Press Release

New Delhi, October 19: Prime Minister Dr. Manmohan Singh will launch Aadhaar Enabled Service Delivery on October 20 in Dudu, Rajasthan, marking the 2nd anniversary of Aadhaar.

The Aadhaar Enabled Service Delivery application utilizes an Aadhaar number’s property of uniqueness and linkage with various government schemes/services database to correctly identify beneficiaries. There are many benefits associated with such integration for various stakeholders, ranging from better compliance management to reduced leakages and increased efficiency and accountability in service delivery.

The 21st crore Aadhaar letter will also be handed over to a resident, on the occasion.

“I thank Prime Minister Dr. Manmohan Singh and UPA Chairperson Smt. Sonia Gandhi for their guidance and unstinted support for the Aadhaar project. I am also grateful to Finance Minister Mr. P. Chidambaram for his support in leveraging Aadhaar as a means for financial inclusion. Aadhaar as the foundation of electronic transfer of benefits to beneficiaries of various social sector schemes should yield significant benefits,” said Shri Nandan Nilekani, Chairman, UIDAI.

The Government is rolling out Aadhaar Enabled Service Delivery initiatives in 51 districts across the country. Aadhaar-enabled applications will be used for making pension payments, MNREGA payments, PDS distribution, scholarship payments, etc.

“We are very excited about the future of Aadhaar, given the fact that we are about to launch Aadhaar Enabled Service Delivery. Aadhaar is an online identity platform that can be accessed in real-time for authenticating beneficiaries and can be adapted by various user agencies, which creates scope to dramatically improve the manner in which social sector schemes are administered,” said Shri R.S. Sharma, Director General & Mission Director, UIDAI.

The launch of Aadhaar Enabled Service Delivery will be in the presence of Smt. Sonia Gandhi, UPA Chairperson; Chief Minister of Rajasthan Shri Ashok Gehlot; Finance Minister Shri P. Chidambaram; Deputy Chairman of Planning Commission Shri Montek Singh Ahluwalia; Minister of State for Planning, Science & Technology, Earth Sciences Dr. Ashwani Kumar and Minister of State for Communications & Information Technology Shri Sachin Pilot.

On the occasion of the launch, ongoing Aadhaar Enabled Service Delivery pilots of PDS in Kakinada, East Godavari district of Andhra Pradesh; Social Security payment in Aurangabad, Maharashtra; LPG cylinders delivery in Mysore, Karnataka; MNREGS payment in Ramgarh, Jharkhand and Old Age Pension payments in West Tripura district of Tripura will be telecast live. The Prime Minister will also be presenting the Aadhaar Governance Awards and the Aadhaar Excellence Awards.
Overview of UIDAI

Enrolments:

It’s been two years since Aadhaar the 12-digit unique identity number was launched, in a bid to provide an irrefutable proof of identity to all residents of India. It was to be an identity, which would be valid across the nation and hold good while availing various benefits and services that require a person to authenticate his/her identity.

In the past two years, the Unique Identification Authority of India (UIDAI) has worked hard to make this vision come true. During the first phase of enrolments, UIDAI with the help of its Registrars and other stakeholders, managed to enrol 20 crore residents well before the set deadline.

This has made Aadhaar the world’s largest biometric-based identity database.

Having concluded 20 crore enrolments, UIDAI was given the mandate to enrol a further 40 crore enrolments by 2014.

Some enrolment-related milestones:

1. Enrolled 20 crore residents in the first phase, well before deadline.
2. Signed MoUs with 67 Registrars, including State & Non-State.
3. Empanelled 209 enrolment agencies.
4. Revised version of enrolment client software has been launched.
5. 23 crore residents have been enrolled so far, while 21 crore Aadhaar numbers have been generated.
6. Long-term, permanent enrolment centre to be set up.
7. Increased focus on quality of data captured. Enrolment agencies will be penalised Rs.150 per demographic error, Rs.500 for every process error.
8. Each enrolment client will be tracked through GPS so that location of every enrolment packet received by UIDAI can be traced.
Enrolments till September 2012

Enrolments – Age group & Gender-wise
Financial Inclusion through Aadhaar

With Aadhaar as the Unique Identity for the residents, UIDAI is supplementing the national goal of ensuring access to banking services for everyone, seamless transfer of Government welfare payments and subsidies and usher-in an area of a cash-lite economy.

