

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA
UNSTARRED QUESTION NO. 38
ANSWERED ON TUESDAY, FEBRUARY 2, 2021/ MAGHA 13, 1942 (SAKA)

Aadhaar enabled Payment Systems

38. Shri BINOY VISWAM:

Will the Minister of FINANCE be pleased to state:

(a) the details of entities and schemes which utilise Aadhaar enabled Payment System (AePS) for transfer of payment;

(b) whether payment can be denied to beneficiaries if a bank account is not linked with Aadhaar in case of benefits for which payment is transferred through AePS, if so, the details thereof;

(c) whether payments have been denied, if so, the amount of payments denied, State-wise and scheme-wise in the last one year; and

(d) the remedy available to someone to whom payment has been denied benefits through AePS because bank account was not linked with Aadhaar?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) to (d) Direct transfer of benefits to bank accounts of beneficiaries of various Central Government schemes is either through Aadhaar Payment Bridge (NACH-APB) or Account based transactions (NACH-ACH), both operated by National Payments Corporation of India (NPCI).

Aadhaar Enabled Payment System (AePS) is a bank led model which allows online interoperable financial transactions in accounts, including accounts of beneficiaries of Direct Benefit Transfer (DBT), through Business Correspondents (BCs), using Aadhaar based biometric authentication. Banks offer this service to their customer to access his/ her respective Aadhaar enabled bank account and perform basic banking transactions like cash deposit, cash withdrawal, Intrabank or interbank fund transfer, balance enquiry and obtain a mini statement, through a BC.

In addition to AePS, bank account holders can also carry out transactions through other modes like cheques/ withdrawal form, Debit cards, UPI, IMPS, etc., which do not require Aadhaar based authentication.

The choice of appropriate mode for withdrawal of benefits credited through DBT in bank accounts, is with the beneficiary and non-usage of AePS will not result in denial of access to the bank account as other transaction modes are available to the beneficiary.
