

Bill No. 47 of 2016

**THE AADHAAR (TARGETED DELIVERY OF FINANCIAL AND
OTHER SUBSIDIES, BENEFITS AND SERVICES) BILL, 2016**

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SUBSIDIES, BENEFITS AND SERVICES) BILL, 2016**

A

BILL

to provide for, as a good governance, efficient, transparent, and targeted delivery of subsidies, benefits and services, the expenditure for which is incurred from the Consolidated Fund of India, to individuals residing in India through assigning of unique identity numbers to such individuals and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-seventh Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

5 **1.** (1) This Act may be called the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016.

Short title,
extent and
commen-
cement.

(2) It shall extend to the whole of India except the State of Jammu and Kashmir and save as otherwise provided in this Act, it shall also apply to any offence or contravention thereunder committed outside India by any person.

10 (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and different dates may, be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the commencement of that provision.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) “Aadhaar number” means an identification number issued to an individual under sub-section (3) of section 3;

(b) “Aadhaar number holder” means an individual who has been issued an Aadhaar number under this Act;

(c) “authentication” means the process by which the Aadhaar number along with demographic information or biometric information of an individual is submitted to the Central Identities Data Repository for its verification and such Repository verifies the correctness, or the lack thereof, on the basis of information available with it;

(d) “authentication record” means the record of the time of authentication and identity of the requesting entity and the response provided by the Authority thereto;

(e) “Authority” means the Unique Identification Authority of India established under sub-section (1) of section 11;

(f) “benefit” means any advantage, gift, reward, relief, or payment, in cash or kind, provided to an individual or a group of individuals and includes such other benefits as may be notified by the Central Government;

(g) “biometric information” means photograph, finger print, Iris scan, or other such biological attributes of an individual as may be specified by regulations;

(h) “Central Identities Data Repository” means a centralised database in one or more locations containing all Aadhaar numbers issued to Aadhaar number holders along with the corresponding demographic information and biometric information of such individuals and other information related thereto;

(i) “Chairperson” means the Chairperson of the Authority appointed under section 12;

(j) “core biometric information” means finger print, Iris scan, or such other biological attribute of an individual as may be specified by regulations;

(k) “demographic information” includes information relating to the name, date of birth, address and other relevant information of an individual, as may be specified by regulations for the purpose of issuing an Aadhaar number, but shall not include race, religion, caste, tribe, ethnicity, language, records of entitlement, income or medical history;

(l) “enrolling agency” means an agency appointed by the Authority or a Registrar, as the case may be, for collecting demographic and biometric information of individuals under this Act;

(m) “enrolment” means the process, as may be specified by regulations, to collect demographic and biometric information from individuals by the enrolling agencies for the purpose of issuing Aadhaar numbers to such individuals under this Act;

(n) “identity information” in respect of an individual, includes his Aadhaar number, his biometric information and his demographic information;

(o) “Member” includes the Chairperson and Member of the Authority appointed under section 12;

(p) “notification” means a notification published in the Official Gazette and the expression “notified” with its cognate meanings and grammatical variations shall be construed accordingly;

(q) “prescribed” means prescribed by rules made by the Central Government under this Act;

(r) “records of entitlement” means records of benefits, subsidies or services provided to, or availed by, any individual under any programme;

(s) “Registrar” means any entity authorised or recognised by the Authority for the purpose of enrolling individuals under this Act;

5 (t) “regulations” means the regulations made by the Authority under this Act;

(u) “requesting entity” means an agency or person that submits the Aadhaar number, and demographic information or biometric information, of an individual to the Central Identities Data Repository for authentication;

10 (v) “resident” means an individual who has resided in India for a period or periods amounting in all to one hundred and eighty-two days or more in the twelve months immediately preceding the date of application for enrolment;

(w) “service” means any provision, facility, utility or any other assistance provided in any form to an individual or a group of individuals and includes such other services as may be notified by the Central Government;

15 (x) “subsidy” means any form of aid, support, grant, subvention, or appropriation, in cash or kind, to an individual or a group of individuals and includes such other subsidies as may be notified by the Central Government.

CHAPTER II

ENROLMENT

20 **3.** (1) Every resident shall be entitled to obtain an Aadhaar number by submitting his demographic information and biometric information by undergoing the process of enrolment:

Aadhaar number.

Provided that the Central Government may, from time to time, notify such other category of individuals who may be entitled to obtain an Aadhaar number.

25 (2) The enrolling agency shall, at the time of enrolment, inform the individual undergoing enrolment of the following details in such manner as may be specified by regulations, namely:—

(a) the manner in which the information shall be used;

(b) the nature of recipients with whom the information is intended to be shared during authentication; and

30 (c) the existence of a right to access information, the procedure for making requests for such access, and details of the person or department in-charge to whom such requests can be made.

35 (3) On receipt of the demographic information and biometric information under sub-section (1), the Authority shall, after verifying the information, in such manner as may be specified by regulations, issue an Aadhaar number to such individual.

4. (1) An Aadhaar number, issued to an individual shall not be re-assigned to any other individual.

Properties of Aadhaar number.

(2) An Aadhaar number shall be a random number and bear no relation to the attributes or identity of the Aadhaar number holder.

40 (3) An Aadhaar number, in physical or electronic form subject to authentication and other conditions, as may be specified by regulations, may be accepted as proof of identity of the Aadhaar number holder for any purpose.

Explanation.— For the purposes of this sub-section, the expression “electronic form” shall have the same meaning as assigned to it in clause (r) of sub-section (1) of

Special measures for issuance of Aadhaar number to certain category of persons.

5. The Authority shall take special measures to issue Aadhaar number to women, children, senior citizens, persons with disability, unskilled and unorganised workers, nomadic tribes or to such other persons who do not have any permanent dwelling house and such other categories of individuals as may be specified by regulations.

Update of certain information.

6. The Authority may require Aadhaar number holders to update their demographic information and biometric information, from time to time, in such manner as may be specified by regulations, so as to ensure continued accuracy of their information in the Central Identities Data Repository. 5

CHAPTER III

AUTHENTICATION

Proof of Aadhaar number necessary for receipt of certain subsidies, benefits and services, etc.

7. The Central Government or, as the case may be, the State Government may, for the purpose of establishing identity of an individual as a condition for receipt of a subsidy, benefit or service for which the expenditure is incurred from, or the receipt therefrom forms part of, the Consolidated Fund of India, require that such individual undergo authentication, or furnish proof of possession of Aadhaar number or in the case of an individual to whom no Aadhaar number has been assigned, such individual makes an application for enrolment: 15

Provided that if an Aadhaar number is not assigned to an individual, the individual shall be offered alternate and viable means of identification for delivery of the subsidy, benefit or service.

Authentication of Aadhaar number.

8. (1) The Authority shall perform authentication of the Aadhaar number of an Aadhaar number holder submitted by any requesting entity, in relation to his biometric information or demographic information, subject to such conditions and on payment of such fees and in such manner as may be specified by regulations. 20

(2) A requesting entity shall—

(a) unless otherwise provided in this Act, obtain the consent of an individual before collecting his identity information for the purposes of authentication in such manner as may be specified by regulations; and 25

(b) ensure that the identity information of an individual is only used for submission to the Central Identities Data Repository for authentication.

(3) A requesting entity shall inform, in such manner as may be specified by regulations, the individual submitting his identity information for authentication, the following details with respect to authentication, namely:— 30

(a) the nature of information that may be shared upon authentication;

(b) the uses to which the information received during authentication may be put by the requesting entity; and 35

(c) alternatives to submission of identity information to the requesting entity.

(4) The Authority shall respond to an authentication query with a positive, negative or any other appropriate response sharing such identity information excluding any core biometric information.

Aadhaar number not evidence of citizenship or domicile, etc.

9. The Aadhaar number or the authentication thereof shall not, by itself, confer any right of, or be proof of, citizenship or domicile in respect of an Aadhaar number holder. 40

Central Identities Data Repository.

10. The Authority may engage one or more entities to establish and maintain the Central Identities Data Repository and to perform any other functions as may be specified by regulations.

CHAPTER IV

UNIQUE IDENTIFICATION AUTHORITY OF INDIA

11. (1) The Central Government shall, by notification, establish an Authority to be known as the Unique Identification Authority of India to be responsible for the processes of enrolment and authentication and perform such other functions assigned to it under this Act. Establishment of Authority.
- (2) The Authority shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued. Composition of Authority.
- (3) The head office of the Authority shall be in New Delhi.
- (4) The Authority may, with the prior approval of the Central Government, establish its offices at other places in India.
12. The Authority shall consist of a Chairperson, appointed on part-time or full-time basis, two part-time Members, and the chief executive officer who shall be Member-Secretary of the Authority, to be appointed by the Central Government. Qualifications for appointment of Chairperson and Members of Authority.
13. The Chairperson and Members of the Authority shall be persons of ability and integrity having experience and knowledge of at least ten years in matters relating to technology, governance, law, development, economics, finance, management, public affairs or administration. Term of office and other conditions of service of Chairperson and Members.
14. (1) The Chairperson and the Members appointed under this Act shall hold office for a term of three years from the date on which they assume office and shall be eligible for re-appointment:
- Provided that no person shall hold office as the Chairperson or Member after he has attained the age of sixty-five years.
- (2) The Chairperson and every Member shall, before entering office, make and subscribe to, an oath of office and of secrecy, in such form and in such manner and before such Authority as may be prescribed.
- (3) Notwithstanding anything contained in sub-section (1), the Chairperson or Member may—
- (a) relinquish his office, by giving in writing to the Central Government, a notice of not less than thirty days; or
- (b) be removed from his office in accordance with the provisions of section 15.
- (4) The salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and allowances or remuneration payable to part-time Members shall be such as may be prescribed.
15. (1) The Central Government may remove from office, the Chairperson, or a Member, who— Removal of Chairperson and Members.
- (a) is, or at any time has been adjudged as insolvent;
- (b) has become physically or mentally incapable of acting as the Chairperson or, as the case may be, a Member;
- (c) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude;
- (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as the Chairperson or, as the case may be, a Member; or

(e) has, in the opinion of the Central Government, so abused his position as to render his continuance in office detrimental to the public interest.

