

# Aadhaar must for joining boards, filing cos' returns

## Govt Looking At Biometric Authentication To Check ID Theft

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**New Delhi:** Facing several instances of alleged identity theft, the government is mandating biometric authentication using Aadhaar for Companies Act-related transactions, including becoming a director on a company's board or for filing its returns by chartered accountants and company secretaries.

Sources said the ministry of corporate affairs (MCA) has come across several instances where people have been appointed directors on company boards without their knowledge or have received a Director Identification Number (DIN), a must for joining a board, as their signatures were forged.

As a result, in the coming months, anyone seeking a DIN will have to fill up the form online and authenticate using biometric devices that can soon be attached to com-

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- A team from Infosys has been tasked with putting in place the new mechanism which will be rolled out in phases, starting with the allotment of Director Identification Number (DIN)
- Over a period of one or two years, it will be expanded to include all MCA related work



- Anyone seeking a DIN will have to fill up the form online and authenticate using biometric devices
- A similar set up for CAs and company secretaries is also being worked out
- There will be exceptions for non-residents and others who are ineligible to get Aadhaar such as those whose fingerprints or iris cannot be captured

puters. Similarly, anyone nominated by the government or banks and financial institutions on company boards will have to offer biometric authentication. A similar set-up for CAs and company secretaries is also being worked out, sources told **TOI**.

A team from Infosys has been tasked with putting in place the new mechanism

which will be rolled out in phases, starting with the allotment of DIN. Gradually over a period of one or two years, it will be expanded to include all MCA-related work. "No worksheet will be opened without biometric authentication," said a source, who did not wish to be identified.

There will be exceptions for non-residents and others, who

are ineligible to get Aadhaar such as those whose fingerprints or iris cannot be captured. MCA believes that the proposed system does not face any obstacles due to the Supreme Court's recent order on Aadhaar as the mechanism was meant for authentication. Sources pointed out that the apex court had itself suggested that mobile connections be verified using Aadhaar and banks and the tax department have also been allowed to use the unique identification number.

This year onwards, the income tax department has also made Aadhaar mandatory for issuing permanent account numbers (PANs) as it seeks to crackdown on individuals using multiple PANs — something that is illegal — to evade taxes. The move had come in for criticism but the government believes that use of unique identification (UID) can help improve compliance across sectors.