F. No.:R-11016/140/2022-CD (118264) भारत सरकार/ Government of India

सहकारिता मंत्रालय/ Ministry of Cooperation

(सहकारिता विकास प्रभाग/ CD Division)

2nd Floor, Atal Akshay Urja Bhawan, Lodhi Road, New Delhi Dated the 12th May, 2023

To,

(1) The Chairman,

National Federation of Urban Cooperative Banks & Credit Societies Ltd. (NAFCUB),

B-14, 3rd Floor, A-Block, Shopping Complex, Narayana Vihar, Ring Road, New Delhi-110028.

(2) The Chairman,

National Federation of State Cooperative Banks Ltd. (NAFSCOB)

J.K. Chambers, Fifth Floor, Plot No. 76, Sector-17, Vashi,

Navi Mumbai, Maharashtra-400703.

Subject: Onboarding of Cooperative Banks and PACS on the Aadhar enabled Payment System (AePS) -reg.

Sir,

I am directed to enclose a copy of UIDAI's Circular No. 04 of 2023 dated 05.04.2023 revising the license fee paid by Authentication User Agencies (AUAs) by linking it with the volume of authentication transactions, which will reduce the license fee burden for AUAs with small number of transactions.

- 2. The above mentioned circular also provides that the newly onboarded AUAs will be given free access to the pre-production environment for the first three months. Further, if they start production within a period of three months from the date of commencement of pre-production, they shall pay full license fee for the production environment at the prescribed rates from the date of commencement of pre-production.
- 3. In view of the above, NAFCUB is requested to take license of AUA/KUA and make their member UCBs as sub-AUA/sub-KUA and NAFSCOB is requested to sensitize StCBs to take license of AUA/KUA and make their member DCCBs as sub-AUA/sub-KUA. Further, the individual member banks of both the Federations may also be encouraged for onboarding on AePS.
- 4. This issues with the approval of the Competent Authority.

Encl: As above.

Yours faithfully,

(Ajit Kumar Sharma)
Under secretary to the Govt. of India
eMail: ajit.sharma34@nic.in

F.No. HQ-13073/1/2023-AUTH-II HQ (E-10767) 5610

Government of India

Ministry of Electronics and Information Technology

<u>Unique Identification Authority of India</u>

(Authentication and Verification Division)

3rd Floor, UIDAI HQs, Bangla Sahib Road, Behind Kali Mandir, Gole Market, New Delhi-110001 Dated:05.04.2023

Circular No. 04 of 2023

Subject:- Revising License Fee for AUA/KUA based on their transaction volume.

Reference is invited to UIDAI's circular No. K-11022/630/2017-UIDAI(Auth-II), dated 31-05-2017 which introduced license fees to be paid by Authentication User Agencies (AUAs), e-KYC User Agencies(KUAs) w.e.f. 01-06-2017 valid for a period of 2 years, as depicted in the table below:

| Category of Entity | Environment | License fees (in Rs.) | Validity |
|-----------------------|----------------|-----------------------|----------|
| AUA/KUA | Pre-production | 5 lakh | 3 months |
| | Production | 20 lakh | 2 years |

- 2. There has been a demand to review license fees particularly for such entities which do lesser number of authentication transactions and are having small capital structure and may require support in terms of reduced license fee. The same has been reviewed and following has been decided by the competent authority of UIDAI.
 - (i) The AUAs performing upto 5 lakh transactions per year to be charged at ₹5 lakh for 2 years.
 - (ii) The AUAs performing 5 lakh to 20 lakh transactions per year to be charged at ₹10 lakh for 2 years.
 - (iii) The AUAs performing more than 20 lakh transactions per year to be charged at current rate i.e. ₹ 20 lakh for 2 years.
 - (iv) The newly onboarded AUAs may be granted free of cost access to preproduction environment for first three months. Further, if they move into production within the period of three months of onboarding into preproduction, they will pay full license fee for production environment at prescribed rates wef date of start of pre-production.



- (v) If the entity fails to move into production within three months of grant of free access to pre-production environment, it will have to pay pre-production license fee of Rs. 5 lakh valid for first three months for the free access period as well as each subsequent renewal. This is to incentivise entities for speedier onboarding as AUA/KUA in production environment.
- (vi) The entities will be on-boarded initially on the basis of transaction estimates provided by them and license fees will be charged as per the applicable slab as mentioned above. However, at the time of subsequent renewal if the entity is found to have performed higher number of transactions, then differential amount of license fees of higher slab as mentioned above will be recovered along with interest @18% per annum. Such a provision is warranted in order to enable UIDAI to plan for the infrastructure requirements based on the number of expected authentication transactions. Any wide variation in projected number of authentication transactions may potentially affect the entire authentication ecosystem. Further, if the entity would have performed lesser number of transactions compared to initially submitted transactions estimate, no benefit of lower slab will be admissible. Hence, entities are advised to provide their estimates carefully.
- 3. This shall come into effect from 1st July, 2023.

(अमित भार्गव) उप निदेशक

To

- (i) All Authentication Service Agencies,
- · (ii) All Authentication User Agencies/eKYC User Agencies

Copy for information

- (i) All Secretaries (Govt. of India)/Chief Secretaries of all State/Union Territories
- (ii) OSD to the CEO, UIDAI
- (iii) All DDGs(HQs, ROs, Tech Centers)