(2) The Chairperson or a Member shall not be removed under clause (b), clause (d) or clause (e) of sub-section (1) unless he has been given a reasonable opportunity of being heard.

Restrictions
on
Chairperson
or Members
on
employment
after cessation
of office.

16. The Chairperson or a Member on ceasing to hold office for any reason, shall not, 5
without previous approval of the Central Government,—

(a) accept any employment in, or be connected with the management of any organisation, company or any other entity which has been associated with any work done or contracted out by the Authority, whether directly or indirectly, during his tenure as Chairperson or Member, as the case may be, for a period of three years from 10
the date on which he ceases to hold office:

Provided that nothing contained in this clause shall apply to any employment under the Central Government or a State Government or local authority or in any statutory authority or any corporation established by or under any Central, State or provincial Act or a Government Company, as defined in clause (45) of section 2 of the 15
Companies Act, 2013; 18 of 2013.

(b) act, for or on behalf of any person or organisation in connection with any specific proceeding or transaction or negotiation or a case to which the Authority is a party and with respect to which the Chairperson or such Member had, before cessation of office, acted for or provided advice to, the Authority; 20

(c) give advice to any person using information which was obtained in his capacity as the Chairperson or a Member and being unavailable to or not being able to be made available to the public; or

(d) enter, for a period of three years from his last day in office, into a contract of service with, accept an appointment to a board of directors of, or accept an offer of 25
employment with, an entity with which he had direct and significant official dealings during his term of office.

Functions of
Chairperson.

17. The Chairperson shall preside over the meetings of the Authority, and without prejudice to any provision of this Act, exercise and discharge such other powers and functions of the Authority as may be prescribed. 30

Chief
executive
officer.

18. (1) There shall be a chief executive officer of the Authority, not below the rank of Additional Secretary to the Government of India, to be appointed by the Central Government.

(2) The chief executive officer shall be the legal representative of the Authority and shall be responsible for—

(a) the day-to-day administration of the Authority; 35

(b) implementing the work programmes and decisions adopted by the Authority;

(c) drawing up of proposal for the Authority's decisions and work programmes;

(d) the preparation of the statement of revenue and expenditure and the execution of the budget of the Authority; and

(e) performing such other functions, or exercising such other powers, as may be 40
specified by regulations.

(3) Every year, the chief executive officer shall submit to the Authority for approval—

(a) a general report covering all the activities of the Authority in the previous year;

(b) programmes of work; 45

(c) the annual accounts for the previous year; and

(d) the budget for the coming year.

(4) The chief executive officer shall have administrative control over the officers and other employees of the Authority.

5 **19.** (1) The Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings, including quorum at such meetings, as may be specified by regulations.

Meetings of Authority.

(2) The Chairperson, or, if for any reason, he is unable to attend a meeting of the Authority, the senior most Member shall preside over the meetings of the Authority.

10 (3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes by the Members present and voting and in the event of an equality of votes, the Chairperson or in his absence the presiding Member shall have a casting vote.

(4) All decisions of the Authority shall be signed by the Chairperson or any other Member or the Member-Secretary authorised by the Authority in this behalf.

15 (5) If any Member, who is a director of a company and who as such director, has any direct or indirect pecuniary interest in any manner coming up for consideration at a meeting of the Authority, he shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and such disclosure shall be recorded in the proceedings of the Authority, and the Member shall not take part in any deliberation or decision of the Authority with respect to that matter.

20. No act or proceeding of the Authority shall be invalid merely by reason of—

- 20 (a) any vacancy in, or any defect in the constitution of, the Authority;
 (b) any defect in the appointment of a person as Chairperson or Member of the Authority; or
 (c) any irregularity in the procedure of the Authority not affecting the merits of the case.

Vacancies, etc., not to invalidate proceedings of Authority.

25 **21.** (1) The Authority may, with the approval of the Central Government, determine the number, nature and categories of other officers and employees required by the Authority in the discharge of its functions.

Officers and other employees of Authority.

30 **(2) The salaries and allowances payable to, and the other terms and conditions of service of, the chief executive officer and other officers and other employees of the Authority shall be such as may be specified by regulations with the approval of the Central Government.**

22. On and from the establishment of the Authority—

35 (a) all the assets and liabilities of the Unique Identification Authority of India, established *vide* notification of the Government of India in the Planning Commission number A-43011/02/2009-Admin. I, dated the 28th January, 2009, shall stand transferred to, and vested in, the Authority.

Transfer of assets, liabilities of Authority.

40 *Explanation.*—The assets of such Unique Identification Authority of India shall be deemed to include all rights and powers, and all properties, whether movable or immovable, including, in particular, cash balances, deposits and all other interests and rights in, or arising out of, such properties as may be in the possession of such Unique Identification Authority of India and all books of account and other documents relating to the same; and liabilities shall be deemed to include all debts, liabilities and obligations of whatever kind;

45 (b) without prejudice to the provisions of clause (a), all data and information collected during enrolment, all details of authentication performed, debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for such Unique Identification Authority of India immediately before that day, for or in connection with the purpose of the said Unique Identification Authority of India, shall be deemed to have been incurred, entered into or engaged to be done by, with or for, the Authority;

(c) all sums of money due to the said Unique Identification Authority of India immediately before that day shall be deemed to be due to the Authority; and

(d) all suits and other legal proceedings instituted or which could have been instituted by or against such Unique Identification Authority of India immediately before that day may be continued or may be instituted by or against the Authority. 5

Powers and functions of Authority.

23. (1) The Authority shall develop the policy, procedure and systems for issuing Aadhaar numbers to individuals and perform authentication thereof under this Act.

(2) Without prejudice to sub-section (1), the powers and functions of the Authority, *inter alia*, include—

(a) specifying, by regulations, demographic information and biometric information required for enrolment and the processes for collection and verification thereof; 10

(b) collecting demographic information and biometric information from any individual seeking an Aadhaar number in such manner as may be specified by regulations; 15

(c) appointing of one or more entities to operate the Central Identities Data Repository;

(d) generating and assigning Aadhaar numbers to individuals;

(e) performing authentication of Aadhaar numbers;

(f) maintaining and updating the information of individuals in the Central Identities Data Repository in such manner as may be specified by regulations; 20

(g) omitting and deactivating of an Aadhaar number and information relating thereto in such manner as may be specified by regulations;

(h) specifying the manner of use of Aadhaar numbers for the purposes of providing or availing of various subsidies, benefits, services and other purposes for which Aadhaar numbers may be used; 25

(i) specifying, by regulations, the terms and conditions for appointment of Registrars, enrolling agencies and service providers and revocation of appointments thereof;

(j) establishing, operating and maintaining of the Central Identities Data Repository; 30

(k) sharing, in such manner as may be specified by regulations, the information of Aadhaar number holders, subject to the provisions of this Act;

(l) calling for information and records, conducting inspections, inquiries and audit of the operations for the purposes of this Act of the Central Identities Data Repository, Registrars, enrolling agencies and other agencies appointed under this Act; 35

(m) specifying, by regulations, various processes relating to data management, security protocols and other technology safeguards under this Act;

(n) specifying, by regulations, the conditions and procedures for issuance of new Aadhaar number to existing Aadhaar number holder; 40

(o) levying and collecting the fees or authorising the Registrars, enrolling agencies or other service providers to collect such fees for the services provided by them under this Act in such manner as may be specified by regulations;

(p) appointing such committees as may be necessary to assist the Authority in discharge of its functions for the purposes of this Act; 45

(q) promoting research and development for advancement in biometrics and related areas, including usage of Aadhaar numbers through appropriate mechanisms;

(r) evolving of, and specifying, by regulations, policies and practices for Registrars, enrolling agencies and other service providers;

(s) setting up facilitation centres and grievance redressal mechanism for redressal of grievances of individuals, Registrars, enrolling agencies and other service providers;

5 (t) such other powers and functions as may be prescribed.

(3) The Authority may,—

(a) enter into Memorandum of Understanding or agreement, as the case may be, with the Central Government or State Governments or Union territories or other agencies for the purpose of performing any of the functions in relation to collecting, storing, securing or processing of information or delivery of Aadhaar numbers to individuals or performing authentication;

(b) by notification, appoint such number of Registrars, engage and authorise such agencies to collect, store, secure, process information or do authentication or perform such other functions in relation thereto,

15 as may be necessary for the purposes of this Act.

(4) The Authority may engage such consultants, advisors and other persons as may be required for efficient discharge of its functions under this Act on such allowances or remuneration and terms and conditions as may be specified by contract.

CHAPTER V

20 GRANTS, ACCOUNTS AND AUDIT AND ANNUAL REPORT

24. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority, grants of such sums of money as the Central Government may think fit for being utilised for the purposes of this Act.

Grants by Central Government.

