Aadhaar Must for Bank Accounts

Why in News

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- The government, through a notification amending a prevention of money laundering law, has made it mandatory to provide Aadhaar to open a bank account and to conduct a transaction of Rs. 50,000 or more.
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Aadhaar

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- Aadhaar Card, Aadhaar Letter is a randomly generated “twelve “digit Unique Identification Number issued by (Unique Identification Authority of India) UIDAI.
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- It is a unique number which is different for every individual in the country and will be not same in anyhow and anyway. Any residence has to enroll once a life for Aadhaar.
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- Aadhaar Card can be used as POI (Prof of Identity) as well as POI (Prof of address) in all over the country.
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- The government says that that individuals who are eligible to be enrol for an Aadhaar number need to provide that number and the Permanent Account Number (PAN) to open a bank account or conduct any transaction “of an amount equal to or exceeding rupees fifty thousand, whether conducted as a single transaction or several transactions that appear to be connected, or any international money transfer operations.”

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Small accounts not spared

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- The amendment also tightens the rules for small accounts, which can be opened without having officially valid KYC documents, by saying that such accounts can only be opened at bank branches that have core banking solutions.
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SC ruling

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- The Supreme Court had on June ruled that while those possessing an Aadhaar ID must link it to their PAN, those who have as yet not got an Aadhaar need not do so in order to file returns — their PAN cards will not be rendered void, something the government had said would happen in the Finance Bill 2017.
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Source - The Hindu

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