Aadhaar is an enabler in this national endeavour in the following ways:

1. A valid document to meet Know Your Customer (KYC) norms of banks. Finance Ministry has already accepted Aadhaar as a KYC document. Finance sector regulators like Reserve Bank of India, Securities and Exchange Board of India and Insurance Regulatory and Development Authority (IRDA) have also notified Aadhaar as a valid document for satisfying KYC norms.

On these lines, a pilot was launched in Tumkur District of Karnataka to open Bank Accounts in a mass scale, based on the electronic data of the requests made by the residents at the time of enrolments. Indian Overseas Bank has taken the lead by opening more than 40,000 accounts in Tumkur District in a very short span of time and a total of more than 1.5 Lakh such accounts have been opened across the country.

2. Aadhaar Enabled Payment System (AEPS): AEPS provides an opportunity for financial service providers to reach out to masses at minimal cost through standardised Aadhaar enrolment and authentication platform. For residents, this means having access to a banking system, thus opening a plethora of opportunities and receiving benefits of various programs which up till now may not have reached far flung areas.

AEPS enables banks to route the interbank financial transactions through central switching and clearing agency to empower the resident to use Aadhaar as his/her identity to authenticate and subsequently operate his/her respective Aadhaar Enabled Bank Account (AEBA).

Through Aadhaar Enabled Payment System the residents of India would be empowered to make basic financial transactions (Credit, Debit, Balance Enquiry, etc) directly through microATMs deployed by Banks in their villages.

About Aadhaar authentication

Aadhaar authentication is a process where residents having Aadhaar are able to prove their identity online. This ensures that the service is delivered to the targeted and real beneficiary and that there is no wastage / leakage / diversion of the benefit.

To test the end-to-end working of Aadhaar online authentication and the reengineered processes and technology solutions for service delivery using Aadhaar authentication, UIDAI has partnered with a few State Governments over the last 10 months and carried out a series of proof of concept studies and pilots. A large number of transactions related to MNREGA wage payments, scholarship and pension payments, PDS ration delivery, LPG cylinder delivery etc have been successfully carried out based on Aadhaar online authentication.

UIDAI, along with National Payment Corporation of India (NPCI) and various banks, has also been working on developing, deploying and stabilizing platforms for enabling easy and direct transfer of Government cash payments and subsidies to Aadhaar enabled bank accounts of beneficiaries. A large number of such cash transfers have been done for schemes such as MNREGA, student scholarships, various pension schemes, etc.
As per Finance Ministry directives, integration of Aadhaar in various social delivery programs and direct payment of subsidies and Government paid wages/scholarships/pension to residents’ Aadhaar enabled bank accounts is being piloted in 51 districts across the country. UIDAI is working closely with the State governments and banks to enable the same and such integration projects are at various stages of implementation in the identified 51 districts.

UIDAI has now scaled up its own infrastructure and has worked closely with the ecosystem partners such as NPCI, banks, biometric device vendors, etc to ensure they too are geared up for a larger scale adoption in a variety of schemes and applications.

**A snapshot of Aadhaar enabled application pilots**

**Financial Inclusion Pilot in Jharkhand**

The first Aadhaar application pilot was started in four districts of Jharkhand – Ranchi, Hazaribag, Ramgarh and Saraikela-Kharsawan – on 24th December 2011. MNREGA wages, old age pensions and student scholarships are being transferred by Government of Jharkhand directly to the beneficiaries’ Aadhaar enabled bank accounts.

In order to resolve the problem of access to last mile banking services, business correspondents (BC’s) from 3 banks carry micro-ATM devices to the villages, which enable the residents to make banking transactions, including withdrawal, deposit and balance enquiry after Aadhaar biometric authentication.

More than 3500 residents have been carrying out financial transactions through this mode at their village level. More than 17000 residents now have Aadhaar enabled bank accounts in these four districts.