25 **25.** The fees or revenue collected by the Authority shall be credited to the Consolidated Fund of India.

Other fees and revenues.

26. (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

Accounts and audit.

30 (2) The accounts of the Authority shall be audited annually by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor-General.

35 (3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit the accounts of the Authority under this Act shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of Government accounts, and in particular, shall have the right to demand production of books, accounts, connected vouchers and other documents and papers, and to inspect any of the offices of the Authority.

40 (4) The accounts of the Authority, as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon shall be forwarded annually to the Central Government by the Authority and the Central Government shall cause the audit report to be laid, as soon as may be after it is received, before each House of Parliament.

45 **27. (1)** The Authority shall furnish to the Central Government at such time and in such form and manner as may be prescribed or as the Central Government may direct, such returns and statements and particulars in regard to any matter under the jurisdiction of the Authority, as the Central Government may from time to time require.

Returns and annual report, etc.

(2) The Authority shall prepare, once in every year, and in such form and manner and at such time as may be prescribed, an annual report giving—

- (a) a description of all the activities of the Authority for the previous years;
- (b) the annual accounts for the previous year; and
- (c) the programmes of work for coming year.

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(3) A copy of the report received under sub-section (2) shall be laid by the Central Government, as soon as may be after it is received, before each House of Parliament.

CHAPTER VI

PROTECTION OF INFORMATION

Security and confidentiality of information.

28. (1) The Authority shall ensure the security of identity information and authentication records of individuals. 10

(2) Subject to the provisions of this Act, the Authority shall ensure confidentiality of identity information and authentication records of individuals.

(3) The Authority shall take all necessary measures to ensure that the information in the possession or control of the Authority, including information stored in the Central Identities Data Repository, is secured and protected against access, use or disclosure not permitted under this Act or regulations made thereunder, and against accidental or intentional destruction, loss or damage. 15

(4) Without prejudice to sub-sections (1) and (2), the Authority shall—

(a) adopt and implement appropriate technical and organisational security measures; 20

(b) ensure that the agencies, consultants, advisors or other persons appointed or engaged for performing any function of the Authority under this Act, have in place appropriate technical and organisational security measures for the information; and

(c) ensure that the agreements or arrangements entered into with such agencies, consultants, advisors or other persons, impose obligations equivalent to those imposed on the Authority under this Act, and require such agencies, consultants, advisors and other persons to act only on instructions from the Authority. 25

(5) Notwithstanding anything contained in any other law for the time being in force, and save as otherwise provided in this Act, the Authority or any of its officers or other employees or any agency that maintains the Central Identities Data Repository shall not, whether during his service or thereafter, reveal any information stored in the Central Identities Data Repository or authentication record to anyone: 30

Provided that an Aadhaar number holder may request the Authority to provide access to his identity information excluding his core biometric information in such manner as may be specified by regulations. 35

Restriction on sharing information.

29. (1) No core biometric information, collected or created under this Act, shall be—

(a) shared with anyone for any reason whatsoever; or

(b) used for any purpose other than generation of Aadhaar numbers and authentication under this Act. 40

(2) The identity information, other than core biometric information, collected or created under this Act may be shared only in accordance with the provisions of this Act and in such manner as may be specified by regulations.

(3) No identity information available with a requesting entity shall be—

(a) used for any purpose, other than that specified to the individual at the time of submitting any identity information for authentication; or 45

(b) disclosed further, except with the prior consent of the individual to whom such information relates.

(4) No Aadhaar number or core biometric information collected or created under this Act in respect of an Aadhaar number holder shall be published, displayed or posted publicly, except for the purposes as may be specified by regulations.

21 of 2000. **30.** The biometric information collected and stored in electronic form, in accordance with this Act and regulations made thereunder, shall be deemed to be “electronic record” and “sensitive personal data or information”, and the provisions contained in the Information Technology Act, 2000 and the rules made thereunder shall apply to such information, in addition to, and to the extent not in derogation of the provisions of this Act.

Biometric information deemed to be sensitive personal information.

Explanation.— For the purposes of this section, the expressions—

21 of 2000. (a) “electronic form” shall have the same meaning as assigned to it in clause (r) of sub-section (1) of section 2 of the Information Technology Act, 2000;

21 of 2000. 15 (b) “electronic record” shall have the same meaning as assigned to it in clause (t) of sub-section (1) of section 2 of the Information Technology Act, 2000;

21 of 2000. (c) “sensitive personal data or information” shall have the same meaning as assigned to it in clause (iii) of the *Explanation* to section 43A of the Information Technology Act, 2000.

20 **31.** (1) In case any demographic information of an Aadhaar number holder is found incorrect or changes subsequently, the Aadhaar number holder shall request the Authority to alter such demographic information in his record in the Central Identities Data Repository in such manner as may be specified by regulations.

Alteration of demographic information or biometric information.

25 (2) In case any biometric information of Aadhaar number holder is lost or changes subsequently for any reason, the Aadhaar number holder shall request the Authority to make necessary alteration in his record in the Central Identities Data Repository in such manner as may be specified by regulations.

30 (3) On receipt of any request under sub-section (1) or sub-section (2), the Authority may, if it is satisfied, make such alteration as may be required in the record relating to such Aadhaar number holder and intimate such alteration to the concerned Aadhaar number holder.

(4) No identity information in the Central Identities Data Repository shall be altered except in the manner provided in this Act or regulations made in this behalf.

35 **32.** (1) The Authority shall maintain authentication records in such manner and for such period as may be specified by regulations.

Access to own information and records of requests for authentication.

(2) Every Aadhaar number holder shall be entitled to obtain his authentication record in such manner as may be specified by regulations.

(3) The Authority shall not, either by itself or through any entity under its control, collect, keep or maintain any information about the purpose of authentication.

40 **33.** (1) Nothing contained in sub-section (2) or sub-section (5) of section 28 or sub-section (2) of section 29 shall apply in respect of any disclosure of information, including identity information or authentication records, made pursuant to an order of a court not inferior to that of a District Judge:

Disclosure of information in certain cases.

Provided that no order by the court under this sub-section shall be made without giving an opportunity of hearing to the Authority.

45 (2) Nothing contained in sub-section (2) or sub-section (5) of section 28 and clause (b) of sub-section (1), sub-section (2) or sub-section (3) of section 29 shall apply in respect of any disclosure of information, including identity information or authentication

records, made in the interest of national security in pursuance of a direction of an officer not below the rank of Joint Secretary to the Government of India specially authorised in this behalf by an order of the Central Government:

Provided that every direction issued under this sub-section, shall be reviewed by an Oversight Committee consisting of the Cabinet Secretary and the Secretaries to the Government of India in the Department of Legal Affairs and the Department of Electronics and Information Technology, before it takes effect: 5

Provided further that any direction issued under this sub-section shall be valid for a period of three months from the date of its issue, which may be extended for a further period of three months after the review by the Oversight Committee. 10

CHAPTER VII

OFFENCES AND PENALTIES

Penalty for impersonation at time of enrolment. 34. Whoever impersonates or attempts to impersonate another person, whether dead or alive, real or imaginary, by providing any false demographic information or biometric information, shall be punishable with imprisonment for a term which may extend to three years or with a fine which may extend to ten thousand rupees or with both. 15

Penalty for impersonation of Aadhaar number holder by changing demographic information or biometric information. 35. Whoever, with the intention of causing harm or mischief to an Aadhaar number holder, or with the intention of appropriating the identity of an Aadhaar number holder changes or attempts to change any demographic information or biometric information of an Aadhaar number holder by impersonating or attempting to impersonate another person, dead or alive, real or imaginary, shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to a fine which may extend to ten thousand rupees. 20

Penalty for impersonation. 36. Whoever, not being authorised to collect identity information under the provisions of this Act, by words, conduct or demeanour pretends that he is authorised to do so, shall be punishable with imprisonment for a term which may extend to three years or with a fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees or with both. 25

Penalty for disclosing identity information. 37. Whoever, intentionally discloses, transmits, copies or otherwise disseminates any identity information collected in the course of enrolment or authentication to any person not authorised under this Act or regulations made thereunder or in contravention of any agreement or arrangement entered into pursuant to the provisions of this Act, shall be punishable with imprisonment for a term which may extend to three years or with a fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees or with both. 30 35

Penalty for unauthorised access to the Central Identities Data Repository. 38. Whoever, not being authorised by the Authority, intentionally,—
 (a) accesses or secures access to the Central Identities Data Repository;
 (b) downloads, copies or extracts any data from the Central Identities Data Repository or stored in any removable storage medium;
 (c) introduces or causes to be introduced any virus or other computer contaminant in the Central Identities Data Repository; 40
 (d) damages or causes to be damaged the data in the Central Identities Data Repository;
 (e) disrupts or causes disruption of the access to the Central Identities Data Repository; 45
 (f) denies or causes a denial of access to any person who is authorised to access the Central Identities Data Repository;

(g) reveals any information in contravention of sub-section (5) of section 28, or shares, uses or displays information in contravention of section 29 or assists any person in any of the aforementioned acts;

5 (h) destroys, deletes or alters any information stored in any removable storage media or in the Central Identities Data Repository or diminishes its value or utility or affects it injuriously by any means; or

(i) steals, conceals, destroys or alters or causes any person to steal, conceal, destroy or alter any computer source code used by the Authority with an intention to cause damage,

10 shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to a fine which shall not be less than ten lakh rupees.

