

Important observations and recommendations emanating out of the Performance Audit conducted on 'Functioning of Unique Identification Authority of India' by CAG.

Performance Audit Report No. 24 of 2021 on 'Functioning of Unique Identification Authority of India- Union Government, Ministry of Electronics and Information Technology was tabled in Lok Sabha on 5.4.22 and in Rajya Sabha on 6.4.22

1. The digital identity platform set up by UIDAI with the brand name 'Aadhaar', generated the first UID in September 2010.
2. The Aadhaar database has since reached 129.04 Crore by March 2021 and is considered as one of the largest biometric based identification systems in the world.
3. Aadhaar is now established as an important identity document for residents. Various Ministries/Departments of the Government as well as other entities such as banks, mobile operators, rely upon Aadhaar for identity of the applicant.
4. During 2020-2021, UIDAI authenticated 1524.65 Crore transactions which included 111.25 Crore e-KYC transactions. During 2020-21, UIDAI earned revenue of ₹ 331.65 Crore.
5. The Aadhaar Act stipulates that an individual should reside in India for a period of 182 days or more in the twelve months immediately preceding the date of application for being eligible to obtain an Aadhaar. In September 2019, this condition was relaxed for non-resident Indians, holding valid Indian Passport. However, UIDAI has not prescribed any specific proof/ document or process for confirming whether an applicant has resided in India for the specified period and takes confirmation of the residential status through a casual self-declaration from the applicant. There was no system in place to check the affirmations of the applicant. As such, there is no assurance that all the Aadhaar holders in the country are 'Residents' as defined in the Aadhaar Act.

6. It was seen that UIDAI had to cancel more than 4.75 lakh Aadhaars (November 2019) for being duplicate. There were instances of issue of Aadhaars with the same biometric data to different residents indicating flaws in the de-duplication process and issue of Aadhaars on faulty biometrics and documents.

7. Though UIDAI has taken action to improve the quality of the biometrics and has also introduced iris-based authentication features for enrolment for Aadhaar.

8. During 2018-19 more than 73 per cent of the total 3.04 Crore biometric updates, were voluntary updates done by residents for faulty biometrics after payment of charges. Huge volume of voluntary updates indicated that the quality of data captured to issue initial Aadhaar was not good enough to establish uniqueness of identity.

https://cag.gov.in/webroot/uploads/download_audit_report/2021/24%20of%202021_UIDAI-0624d8136a02d72.65885742.pdf