

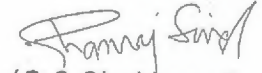
No. I-11011/140/2015-DBT
Government of India/भारत सरकार
Cabinet Secretariat/मंत्रिमंडल सचिवालय
DBT Mission/प्रत्यक्ष लाभ अंतरण मिशन

4th Floor, Shivaji Stadium Annexe,
Rajiv Chowk, New Delhi – 110001.

Dated: 30th November 2015.

Subject: - Implementation of DBT in Government Schemes.

Please find enclosed herewith a copy of minutes of the meeting of Committee of Secretaries (CoS) held under the Chairmanship of Cabinet Secretary on Monday, the 23.11.2015 at 11.00 AM in the Committee Room, Cabinet Secretariat, Rashtrapati Bhawan, on the subject mentioned above, for information and necessary action. Action taken on the recommendations of the CoS may kindly be uploaded on e-SamikSha web portal.



(G.S. Shekhawat)
Director (DBT)

Tel. 23343860 Extn. 311

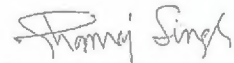
Secretary, M/o Petroleum & Natural Gas
Secretary, D/o Rural Development
Secretary, Department of Electronics and Information Technology
Registrar General of India
DG, UIDAI

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Chief Secretary, Govt. of Maharashtra
Administrator, UT of Chandigarh

Copy for information to:

Principal Secretary to the Prime Minister



(G.S. Shekhawat)
Director (DBT)

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MINUTES OF THE MEETING OF COMMITTEE OF SECRETARIES

Document No. I-11011/140/2015-DBT

Copy No.

Venue: Committee Room, Cabinet Secretariat, Rashtrapati Bhawan

Date of Meeting: Monday, the 23rd November, 2015

Time of Meeting: 11.00 A.M.

PRESENT

1. Sh. Pradeep Kumar Sinha, Cabinet Secretary, Cabinet Secretariat.
2. Sh. Sanjay Kumar Srivastava, Secretary (C& PG), Cabinet Secretariat.
3. Sh. J.K. Mohapatra, Secretary, Ministry of Rural Development.
4. Sh. Kapil Dev Tripathi, Secretary, Ministry of Petroleum & Natural Gas.
5. Dr. C. Chandramauli, RGI, Registrar General of India.
6. Sh. Tuhin Kanta Pandey, Joint Secretary, Cabinet Secretariat.
7. Sh. Peeyush Kumar, Joint Secretary (DBT), Cabinet Secretariat.
8. Dr. Shreeranjana, Deputy Director of General, UIDAI.
9. Smt. Aparajita Sarangi, Joint Secretary, Ministry of Rural Development.
10. Sh. Ashutosh Jindal, Joint Secretary, Ministry of Petroleum & Natural Gas.
11. Smt. Radha Chauhan, Deputy Director of General, UIDAI.
12. Sh. Y.L.P. Rao, Deputy Director of General, UIDAI.
13. Sh. S.K. Chakrabarti, Additional RGI, Registrar General Of India.
14. Sh. G.S. Shekhawat, Director (DBT), Cabinet Secretariat.
15. Sh. Jugnu Gupta, Director (PMD), Cabinet Secretariat.

Representatives of the States Governments: (Through Video Conference)

1. Shri Lingaraj Panigrahi, Special Chief Secretary along with Collectors of Srirakulam & Guntur and other Senior officials, Government of Andhra Pradesh
2. Shri V.B. Pyarelal, Additional Chief Secretary, Panchayat & Rural Development along with other Senior officials, Government of Assam
3. Shri Praveer Kumar, Additional Chief Secretary along with DM, Agra, Government of Uttar Pradesh
4. Shri Amit Khare, Principal Secretary, Planning - Finance Department along with DCs of Pakur & Sahebganj and other Senior officials, Government of Jharkhand
5. Dr. P.S. Meena, Additional Chief Secretary (GAD) along with Collectors of Latur & Amravati, Government of Maharashtra
6. Shri Ajeetbala Joshi, Director, Food & Civil Supplies along with other Senior officials, UT of Chandigarh

Sub: Implementation of DBT in Government Schemes.

A meeting of Committee of Secretaries (CoS) was held under Chairmanship of Cabinet Secretary at 11.00 am on 23.11.2015 in Committee Room, Cabinet Secretariat, Rashtrapati Bhawan to discuss implementation of DBT in Rural Development schemes and Subsidies in LPG and Kerosene. Five States – Andhra Pradesh, Assam, Jharkhand, Maharashtra and Uttar Pradesh, UT of Chandigarh and nine districts joined the discussions through video conference.

2. JS (DBT) made a brief presentation to introduce the subject and mentioned that pre-requisites of DBT are digitisation of database, Aadhaar seeding on voluntary basis, re-engineering of the Government processes and linking with bank accounts for direct payments. It was stated that low seeding of Aadhaar in beneficiary database (52.5%) lower amount of money transferred through Aadhaar Based Payment System (27.81%) and last mile connectivity issues are the main hurdles in taking forward DBT.

3. Secretary (Rural Development) made a presentation on Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and National Social Assistance Program (NSAP). It was informed that out of 9.45 crore active beneficiaries, 5 crore have Aadhaar seeding (53%) of which only 1.36 crore are on Aadhaar based Payment System. M/o RD further mentioned that Electronic Fund Management System (e-FMS) implemented for NREGS ensures just-in-time availability of funds with the Project Implementation Agencies and there is no parking / shortage of funds at any level with real time monitoring system for

financial requirements. It was informed that for NREGS 'One State – one e-FMS' account model is being implemented and about 94% Gram Panchayats are under e-FMS. Also about 90% of expenditure (wage, material and administration) is being booked through e-FMS.

