBI) have been advised that the voluntary use of a physical Aadhaar card, without authentication by the Aadhaar number holder who wishes to establish his/her identity, is not prohibited by the judgment. Accordingly, RBI is at liberty to include physical copy of the Aadhaar card, which includes physical copy of e-Aadhaar, masked Aadhaar and offline XML, in its list of Officially Valid Documents (OVD) for KYC purpose. However, the Banks have been advised to mask the first 8 digits of the Aadhaar number while storing the physical copy of the Aadhaar card.