21 of 2000. *Explanation.*— For the purposes of this section, the expressions “computer contaminant”, “computer virus” and “damage” shall have the meanings respectively assigned to them in the *Explanation* to section 43 of the Information Technology Act, 2000, 15 and the expression “computer source code” shall have the meaning assigned to it in the *Explanation* to section 65 of the said Act.

39. Whoever, not being authorised by the Authority, uses or tampers with the data in the Central Identities Data Repository or in any removable storage medium with the intent of modifying information relating to Aadhaar number holder or discovering any information 20 thereof, shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to a fine which may extend to ten thousand rupees.

Penalty for tampering with data in Central Identities Data Repository.

40. Whoever, being a requesting entity, uses the identity information of an individual in contravention of sub-section (3) of section 8, shall be punishable with imprisonment which may extend to three years or with a fine which may extend to ten thousand rupees or, 25 in the case of a company, with a fine which may extend to one lakh rupees or with both.

Penalty for unauthorised use by requesting entity.

41. Whoever, being an enrolling agency or a requesting entity, fails to comply with the requirements of sub-section (2) of section 3 or sub-section (3) of section 8, shall be punishable with imprisonment which may extend to one year or with a fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to 30 one lakh rupees or with both.

Penalty for non-compliance with intimation requirements.

42. Whoever commits an offence under this Act or any rules or regulations made thereunder for which no specific penalty is provided elsewhere than this section, shall be punishable with imprisonment for a term which may extend to one year or with a fine which may extend to twenty-five thousand rupees or, in the case of a company, with a fine which 35 may extend to one lakh rupees, or with both.

General penalty.

43. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and 40 punished accordingly:

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

45 (2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable 50 to be proceeded against and punished accordingly.

Explanation.— For the purposes of this section—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director”, in relation to a firm, means a partner in the firm.

Act to apply for offence or contravention committed outside India.

44. (1) Subject to the provisions of sub-section (2), the provisions of this Act shall apply also to any offence or contravention committed outside India by any person, irrespective of his nationality. 5

(2) For the purposes of sub-section (1), the provisions of this Act shall apply to any offence or contravention committed outside India by any person, if the act or conduct constituting the offence or contravention involves any data in the Central Identities Data Repository. 10

Power to investigate offences.

45. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, a police officer not below the rank of Inspector of Police shall investigate any offence under this Act. 2 of 1974.

Penalties not to interfere with other punishments.

46. No penalty imposed under this Act shall prevent the imposition of any other penalty or punishment under any other law for the time being in force. 15

Cognizance of offences.

47. (1) No court shall take cognizance of any offence punishable under this Act, save on a complaint made by the Authority or any officer or person authorised by it.

(2) No court inferior to that of a Chief Metropolitan Magistrate or a Chief Judicial Magistrate shall try any offence punishable under this Act. 20

CHAPTER VIII

MISCELLANEOUS

Power of Central Government to supersede Authority.

48. (1) If, at any time, the Central Government is of the opinion,—

(a) that, on account of circumstances beyond the control of the Authority, it is unable to discharge the functions or perform the duties imposed on it by or under the provisions of this Act; or 25

(b) that the Authority has persistently defaulted in complying with any direction given by the Central Government under this Act or in the discharge of the functions or performance of the duties imposed on it by or under the provisions of this Act and as a result of such default the financial position of the Authority or the administration of the Authority has suffered; or 30

(c) that a public emergency exists,

the Central Government may, by notification, supersede the Authority for such period, not exceeding six months, as may be specified in the notification and appoint a person or persons as the President may direct to exercise powers and discharge functions under this Act: 35

Provided that before issuing any such notification, the Central Government shall give a reasonable opportunity to the Authority to make representations against the proposed supersession and shall consider the representations, if any, of the Authority.

(2) Upon the publication of a notification under sub-section (1), superseding the Authority,— 40

(a) the Chairperson and other Members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Authority shall, until the 45

Authority is reconstituted under sub-section (3), be exercised and discharged by the person or persons referred to in sub-section (1); and

(c) all properties owned or controlled by the Authority shall, until the Authority is reconstituted under sub-section (3), vest in the Central Government.

5 (3) On or before the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government shall reconstitute the Authority by a fresh appointment of its Chairperson and other Members and in such case any person who had vacated his office under clause (a) of sub-section (2) shall not be deemed to be disqualified for reappointment.

10 (4) The Central Government shall cause a copy of the notification issued under sub-section (1) and a full report of any action taken under this section and the circumstances leading to such action to be laid before each House of Parliament at the earliest.

45 of 1860. 15 **49.** The Chairperson, Members, officers and other employees of the Authority shall be deemed, while acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

Members, officers, etc., to be public servants.

50. (1) Without prejudice to the foregoing provisions of this Act, the Authority shall, in exercise of its powers or the performance of its functions under this Act be bound by such directions on questions of policy, as the Central Government may give, in writing to it, from time to time:

Power of Central Government to issue directions.

20 Provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section:

Provided further that nothing in this section shall empower the Central Government to issue directions pertaining to technical or administrative matters undertaken by the Authority.

25 (2) The decision of the Central Government, whether a question is one of policy or not, shall be final.

30 **51.** The Authority may, by general or special order in writing, delegate to any Member, officer of the Authority or any other person, subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the power under section 54) as it may deem necessary.

Delegation.

52. No suit, prosecution or other legal proceeding shall lie against the Central Government or the Authority or the Chairperson or any Member or any officer, or other employees of the Authority for anything which is in good faith done or intended to be done under this Act or the rule or regulation made thereunder.

Protection of action taken in good faith.

35 **53.** (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.

Power of Central Government to make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

40 (a) the form and manner in which and the authority before whom the oath of office and of secrecy is to be subscribed by the Chairperson and Members under sub-section (2) of section 14;

(b) the salary and allowances payable to, and other terms and conditions of service of, the Chairperson and the allowances or remuneration payable to Members of the Authority under sub-section (4) of section 14;

45 (c) the other powers and functions of the Chairperson of the Authority under section 17;

(d) the other powers and functions of the Authority under clause (t) of sub-section (2) of section 23;

(e) the form of annual statement of accounts to be prepared by Authority under sub-section (1) of section 26;

(f) the form and the manner in which and the time within which returns and statements and particulars are to be furnished under sub-section (1) of section 27;

(g) the form and the manner and the time at which the Authority shall furnish annual report under sub-section (2) of section 27; 5

(h) any other matter which is required to be, or may be, prescribed, or in respect of which provision is to be or may be made by rules.

Power of
Authority to
make
regulations

54. (1) The Authority may, by notification, make regulations consistent with this Act and the rules made thereunder, for carrying out the provisions of this Act. 10

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) the biometric information under clause (g) and the demographic information under clause (k), and the process of collecting demographic information and biometric information from the individuals by enrolling agencies under clause (m), of section 2; 15

(b) the manner of verifying the demographic information and biometric information for issue of Aadhaar number under sub-section (3) of section 3;

(c) the conditions for accepting an Aadhaar number as proof of identity of the Aadhaar number holder under sub-section (3) of section 4;

(d) the other categories of individuals under section 5 for whom the Authority shall take special measures for allotment of Aadhaar number; 20

(e) the manner of updating biometric information and demographic information under section 6;

(f) the procedure for authentication of the Aadhaar number under section 8;

(g) the other functions to be performed by the Central Identities Data Repository under section 10; 25

(h) the time and places of meetings of the Authority and the procedure for transaction of business to be followed by it, including the quorum, under sub-section (1) of section 19;

(i) the salary and allowances payable to, and other terms and conditions of service of, the chief executive officer, officers and other employees of the Authority under sub-section (2) of section 21; 30

(j) the demographic information and biometric information under clause (a) and the manner of their collection under clause (b) of sub-section (2) of section 23;

(k) the manner of maintaining and updating the information of individuals in the Central Identities Data Repository under clause (f) of sub-section (2) of section 23; 35

(l) the manner of omitting and deactivating an Aadhaar number and information relating thereto under clause (g) of sub-section (2) of section 23;

(m) the manner of use of Aadhaar numbers for the purposes of providing or availing of various subsidies, benefits, services and other purposes for which Aadhaar numbers may be used under clause (h) of sub-section (2) of section 23; 40

(n) the terms and conditions for appointment of Registrars, enrolling agencies and other service providers and the revocation of appointments thereof under clause (i) of sub-section (2) of section 23;

(o) the manner of sharing information of Aadhaar number holder under clause (k) of sub-section (2) of section 23; 45

(p) various processes relating to data management, security protocol and other technology safeguards under clause (m) of sub-section (2) of section 23;

(q) the procedure for issuance of new Aadhaar number to existing Aadhaar number holder under clause (n) of sub-section (2) of section 23;

5 (r) manner of authorising Registrars, enrolling agencies or other service providers to collect such fees for services provided by them under clause (o) of sub-section (2) of section 23;

(s) policies and practices to be followed by the Registrar, enrolling agencies and other service providers under clause (r) of sub-section (2) of section 23;

10 (t) the manner of accessing the identity information by the Aadhaar number holder under the proviso to sub-section (5) of section 28;

(u) the manner of sharing the identity information, other than core biometric information, collected or created under this Act under sub-section (2) of section 29;

15 (v) the manner of alteration of demographic information under sub-section (1) and biometric information under sub-section (2) of section 31;

(w) the manner of and the time for maintaining the request for authentication and the response thereon under sub-section (1), and the manner of obtaining, by the Aadhaar number holder, the authentication records under sub-section (2) of section 32;

20 (x) any other matter which is required to be, or may be, specified, or in respect of which provision is to be or may be made by regulations.

