

Cannot stop Aadhaar-enabled payment system: UIDAI to banks

TIMES NEWS NETWORK

New Delhi: The UIDAI has told banks that it is obligatory to continue Aadhaar-enabled payment system (AePS) facility for customers, as there was nothing in the SC order that barred voluntary use of Aadhaar for payment and receipt by account holders for purposes other than welfare benefits.

Responding to a move by State Bank of India intimating its intention to discontinue AePS, the UIDAI said in a circular on Friday, "Any action to discontinue such payments or receipt mechanism (AePS, BHIM Aadhaar Pay) or bank accounts on the grounds that it is not possible to distinguish their use for delivery of welfare benefits or other purposes may be

The UIDAI said there was nothing in the SC order that barred voluntary use of Aadhaar for payment and receipt by account holders for purposes other than welfare benefits

held contrary to Section 7 of the Aadhaar Act and the (Supreme Court) judgment."

The UIDAI clearly stated that withdrawal of AePS would amount to creating an obstruction in delivery of benefits and may cause denial in deserving cases. The authority quoted the SC order that the purpose of authentication was to ensure that only rightful

persons received benefits. "Non-action is not costly. It's affirmative action which costs the government. And that money comes from the exchequer. So, it becomes the duty of the government to ensure that it goes to deserving persons," the circular quoted the SC as saying.

Section 7 of the Aadhaar Act protects right to human dignity under Article 21 of the Constitution, the SC had noted, the UIDAI said. The court recalled that it had repeatedly expressed concern that benefits for the most needy got frittered away and the particular section of the Act was intended to achieve the stated objectives.

"The court is convinced that the Act is aimed at a proper purpose, which is of sufficient importance," it had said.