

No. D-26011/04/2017-DBT
Government of India
Cabinet Secretariat
(DBT Mission)

Dated: 19th December 2017

Office Memorandum

Subject: Use of Aadhaar in Benefit Schemes of Government - Exception Handling - Regarding.

Aadhaar based DBT is a significant governance reform to ensure greater transparency and accountability in public service delivery through effective use of technology. Aadhaar as an identity proof obviates the need for producing multiple documents for proving one's identity, thereby simplifying procedures and eliminating fake/ ghost beneficiaries through de-duplication.

2. However, Government is sensitive to the fact that the Aadhaar enrolment process has not been completed and infrastructure constraints may pose difficulty in online authentication. To ensure that bona fide beneficiaries are not deprived of their due benefits, sufficient provisions have been made in the Aadhaar Act, 2016. UIDAI has also issued regulations to handle exceptions, ensuring that no beneficiary is denied benefits for want of Aadhaar, vide circular dated 24th October, 2017 (*copy enclosed for ready reference*). In accordance with the guidelines issued by UIDAI from time to time, the following may be considered:

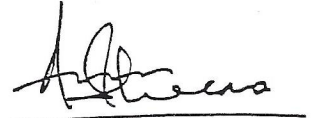
A. For extending benefits to beneficiaries who do not possess Aadhaar, the following mechanism may be adopted:

- i. The beneficiary shall be provided subsidy, benefit or service based on alternate identification document as notified in the relevant notifications issued under the provisions of Section 7 of the Aadhaar Act, 2016.
- ii. Efforts should be made to ensure that all such beneficiaries are facilitated for enrolment under Aadhaar. The concerned Department through its Implementing Agencies may offer Aadhaar enrolment facilities for such beneficiaries at convenient locations through centres in the respective Block/ Taluka/ Tehsil (including through Post Offices, Banks, ICDS Centres etc).
- iii. As per regulation 12 of Aadhaar (Enrolment and Update) Regulations, 2016, the State Government/ Implementing Agencies should also make special arrangements for bed ridden, differently-abled, or senior citizens, who are unable to visit the registration centre(s), to get them enrolled for Aadhaar.
- iv. Till such time Aadhaar is assigned to a beneficiary, a separate register, preferably electronic, shall be maintained for recording such transactions, whenever the beneficiary is provided benefits/ services on the basis of alternative identification documents. This register may be periodically reviewed and audited.

B. In all such cases where Aadhaar authentication fails, the following mechanism may be adopted:

- i. Departments and Bank Branches may make provisions for IRIS scanners along with fingerprint scanners, wherever feasible.
 - ii. In cases of failure due to lack of connectivity, offline authentication system such as QR code based coupons, Mobile based OTP or TOTP may be explored.
 - iii. In all cases where online authentication is not feasible, the benefit/ service may be provided on the basis of possession of Aadhaar, after duly recording the transaction in register, to be reviewed and audited periodically.
3. In view of above, DBT implementing Ministries/ Departments and State Governments are requested to implement proper exception handling mechanism in conformity with the Aadhaar Act 2016 and subsequent regulations and guidelines issued from time to time. A robust mechanism for ensuring their compliance and its periodic monitoring may also be put in place.

Enclosure: As above



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2. Chief Secretaries of all States/ Administrators of all UTs
3. CEO, UIDAI

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1. Coordinators, DBT Cells in all Ministries / Departments
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NOO:

1. AS (TB), PMO
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No. 23011/Gen/2014/Legal-UIDAI

24th October, 2017

Circular

Subject: Exception handling in Public Distribution Services and other welfare Schemes

Section 7 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 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.”

2. Various Ministries/Departments have issued notification under Section 7 of Aadhaar Act to require Aadhaar / Aadhaar authentication for delivery of various benefits, subsidies or service for which the expenditure is incurred from, or the receipt therefrom forms part of the Consolidated Fund of India.

3. It has come to notice that some beneficiaries are being denied the benefit, subsidy or service for various reasons such as not having Aadhaar; failure of authentication; and other extraneous circumstances like electricity outage, internet connectivity issues etc despite above provisions of Aadhaar Act and other adequate mechanisms to handle such exceptions already provided in the Regulations and notifications issued under Section 7.

4. Therefore, the following exception handling mechanism and back-up identity authentication mechanisms may be followed for implementation to ensure seamless delivery of subsidy, benefit or service to beneficiary:


- a. Till the time Aadhaar is assigned to a beneficiary, he/she shall be provided subsidy, benefit or service based on alternate identification document as notified by the Ministry/Department in the relevant notification issued under the provision of Section 7 of the Aadhaar Act, 2016. The notifications also give powers to both Central Ministry and State Governments (as the case may be) to add more alternate documents depending on local conditions.



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- b. In case of failure of Biometric authentication due to network/connectivity issue or due to poor biometric of resident etc, he/she shall be provided subsidy, benefit or service based on possession of Aadhaar by him/her as provided in Section 7 of the Aadhaar Act, 2016 and the notification.
 - c. In case of a family based scheme, such as PDS, an option shall be provided that any member of the family can authenticate and receive the benefit, as notified by the Ministry/Department in the relevant notification issued under the provision of Section 7 of the Aadhaar Act, 2016. This flexibility should be used for ensuring delivery of benefit in case biometric authentication for a member (senior) fails.
 - d. The State Governments/Implementing agency should also make special arrangements for bed ridden senior residents to get them verified/ authenticated including but not limited to sending a village level worker to their home for this purpose.
 - e. All such exception handling shall be recorded in the system and steps be taken to avoid any misuse of the exception. The front end service provider shall also maintain record of exception such as copy of Aadhaar letter, signature/thumbprint of the beneficiary and other supporting documents as notified by the Ministry/Department.
 - f. The Ministry/Department shall devise and implement mechanism for audit and inspection of such exceptions.
5. The Ministries/Department are requested to issue appropriate directions to the State Governments/Implementing agencies for the above exception handling mechanism and also monitor the same on periodical basis.


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To
All Ministries/Departments
All State Governments