25 **55.** Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation, or both the Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

Laying of rules and regulations before Parliament.

56. The provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.

Application of other laws not barred.

35 **57.** Nothing contained in this Act shall prevent the use of Aadhaar number for establishing the identity of an individual for any purpose, whether by the State or any body corporate or person, pursuant to any law, for the time being in force, or any contract to this effect:

Act not to prevent use of Aadhaar number for other purposes under law.

Provided that the use of Aadhaar number under this section shall be subject to the procedure and obligations under section 8 and Chapter VI.

40 **58.** (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Power to remove difficulties.

Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Act.

45 (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Savings.

59. Anything done or any action taken by the Central Government under the Resolution of the Government of India, Planning Commission bearing notification number A-43011/02/2009-Admin. I, dated the 28th January, 2009, or by the Department of Electronics and Information Technology under the Cabinet Secretariat Notification bearing notification number S.O. 2492(E), dated the 12th September, 2015, as the case may be, shall be deemed to have been validly done or taken under this Act. 5

STATEMENT OF OBJECTS AND REASONS

The correct identification of targeted beneficiaries for delivery of various subsidies, benefits, services, grants, wages and other social benefits schemes which are funded from the Consolidated Fund of India has become a challenge for the Government. The failure to establish identity of an individual has proved to be a major hindrance for successful implementation of these programmes. This has been a grave concern for certain categories of persons, such as women, children, senior citizens, persons with disabilities, migrant unskilled and unorganised workers, and nomadic tribes. In the absence of a credible system to authenticate identity of beneficiaries, it is difficult to ensure that the subsidies, benefits and services reach to intended beneficiaries.

2. The Unique Identification Authority of India was established by a resolution of the Government of India, Planning Commission *vide* notification number A-43011/02/2009-Admin.I, dated the 28th January, 2009. The object of the establishment of the said Authority was primarily to lay down policies and to implement the Unique Identification Scheme of the Government, by which residents of India were to be provided unique identity number. This number, when authenticated successfully, would serve as proof of identity and could be used for identification of beneficiaries for transfer of benefits, subsidies, services and other purposes.

3. Over the period of time, the use of Aadhaar number has been increased manifold. As a result, commensurate measures relating to ensuring security of such information need to be taken and offences pertaining to certain unlawful actions, created.

4. In view of this, and to provide for the effective, secure and accurate delivery of benefits, subsidies and services from the Consolidated Fund of India to targeted beneficiaries, and authenticating their identity through Aadhaar numbers, it is felt that the processes of enrolment, authentication, security, confidentiality and use of Aadhaar-related information be made statutory and to facilitate the use of Aadhaar number for delivery of various benefits, subsidies and services the expenditure of which is incurred from the Consolidated Fund of India.

5. The Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Bill, 2016, *inter alia*, seeks to provide for—

(a) issue of Aadhaar numbers to individuals on providing his demographic and biometric information to the Unique Identification Authority of India;

(b) requiring Aadhaar numbers for identifying an individual for delivery of benefits, subsidies, and services the expenditure is incurred from or the receipt therefrom forms part of the Consolidated Fund of India;

(c) authentication of the Aadhaar number of an Aadhaar number holder in relation to his demographic and biometric information;

(d) establishment of the Unique Identification Authority of India consisting of a Chairperson, two Members and a Member-Secretary to perform functions in pursuance of the objectives above;

(e) maintenance and updating the information of individuals in the Central Identities Data Repository in such manner as may be specified by regulations;

(f) measures pertaining to security, privacy and confidentiality of information in possession or control of the Authority including information stored in the Central Identities Data Repository; and

(g) offences and penalties for contravention of relevant statutory provisions.

6. The notes on clauses explain in detail the various provisions contained in the Bill.

7. The Bill seeks to achieve the above objectives.

NEW DELHI;
The 29th February, 2016.

ARUN JAITLEY

Notes on clauses

Clause 2.—This clause contains definitions of certain words and expressions used in the proposed legislation. These definitions, *inter alia*, include the definitions of "Aadhaar number", "authentication", "Central Identities Data Repository", "demographic information", "identity information", "records of entitlement", "resident", "service", "subsidy" etc.

Clause 3.— This clause provides for entitlement to obtain an Aadhaar number by every resident. It proposes that every resident shall be entitled to obtain an Aadhaar number after providing his demographic information and biometric information in such manner as specified by regulations. It further provides that the Central Government may from time to time notify the other category of individuals who may be entitled to obtain an Aadhaar number.

Clause 4.—This clause deals with the properties of Aadhaar number. It provides that any Aadhaar number issued to an individual shall not be re-assigned to any other individual; it shall be a random number and bear no relation to the attributes or identity data relating to the Aadhaar number holder. It further provides that the Aadhaar number may be accepted as proof of identity of its holder but subject to authentication.

Clause 5.—This clause provides for special measures for issuance of Aadhaar number to certain category persons. It empowers the Authority to update their demographic information and biometric information, from time to time, in such manner as may be specified by regulations, so as to ensure continued accuracy of their information in the Central Identities Data Repository on request of Aadhaar number holders.

Clause 6.—This clause deals with the updating of the demographic information and biometric information of the Aadhaar number holders, from time to time, in such manner as specified by regulations so as to ensure continued accuracy of their information in the Central Identities Data Repository.

Clause 7.—This clause provides for the proof of Aadhaar number necessary for receipt of certain Subsidies, benefits and services, etc. It empowers the Central Government or the State Government , as the case may be, to require that such individual shall undergo authentication, or furnish proof of possession Aadhaar number or in the case of an individual to whom no Aadhaar number has been assigned, such individual makes an application for enrolment for the purpose of establishing identity of an individual as a condition for receipt of a subsidy, benefit or service for which the expenditure is incurred from, or the receipt therefrom forms part of, the Consolidated Fund of India.

Clause 8.—This clause empowers the Authority to perform authentication of the Aadhaar number of an Aadhaar number holder submitted by any requesting entity, in relation to his biometric information and demographic information subject to such conditions and on payment of such fees and in such manner as specified by regulations. It is provided that the entity shall unless otherwise provided in this Act, obtain the consent of an individual before collecting his identity information for the purposes of authentication in such manner as may be specified by regulations and to ensure that the identity information of an individual is only used for submission to the Central Identities Data Repository for authentication. It also provides that a requesting entity shall inform, in such manner as may be specified by regulations, the individual submitting his identity information for authentication the details specified therein with respect to authentication. It further empowers the Authority to respond to an authentication query with a positive or negative response sharing such identity information excluding core biometric information.

Clause 9.—This clause lays down that the Aadhaar number or the authentication thereof shall not, by itself, confer any right of or be proof of citizenship or domicile in respect of an Aadhaar number holder.

Clause 10.—This clause empowers the Authority to engage one or more entities to establish and maintain the Central Identities Data Repository and to perform any other functions as may be specified by regulations.

Clause 11.—This clause provides for establishment of the Unique Identification Authority of India, by the Central Government, to exercise the powers conferred on it and to perform the functions assigned to it under the proposed legislation. The said Authority shall be a body corporate, having perpetual succession and a common seal, with power, subject to the provisions of the proposed legislation, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued. It further provides for the location of the head office of the Authority in New Delhi and with the prior approval of the Central Government, to establish its offices at other places in India.

Clause 12.—This clause lays down the composition of the Authority consisting of a Chairperson, two part-time Members and chief executive officer who shall be Member-Secretary to be appointed by the Central Government.

Clause 13.—This clause provides for qualifications for appointment of Chairperson and Members of the Authority. It provides that persons of ability, integrity and outstanding calibre having experience and knowledge in the matters relating to technology, governance, law, development, economics, finance, management, public affairs or administration shall be qualified as Chairperson and Members of the Authority.

Clause 14.—This clause provides for term of office and other conditions of service of Chairperson and Members. It provides that the Chairperson and the Members shall hold office for a term of three years from the date on which they assume office and shall be eligible for reappointment. It also provides that the Chairperson or Member of the Authority shall not hold office as such after he has attained the age of sixty-five years

It also provides that the Chairperson and every Member shall, before entering upon their office, make and subscribe to, an oath of office and of secrecy, in such form and in such manner and before such Authority as may be prescribed.

It also provides that notwithstanding anything contained in sub-clause (1), the Chairperson or Member may relinquish his office, by giving in writing to the Central Government, a notice of not less than thirty days; or be removed from his office in accordance with the provisions of clause 15.

It also provides that the Chairperson shall not hold any other office during the period of holding their office in the Authority as such. It also provides that the salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and allowances or remuneration payable to part-time Members shall be such as may be prescribed by the Central Government.

Clause 15.—This clause provides for removal of Chairperson and Members of the Authority. It provides that the Central Government may remove from office the Chairperson or a Member of the Authority on any of the grounds enumerated in this clause. It further provides that the Chairperson or a Member shall not be removed from his office on the grounds specified in item (d) or (e) of sub-clause (1) unless he has been given a reasonable opportunity of being heard in respect of those charges.

Clause 16.—This clause prohibition as to holding of offices by the Chairperson or a Member on ceasing to be such Chairperson or a Member of the Authority. It provides that on ceasing to hold office, the Chairperson or Member of the Authority, as the case may be, shall subject to the provisions of the proposed legislation, be ineligible, for further

employment in, or, connected with the management or administration of, any person which has been associated with any work under the Act, for a period of three years. It also provides that the clause shall not apply to any employment under the Central Government or a State Government or local authority or in any statutory authority or any corporation established by or under any Central, State or provincial Act or a Government Company, as defined in clause (45) of section 2 of the Companies Act, 2013.