**PDS Pilot in Andhra Pradesh**

This pilot was initiated by Consumer Affairs, Food and Civil Supplies Department of Andhra Pradesh in the East Godavari district on 1st September 2012. The objective of the pilot is to curb leakages in the Public Distribution System (PDS) and ensure ration is delivered to the target / real beneficiaries by using Aadhaar biometric Authentication. The pilot is targeted at 35,000 households with around 1.25 lakh beneficiaries. In this highly successful pilot, simple handheld devices with biometric sensor and PDS application have been deployed at 47 fair price shops (FPS) managed by the representatives of women self groups in the East Godavari district. Around 45000 ration deliveries have been made during first month of the pilot itself.

The ration card numbers of beneficiaries are linked to their Aadhaar numbers and subsidized ration (Rice, Palm Oil, Pulses, Sugar) is being provided to beneficiaries after Aadhaar biometric authentication. The replenishment at the fair price shops are now being done based on the actual off-take of ration by the residents. On the anvil are detailed MIS and streamlining of the entire supply chain management. Further, riding on Aadhaar authentication, the PDS system can also provide for portability across fair price shops, wherein residents would not be tied to a particular fair price shop but be free to take ration delivery from any shop of their choice. PDS delivery through Aadhaar authentication is now also being scaled up in other districts of Andhra Pradesh.
Some figures:

- Pilot district: East Godavari
- Population of pilot districts: 51,51,549
- No. of Aadhaar issued in pilot districts: 45,86,462

**LPG Delivery Pilot in Mysore, Karnataka**

This pilot was initiated by the three Oil Marketing Companies - IOCL, and BPCL and HPCL in January 2012, in collaboration with Ministry of Petroleum and Natural Gas. The objective of this pilot is to use Aadhaar biometric authentication at the time of delivery of LPG cylinders to minimize diversion of subsidized LPG cylinders. The target consumer base for the pilot is around 85,000 beneficiaries, across 3 LPG distributorships (gas agencies) in Mysore – 1 each for IOCL, BPCL and HPCL. Subsidized LPG cylinders are being delivered by delivery boys after successful biometric authentication of any family member present in the household on a simple handheld device carried to the residents’ doorstep.

Around 50000 deliveries have been made so far based on successful Aadhaar authentication. In the next phase, the operations are being scaled up in the entire district. This integration with Aadhaar will also help in effective implementation of recent directive of limiting annual cylinder supply to households. Pilots are also planned to transfer the subsidy amount difference directly into the banks accounts of beneficiaries.

Some figures:

- Pilot district: Mysore
- Population of pilot districts: 29,94,744
- No. of Aadhaar issued in pilot districts: 28,44,554

**Pensions Pilot in Aurangabad, Maharashtra**

This pilot was initiated in Aurangabad in September 2012 for disbursing pensions under 5 special assistance schemes which are operational in Maharashtra – Sanjay Gandhi Niradhar Anudan Yojna, Shravan Bal Old Age Pension, Indira Gandhi National Age Pension Scheme, Indira Gandhi National Widow Pension Scheme and Indira Gandhi National Disable Pension Scheme. The objective is to directly transfer monetary benefit into the bank account of pensioners using the Aadhaar Payments Bridge. Aadhaar number is linked to the list of beneficiaries to eliminate fake beneficiaries. Aadhaar Enabled Payment System is being used by Banking Correspondents to disburse funds through micro-ATM’s.

Some figures:

- Pilot district: Aurangabad
- Population of pilot district: 3,695,928
- No. of Aadhaar issued in pilot districts: 1,362,918
Pensions Pilot in West Tripura

Similar integration for direct transfer of Government money to Aadhaar enabled bank accounts of residents has also been implemented in the Mandai block of West Tripura district, where various pension funds are now being directly transferred to Aadhaar enabled bank accounts of beneficiaries. UIDAI and Government of Tripura are engaging with Tripura Gramin Bank (TGB), a Regional Rural Bank, and United Bank of India to take banking services to residents’ doorsteps. TGB has set up a chain of Business Correspondents (BCs) equipped with microATMs that allows the beneficiaries to carry out financial transactions using biometric authentication.

Some figures:

- Pilot district: West Tripura
- Population of pilot district: 9,12,029
- No. of Aadhaar issued in pilot districts: 8,07,215