



# UIDAI unveils Aadhaar-based authentication framework for Cooperative Banks to benefit across India

Over 380 Cooperative Banks to leverage Aadhaar services under new UIDAI framework and will ensure financial inclusion

New Framework Formulated after Extensive Consultations with Ministry of Cooperation, NABARD and other stakeholders

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To mark the International Year of Cooperatives, the Unique Identification Authority of India (UIDAI) has rolled out a new framework to onboard Cooperative Banks and enable them to deliver Aadhaar-based authentication services, giving a strong push to last-mile banking and digital inclusion.

The framework has been developed in close consultation with the Ministry of Cooperation, NABARD, NPCI and cooperative banks. It will cover all 34 State Cooperative Banks (SCBs) and 352 District Central Cooperative Banks (DCCBs) across the country.

Under the new system, the process of adopting Aadhaar services has been made simpler and cost-effective. Only the State Cooperative Banks will be registered with UIDAI as Authentication User Agencies (AUA) and eKYC User Agencies (KUA). The DCCBs can seamlessly use the Aadhaar authentication application and IT infrastructure of their respective SCBs. This eliminates the need for DCCBs to develop or maintain separate IT systems, saving costs and ensuring smoother operations.

Through this framework, cooperative banks will be able to leverage Aadhaar-enabled services to provide faster, more secure, and hassle-free customer onboarding. Services such as biometric eKYC and face authentication will make account opening easier, especially in rural and semi-urban regions. Customers will also benefit as subsidies and welfare payments can be directly credited into their cooperative bank accounts using Aadhaar.

Additionally, the framework empowers cooperative banks to extend services like the Aadhaar Enabled Payment System (AePS) and the Aadhaar Payment Bridge, further strengthening digital transactions and advancing financial inclusion in the cooperative sector.

This step marks a significant milestone in expanding Aadhaar's reach and impact, ensuring that cooperative banks continue to play a vital role in India's financial ecosystem.

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