It also provides prohibition to act, for or on behalf of any person or organisation in connection with any specific proceeding or transaction or negotiation or a case to which the Authority is a party and with respect to which the Chairperson or such Member had, before cessation of office, acted for or provided advice to, the Authority; to give advice to any person using information which was obtained in his capacity as the Chairperson or a Member and being unavailable to or not being able to be made available to the public; to enter, for a period of three years from his last day in office, into a contract of service with, accept an appointment to a board of directors of, or accept an offer of employment with, an entity with which he had direct and significant official dealings during his term of office as such.

Clause 17.—This clause lays down the functions of the Chairperson. It provides that the Chairperson, without prejudice to any of the provisions of the proposed legislation, to exercise and discharge such powers and functions of the Authority as may be prescribed.

Clause 18.—This clause lays down functions of the chief executive officer. The functions of the chief executive officer, who shall be the legal representative of the Authority, *inter alia*, shall be responsible for the day-to-day administration and implementing the work programmes and decisions adopted by the Authority; drawing up of proposal for the Authority's work programmes; the preparation of the statement of revenue and expenditure and the execution of the budget of the Authority; submitting, every year a general report covering all the activities of the Authority in the previous year and programmes of work; and the annual accounts for the previous year and the budget for the coming year. It further lays down that the chief executive officer shall have administrative control over the officers and other employees of the Authority.

Clause 19.—This clause empowers the Authority to determine the procedure for the transaction of business in its meetings including times and places of such meetings. It provides that the Chairperson, or, if for any reason, he is unable to attend a meeting of the Authority, the senior most Member shall preside over the meetings of the Authority. It further provides that all questions which come up before any meeting of the Authority shall be decided by a majority of votes by the Members present and voting and in case of an equality of votes, the Chairperson or in his absence the Member presiding over shall have a casting vote and all such decisions of the Authority shall be authenticated by the signature of the Chairperson or any other Member authorised by the Authority in this behalf.

It also provides that any Member, who is a director of a company and who as such director, has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Authority, he shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and such disclosure shall be recorded in the proceedings of the Authority, and the Member shall not take part in any deliberation or decision of the Authority with respect to that matter.

Clause 20.—This clause enumerates the circumstances under which the acts or proceedings of the Authority shall not be invalidated. It provides that no act or proceeding of the Authority shall be invalid merely by reason of, any vacancy in, or any defect in the constitution of, the Authority; any defect in the appointment of a person as a Member of the Authority; or any irregularity in the procedure of the Authority not affecting the merits of the case.

Clause 21.—This clause makes provision for appointment of officers and other employees of Authority. It provides for the determination of the salaries and allowances and the other terms and conditions of service of, the chief executive officer and other officers and other employees of the Authority lay regulation with the approval of the Central Government. It also provides for determining the number, nature and categories of other officers and employees required to the Authority in the discharge of its functions.

Clause 22.—This clause makes provision for transfer of assets, liabilities of the Authority. It provides that on and from the establishment of the Authority, all the assets and liabilities of the Unique Identification Authority of India, established *vide* notification of the Government of India in the Planning Commission number A-43011/02/2009-Admin.I, dated the 28th January, 2009, shall stand transferred to and vested in the Authority to be established under the proposed legislation.

It further provides that all data and information collected during enrolment, all details of authentication performed, debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for such Unique Identification Authority of India for or in connection with the purpose of the said Unique Identification Authority of India, shall be deemed to have been incurred, entered into or engaged to be done by, with or for, the Authority and all sums of money due shall be deemed to be due to the Authority and all suits and other legal proceedings instituted or which could have been instituted by or against such Unique Identification Authority of India may be continued or may be instituted by or against the Authority.

Clause 23.—This clause lays down the powers and functions of Authority. It provides that the Authority shall develop the policy, procedure and systems for issuing Aadhaar numbers to residents and perform authentication thereof under this Act. It further specifies the powers and functions of the Authority which, *inter alia*, include; specifying, by regulation, demographic information and biometric information for enrolment for an Aadhaar number and the processes for collection and verification thereof; collecting demographic information and biometric information from any individual seeking an Aadhaar number in such manner as may be specified by regulations; appointing of one or more entities to operate the Central Identities Data Repository; generating and assigning Aadhaar numbers to individuals; performing authentication of the Aadhaar numbers; maintaining and updating the information of individuals in the Central Identities Data Repository in such manner as may be specified by regulations; specify the usage and applicability of the Aadhaar number for delivery of various benefits and services as may be provided by regulations; specifying, by regulation, the terms and conditions for appointment of Registrars, enrolling agencies and service providers and revocation of appointments thereof; establishing, operating and maintaining of the Central Identities Data Repository; calling for information and records, conducting inspections, inquiries and audit of the operations for the purposes of the proposed legislation of the Central Identities Data Repository, Registrars, enrolling agencies and other agencies appointed under this Act; specifying, by regulation, the conditions and procedures for issuance of new Aadhaar number to existing Aadhaar number holder; levy and collect the fees or authorise the Registrars, enrolling agencies or other service providers to collect such fees for the services provided by them under the proposed legislation in such manner as may be specified by regulations.

It also empowers the Authority to enter into a Memorandum of Understanding or agreement, as the case may be, with the Central Government or State Governments or Union territories or other agencies for the purpose of performing any of the functions in relation to collecting, storing, securing or processing of information or performing authentication; and appoint by notification, such number of Registrars, engage and authorise such agencies to collect, store, secure, process information or do authentication or perform such other functions in relation thereto, as may be necessary for the purposes of the proposed legislation or to engage such consultants, advisors and other persons as may be required for efficient discharge of its functions under this Act on such allowances or remuneration and terms and conditions as may be specified by regulations.

Clause 24.—This clause makes provision for grants by the Central Government. It provides that after due appropriation made by Parliament by law the Central Government may make grants of such sums of money as it may think fit to the Authority for being utilised for the purposes of the proposed legislation.

Clause 25.—This clause provides for other fees and revenue. It provides that fees or revenue collected by the Authority shall be credited to the Consolidated Fund of India.

Clause 26.—This clause makes provision for accounts and audit. It provides that the Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

It further provides that the accounts of the Authority shall be audited annually by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor-General.

It also provides that the accounts of the Authority, as certified by the Comptroller and Auditor-General or any other person appointed by him in this behalf, together with the audit report thereon shall be forwarded annually to the Central Government by the Authority and the Central Government shall cause the audit report to be laid, as soon as may be after it is received, before each House of Parliament.

Clause 27.—This clause provides for returns and annual report, etc. It provides that the Authority shall furnish to the Central Government at such time and in such form and manner as may be prescribed or as the Central Government may direct, such returns and statements and particulars in regard to any matter under the jurisdiction of the Authority, as the Central Government may from time to time require.

It further provides that the Authority shall prepare, once in every year, and in such form and manner and at such time as may be prescribed, an annual report giving a description of all the activities of the Authority for the previous years; the annual accounts for the previous year; and the programmes of work for coming year. A copy of such report shall be laid by the Central Government before each House of Parliament.

Clause 28.—This clause provides for security and confidentiality of information. It provides that the Authority shall ensure the security of identity information and authentication records of individuals, and subject to the provisions of the proposed legislation, shall ensure confidentiality of identity information and authentication records of individuals.

It further provides that the Authority shall take all necessary measures to ensure that the information in the possession or control of the Authority, including information stored in the Central Identities Data Repository, is secured and protected against access, use or disclosure not permitted under this Act or regulations made thereunder, and against accidental or intentional destruction, loss or damage.

It also provides that the Authority shall take certain measures, namely, adopt and implement appropriate technical and organisational security measures; ensure that the agencies, consultants, advisors or other persons appointed or engaged for performing any function of the Authority under the proposed legislation, have in place appropriate technical and organisational security measures for the information; and ensure that the agreements or arrangements entered into with such agencies, consultants, advisors or other persons, impose obligations equivalent to those imposed on the Authority under this Act, and require such agencies, consultants, advisors and other persons to act only on instructions from the Authority.

It also provides that notwithstanding anything contained in any other law for the time being in force, and save as otherwise provided in this Act, the Authority or any of its

officers or other employees or any agency that maintains the Central Identities Data Repository shall not, whether during his service or thereafter, reveal any information stored in the Central Identities Data Repository or authentication record to anyone. However, an Aadhaar number holder may request the Authority to provide access to his identity information excluding his core biometric information in a manner specified by regulations.

Clause 29.—This clause provides for restriction on sharing information. It provides that identity information, other than core biometric information, collected or created under the proposed legislation may be shared only in accordance with the provisions of the proposed legislation and in such manner as may be specified by regulations.

It further provides that no identity information available with a requesting entity shall be used for any purpose, other than that specified to the individual at the time of submitting identity information for authentication; or disclosed further, except with the prior consent of the individual to whom such information relates.

It also provides that no Aadhaar number or core biometric information collected or created under the proposed legislation in respect of an Aadhaar number holder shall be published, displayed or posted publicly, except for the purposes as may be specified by regulations.

Clause 31.—This clause provides for alteration of demographic information and biometric information of an Aadhaar number holder. It provides that in case any demographic information of an Aadhaar number holder is found incorrect or changes subsequently, or in case any biometric information of Aadhaar number holder is lost or changes subsequently for any reason, the Aadhaar number holder shall request the Authority to make necessary alteration in his record in the Central Identities Data Repository in such manner as may be specified by regulations.

It further provides that on receipt of a request for such alteration, the Authority may, if it is satisfied, make such alteration as may be required in the record relating to such Aadhaar number holder and intimate such alteration to the concerned Aadhaar number holder.

It also provides that no identity information in the Central Identities Data Repository shall be altered except in the manner provided in the proposed legislation or regulations made in this behalf.

Clause 32.—This clause provides for access to own information and records of requests for authentication. It provides that the Authority shall maintain authentication records in such manner and for such period as may be specified by regulations.

It further provides that every Aadhaar number holder shall be entitled to obtain his authentication record in such manner as may be specified by regulations.

It also provides that the Authority shall not, either by itself or through any entity under its control, collect, keep or maintain any information about the purpose of authentication.

Clause 33.—This clause provides for disclosure of information in certain cases. It provides that nothing contained in sub-clause (2) or sub-clause (5) of clause 28 or sub-clause (2) of clause 29 shall apply in respect of any disclosure of information, including identity information or authentication records, made pursuant to an order of a court not inferior to that of a district judge. It also provides that no order by the court under this sub-clause shall be made without giving an opportunity of hearing to the Authority.

It further provides that nothing contained in sub-clause (2) or sub-clause (5) of clause 28 and item (b) of sub-clause (1), sub-clause (2) or sub-clause (3) of clause 29 shall apply in respect of any disclosure of information, including identity information or authentication records, made in the interest of national security in pursuance of a direction of an officer not below the rank of Joint Secretary to the Government of India specially

authorised in this behalf by an order of the Central Government but every direction issued under this sub-clause, shall be reviewed by an Oversight Committee consisting of the Cabinet Secretary and the Secretaries to the Government of India in the Department of Legal Affairs and the Department of Electronics and Information Technology, before it takes effect. It further provides that any direction issued under this sub-clause shall be valid for a period of three months from the date of its issue, which may be extended for a further period of three months after the review by the Oversight Committee.

Clause 34.—This clause provides for penalty for impersonation at time of enrolment. It provides that whoever impersonates or attempts to impersonate another person, whether dead or alive, real or imaginary, by providing any false demographic information or biometric information shall be punishable with imprisonment for a term which may extend to three years or with a fine which may extend to ten thousand rupees or with both.

Clause 35.—This clause provides for penalty for impersonation of Aadhaar number holder by changing demographic information or biometric information. It provides that whoever, with the intention of causing harm or mischief to an Aadhaar number holder, or with the intention of appropriating the identity of an Aadhaar number holder changes or attempts to change any demographic information or biometric information of an Aadhaar number holder by impersonating or attempting to impersonate another person, dead or alive, real or imaginary, shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to a fine which may extend to ten thousand rupees.

Clause 36.—This clause provides for penalty for impersonation. It provides that whoever, not being authorised to collect identity information under the provisions of the proposed legislation, by words, conduct or demeanour pretends that he is authorised to do so, shall be punishable with imprisonment for a term which may extend to three years or with a fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees or with both.

Clause 37.—This clause provides for penalty for disclosing identity information. It provides that whoever, intentionally discloses, transmits, copies or otherwise disseminates any identity information collected in the course of enrolment or authentication to any person not authorised under the proposed legislation or regulations made thereunder or in contravention of any agreement or arrangement entered into pursuant to the provisions of the proposed legislation, shall be punishable with imprisonment for a term which may extend to three years or with a fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees or with both.

Clause 38.—This clause provides for penalty for unauthorised access to the Central Identities Data Repository. It provides that whoever, not being authorised by the Authority, intentionally, (a) accesses or secures access to the Central Identities Data Repository; or (b) downloads, copies or extracts any data from the Central Identities Data Repository or stored in any removable medium; or (c) introduces or causes to be introduced any virus or other computer contaminant in the Central Identities Data Repository; or (d) damages or causes to be damaged the data in the Central Identities Data Repository; (e) disrupts or causes disruption of the access to the Central Identities Data Repository; or (f) denies or causes a denial of access to any person who is authorised to access the Central Identities Data Repository; or (g) reveals any information in contravention of sub-clause (5) of clause 28, or shares, uses or displays information in contravention of clause 29 or assists any person in any of the aforementioned acts; or (h) destroys, deletes or alters any information stored in any removable storage media or in the Central Identities Data Repository or diminishes its value or utility or affects it injuriously by any means; or (i) steals, conceals, destroys or alters or causes any person to steal, conceal, destroy or alter any computer source code used by the Authority with an intention to cause damage, shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to a fine which shall not be less than ten lakh rupees.

It further defines the expressions "computer contaminant", "computer virus" and "damage" to have the same meanings for the purposes of this clause as are respectively assigned to them in the *Explanation* to section 43 of the Information Technology Act, 2000.

Clause 39.—This clause provides for penalty for tampering with data in Central Identities Data Repository. It provides that whoever, not being authorised by the Authority, uses or tampers with the data in the Central Identities Data Repository or in any removable storage medium with the intent of modifying information relating to Aadhaar number holder or discovering any information thereof, shall be punishable with imprisonment for a term which may extend to three years and shall be liable to a fine which may extend to ten thousand rupees.

Clause 40.—This clause provides for penalty for unauthorised used by requesting entity. It provides that whoever, being a requesting entity, uses the identity information of an individual in contravention of sub-clause (3) of clause 8, shall be punishable with imprisonment which may extend to three years or with a fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees or with both.

Clause 41.—This clause provides for penalty for non-compliance with intimation requirements. It provides that whoever, being an enrolling agency or a requesting entity, fails to comply with the requirements of sub-clause (2) of clause 3 or sub-clause (3) of clause 8, shall be punishable with imprisonment which may extend to one year or with fine which may extend to ten thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees or with both.

Clause 42.—This clause provides for a general penalty. It provides that whoever commits an offence under the proposed legislation or any rules or regulations made under the proposed legislation for which no specific penalty is provided elsewhere than in this clause, shall be punishable with imprisonment for a term which may extend to one year or with a fine which may extend to twenty-five thousand rupees or, in the case of a company, with a fine which may extend to one lakh rupees, or with both.

Clause 43.—This clause deals with the offences by companies. It provides that where an offence under the proposed legislation has been committed by a company then every person who at the time when the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

It further provides that if any such person proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence, then he shall not be liable for the said punishment.

It also provides that where any offence under the proposed legislation has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

It also provides the *Explanation* to this clause provides that for the purposes of this clause, (a) "company" means any body corporate and includes a firm or other association of individuals; and (b) "director", in relation to a firm, means a partner in the firm.

Clause 44.—This clause makes provision for application of the proposed legislation in relation to offence or contravention committed outside India. It provides that the provisions of the proposed legislation shall apply also to any offence or contravention committed outside India by any person, irrespective of his nationality, if the act or conduct constituting the offence or contravention involves any data in the Central Identities Data Repository.

Clause 45.—This clause deals with the power to investigate offences. It provides that notwithstanding anything contained in the Code of Criminal Procedure, 1973, a police officer not below the rank of Inspector of Police shall investigate any offence under the proposed legislation.

Clause 46.—This clause provides that penalties under the proposed legislation shall not interfere with other punishments. It provides that no penalty imposed under the proposed legislation shall prevent the imposition of any other penalty or punishment under any other law for the time being in force.

Clause 47.—This clause provides for cognizance of offences. It provides that no court shall take cognizance of any offence punishable under the proposed legislation, save on a complaint made by the Authority or any officer or person authorised by it.

It further provides that no court inferior to that of a Chief Metropolitan Magistrate or a Chief Judicial Magistrate shall try any offence punishable under the proposed legislation.

Clause 48.—This clause empowers the Central Government to supersede the Authority. It provides that the Central Government may after satisfying the on the grounds mentioned under this clause may supersede the Authority by issuing a notification for such period not exceeding six months and appoint a person or persons as the President may direct to exercise powers and discharge functions under the proposed legislation.

It further provides that before issuing any such notification, the Central Government shall give a reasonable opportunity to the Authority to make representations against the proposed supersession and shall consider the representations, if any, of the Authority.

It also provides that upon the publication of a notification superseding the Authority, (a) the Chairperson and other members shall, as from the date of supersession, vacate their offices as such; (b) all the powers, functions and duties which may, by or under the provisions of the proposed legislation, be exercised or discharged by or on behalf of the Authority shall, until the Authority is reconstituted be exercised and discharged by the person or persons referred to in sub-clause (1); and (c) all properties owned or controlled by the Authority shall, until the Authority is reconstituted under sub-clause (3), vest in the Central Government.

It also provides that the Central Government shall reconstitute the Authority, before the expiration of the period of supersession, by a fresh appointment of its Chairperson and other members and in such case any person who had vacated his office due to supersession of the Authority shall not be deemed to be disqualified for reappointment.

It also provides that the Central Government shall cause a copy of the notification and a full report of any action taken under this clause and the circumstances leading to such action to be laid before each House of Parliament at the earliest.

Clause 49.—This clause provides that Members, officers, etc., shall be deemed to be public servants. It provides that the Chairperson, Members, officers and other employees of the Authority shall be deemed, while acting or purporting to act in pursuance of any of the provisions of the proposed legislation, to be public servants within the meaning of section 21 of the Indian Penal Code.

Clause 50.—This clause empowers the Central Government to issue directions. It provides that without prejudice to the foregoing provisions of the proposed legislation, the Authority shall, in exercise of its powers or the performance of its functions, be bound by such directions on questions of policy, as the Central Government may give, in writing to it, from time to time provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-clause. But, nothing in this clause shall empower the Central Government to issue directions pertaining to technical or administrative matters undertaken by the Authority. It further provides that the decision of the Central Government, on whether a question is one of policy or not, shall be final.

Clause 51.—This clause provides for delegation. It provides that the Authority may, by general or special order in writing, delegate to any Member, officer of the Authority or any other person, subject to such conditions, if any, as may be specified in the order, such of its powers and functions under the proposed legislation (except the power under clause 53 to make regulations) as it may deem necessary.

Clause 52. — This clause provides for protection of action taken in good faith. It provides that no suit, prosecution or other legal proceeding shall lie against the Central Government or the Authority or the Chairperson or any Member or any officer, or other employees of the Authority for anything which is in good faith done or intended to be done under the proposed legislation or the rules or regulations made thereunder.

Clause 53.—This clause empowers the Central Government to make rules. It provides that the Central Government may, by notification, make rules to carry out the provisions of the proposed legislation. It further specifies the matters in respect of which such rules may be made.

Clause 54.—This clause empowers the Authority to make regulations. It provides that the Authority may, by notification, make regulations consistent with the proposed legislation and the rules made thereunder, for carrying out the provisions of the proposed legislation. It further specifies the matters in respect of which such regulations may be made.

Clause 55.—This clause provides for laying of rules and regulations before Parliament. It provides that every rule and every regulation made under the proposed legislation shall be laid, as soon as may be after it is made, before each House of Parliament.

Clause 56.—This clause provides that the provisions of the proposed legislation shall be in addition to, and not in derogation of, any other law for the time being in force.

Clause 57.—This clause provides that nothing contained in the proposed legislation shall prevent the use of Aadhaar number for other purposes under law. It provides that nothing in the proposed legislation shall prevent the use of Aadhaar number for establishing the identity of an individual for any purpose, whether by the State or any body corporate or person, pursuant to any law, for the time being in force, or any contract to this effect, but the use of Aadhaar number under this clause shall be subject to the procedure and obligations under clause 8 and Chapter VI of the proposed legislation.

Clause 58.—This clause makes provision for removal of difficulties. It provides that if any difficulty arises in giving effect to the provisions of the proposed legislation then the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of the proposed legislation as may appear to be necessary for removing the difficulty.

It further provides that no such order for removal of difficulty shall be made under clause after the expiry of a period of three years from the commencement of the proposed legislation. But, every order made under this clause shall be laid, as soon as may be after it is made, before each House of Parliament.

Clause 59.—This clause provides for savings. It provides that anything done or any action taken by the Central Government under the Resolution of the Government of India, Planning Commission bearing notification number A-43011/02/2009-Admin.I, dated the 28th January, 2009, or by the Department of Electronics and Information Technology under the Cabinet Secretariat Notification bearing notification number S.O.2492(E), dated the 12th September, 2015, as the case may be, shall be deemed to have been done or taken under the corresponding provisions of the proposed legislation.

FINANCIAL MEMORANDUM

Clause 11 provides for establishment of the Unique Identification Authority of India which shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property and sue or be sued with the head office in New Delhi and may establish its offices at other places in India.

2. Clause 12 provides that Authority shall consist of a Chairperson appointed on part-time or full time basis and two part-time Members and a chief executive officer who shall be Member-Secretary.

3. Sub-clause (4) of clause 14 makes provision for salaries and allowances payable to the Chairperson and allowances or remuneration payable to part-time Members. Sub-clause (2) of clause 21 makes provision for salaries and allowances payable to the chief executive officer and other officers and other employees of the Authority.

4. Item (j) of sub-clause (2) of clause 23 provides for establishment, operation and maintenance of the Central Identity Data Repository.

5. Clause 24 provides that the Central Government may after due appropriation made by Parliament by law in this behalf, make to the Authority, grants of such sums of money as the Central Government may think fit for being utilised for the purposes of the proposed legislation. Clause 25 of the Bill provides that the fees or revenue collected by the Authority shall be credited to the Consolidated Fund of India.

6. An estimated expenditure of 13663.22 crore rupees has been approved for implementing the Aadhaar scheme upto the financial year 2016-17. Out of which 6844.34 crore rupees have been spent for payments towards enrolments, logistics operations, Aadhaar Sampark Kendras, technology infrastructure and operations, etc., and 408.49 crore rupees have been spent towards establishment till the 31st December, 2015.

7. The Bill does not envisage any other expenditure of recurring or non-recurring.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 53 of the Bill empowers the Central Government to make, by notification, rules to carry out the provisions of the proposed legislation. Sub-clause (2) specifies the matters in respect of which such rules may be made. These matters, *inter alia*, include: (a) the form and manner in which and the authority before whom the oath of office and of secrecy is to be subscribed by the Chairperson and Members under sub-clause (2) of clause 14; (b) the salary and allowances payable to, and other terms and conditions of service of, the Chairperson and the allowances or remuneration payable to Members of the Authority under sub-clause (4) of clause 14; (c) the other powers and functions of the Chairperson of the Authority under clause 17; (d) the other powers and functions of the Authority under item (t) of sub-clause (2) of clause 23; (e) the form of annual statement of accounts to be prepared by Authority under sub-clause (1) of clause 26; (f) the form and the manner in which and the time within which returns and statements and particulars are to be furnished under sub-clause (1) of clause 27; (g) the form and the manner and the time at which the Authority shall furnish annual report under sub-clause (2) of clause 27; (h) any other matter which is required to be, or may be, prescribed, or in respect of which provision is to be or may be made by rules.

2. Sub-clause (1) of clause 54 of the Bill empowers the Unique Identification Authority of India to make, by notification, regulations to carry out the provisions of the proposed legislation consistent with the provisions of the proposed legislation and the rules made thereunder. Sub-clause (2) specifies the matters in respect of which such regulations may be made. These matters, *inter alia*, include: (i) the biometric information under sub-clause (g), the demographic information under sub-clause (k), the process of collecting demographic information and biometric information from the individuals by enrolling agencies under sub-clause (m) of clause 2; (ii) the manner of verifying the demographic information and biometric information for issue of Aadhaar number under sub-clause (3) of clause 3; (iii) the conditions for accepting an Aadhaar number as proof of identity of the Aadhaar number holder under sub-clause (3) of clause 4; (iv) the other categories of individuals under clause 5 for whom the Authority shall take special measures for allotment of Aadhaar number; (v) the manner of updating biometric information and demographic information under clause 6; (vi) the procedure for authentication of the Aadhaar number under clause 8; (vii) the other functions to be performed by Central Identities Data Repository under clause 10; (viii) the time and places of meetings of the Authority and the procedure for transaction of business to be followed by it, including the quorum, under sub-clause (1) of clause 19; (ix) the salary and allowances payable to, and other terms and conditions of service of, the chief executive officer, officers and other employees of the Authority under sub-clause (2) of clause 21; (x) the demographic information and biometric information under item (a) and the manner of their collection under item (b) of sub-clause (2) of clause 23; (xi) the manner of maintaining and updating the information of individuals in the Central Identities Data Repository under item (f) of sub-clause (2) of clause 23; (xii) the manner of omitting and deactivating an Aadhaar number and information relating thereto under item (g) of sub-clause (2) of clause 23; (xiii) the manner of use of Aadhaar numbers for the purposes of providing or availing of various subsidies, benefits services and other purposes for which Aadhaar numbers may be used under item (h) of sub-clause (2) of clause 23; (xiv) the terms and conditions for appointment of Registrars, enrolling agencies and other service providers and the revocation of appointments thereof under item (i) of sub-clause (2) of clause 23; (xv) the manner of sharing information of Aadhaar number holder under item (k) of sub-clause (2) of clause 23; (xvi) the various processes relating to data management, security protocol and other technology safeguards under item (m) of sub-clause (2) of clause 23; (xvii) the procedure for issuance of new Aadhaar number to existing Aadhaar number holder under item (n) of sub-clause (2) of clause 23; (xix) the manner of authorising

Registrars, enrolling agencies or other services providers to collect such fees for services provided by them under item (o) of sub-clause (2) of clause 23; (xx) the policies and practices to be followed by the Registrar, enrolling agencies and other service providers under item (r) of sub-clause (2) of clause 23; (xxi) the manner of accessing the identity information by the Aadhaar number holder under the proviso to sub-clause (5) of clause 28; (xxii) the manner of sharing the identity information, other than core biometric information, collected or created under this Act under sub-clause (2) of clause 29; (xxiii) the manner of alteration of demographic information under sub-clause (1) and biometric information under sub-clause (2) of clause 31; (xxiv) the manner of and the time for maintaining the request for authentication and the response thereon under sub-clause (1), and the manner of obtaining, by the Aadhaar number holder, the authentication records under sub-clause (2) of clause 32; (xxv) any other matter which is required to be, or may be, specified, or in respect of which provision is to be or may be made by regulations.

3. Clause 55 provides that every rule and every regulation made under the proposed legislation shall be laid, as soon as may be after it is made, before each House of Parliament.

4. The matters in respect of which rules and regulations may be made are matter of procedure or administrative detail and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is therefore of a normal character.

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to provide for, as a good governance, efficient, transparent, and targeted delivery of subsidies, benefits and services, the expenditure for which is incurred from the Consolidated Fund of India, to individuals residing in India through assigning of unique identity numbers to such individuals and for matters connected therewith or incidental thereto.

(Shri Arun Jaitley, Minister of Finance)