4. M/o RD outlined the strategy for monitoring of DBT implementation by way of bi-monthly reviews of States / UTs, writing monthly D.O. letters to State Governments, sms based monitoring etc. Further, banks will be requested to seed pending Aadhaar numbers sent by M/o RD in their bank database and to link it to NPCI mapper, providing handholding support and generating MIS Reports and enabling provision.

5. M/o RD mentioned that under NSAP it is targeted to complete digitisation of data and linking each entry to their Aadhaar number in campaign mode. At present, out of 3.15 crore beneficiaries, 2.71 crore beneficiaries' data has been digitised and 63 lakh Aadhaar numbers have been seeded in programme database. However, Aadhaar seeded bank account is only 4.53 lakh. Andhra Pradesh, Assam, Jharkhand, Maharashtra and Uttar Pradesh are the top five states with respect to Aadhaar seeding of NSAP pensioners. M/o RD outlined the action plan and informed that digitisation of beneficiaries will be accomplished by 31st January, 2016, Aadhaar enrolment of the beneficiaries will be completed by 28th February, 2016 and Aadhaar seeding in database will be completed by 31st March, 2016.

6. Secretary (PNG) made a presentation on PAHAL. It was mentioned that major objective of the scheme is eliminating diversion and to weed out fake and duplicate connections. This would ensure provision of subsidy to genuine consumers, improve availability and delivery of the LPG cylinders and allow self-selection in subsidy. There are two categories of Consumer viz. Cash Transfer Compliant (CTC) and Not Transfer Compliant (NTC). Further, subsidy is transferred through two modes viz. Aadhaar Transfer Compliant (ATC) and Bank Transfer Compliant (BTC).

7. Number of LPG consumers are 16.24 crore out of which Aadhaar seeding in LPG database is 9.76 crore (60%). Bank Aadhaar seeding as on date (ATC) is 8.54 crore (53%) and bank account seeding (BTC) is 5.99 crore (37%). Thus, CTC (ATC + BTC) is 14.53 crore (89%). Total ₹ 22,548.99 crore subsidies have been transferred and till date about 47 lakh consumers are given up of their subsidy. PAHAL has lower to reduction in number of consumers who are availing subsidy and there is a significant decrease in cash transfer failures. De-duplication on Aadhaar and bank accounts is being done on monthly basis. More than 8.35 lakh duplicate Aadhaar numbers and 4.5 lakh duplicate bank accounts were identified

and almost 9 lakh duplicate connections have been blocked which resulted in annual subsidy saving of ₹ 91 crore.

8. It was brought out that there was a difference between total active LPG connections (16.25 crore) and those availing subsidy [ATC+BTC] (14.53 crore). It appears that for about 1.72 crore LPG connections no subsidy is being availed. As only about 50 lakh consumers have given up subsidy, the status of remaining 1.22 crore connection holders is not clear. There is a need to verify the status of these connections. Similarly, the progress of Aadhaar seeding at 9.76 crore and ATC at 8.54 crore continues to be slow. Special drive needs to be taken up by the department to complete the Aadhaar seeding of all connections holders. Department informed that a special drive is being designed with help of empanelled agencies and that the status will improve from 1st week of December. Department has proposed to accomplish the task by 31st March, 2016.

9. Andhra Pradesh informed that they are poised to undertake DBT in all Government programmes and have completed DBT in PDS, MG NREGS etc. In respect of NSAP, biometric authentication of beneficiaries has been implemented but it has been decided to disburse pensions in cash due to convenience of the beneficiaries. It was informed that unless last mile issues in extending financial services are strengthened, DBT through bank accounts will lead to additional cost to beneficiaries in accessing the banks. This is especially pertinent for remote areas where banks are located in far off places.

10. Secretary RD concurred with the problem of accessing banking facilities, especially in programmes like welfare pensions, where the beneficiaries are old and infirm and find it difficult to access banking system. Deliberations took place regarding extension of banking facility in the hinterland. It was agreed that only part of the problem will be resolved by bringing the welfare programmes under DBT mode through bank accounts and that DBT objectives will be fully achieved only when financial services reach the doorsteps of the beneficiaries. This would, in turn, require use of technology such as mobile banking, payment banks and postal networks to ensure that financial services penetrate the remote corners of the country. There is need to work on larger canvas involving Banks, Post offices, Mobile service providers to this end. Cabinet Secretary desired that a separate meeting may be organized on this issue.

11. Assam informed that Aadhaar enrolment in the State is pending due to Citizenship survey. However, pending Aadhaar, DBT is being undertaken directly through bank accounts and that DBT in MGNREGS, NSAP and PDS will be taken up as per the schedule given by Central Government. Nagaon District of Assam informed that the data of 4 lakh beneficiary under PDS has been digitised and DBT will be taken up as per schedule. Jharkhand informed that the progress of DBT in

Rural Development schemes is slow in the State, but the State administration is geared up to achieve set target. It was informed that connectivity in 30% of the Panchayats is sluggish and that State Government has taken up work under the National Optical Fibre Network (NOFN) programme to improve connectivity in the hinterland. It was informed that in Sahebganj district, out of 166 Panchayats, 100 Panchayats have poor connectivity. Number of Banking Correspondents (BC) is low and beneficiaries have to cover long distance to reach nearest bank branch. In Pakur district, 35 Panchayat have no connectivity and there is no bank in the rural area. The State Government assured that they would take up DBT in welfare programmes along with improvement in connectivity under NOFN.

12. Maharashtra informed that the target set for DBT under various programmes have been noted and that the State Government is geared up to accomplish the targets under DBT Schemes. District Administration, Latur informed that 90% seeding in MGNREGS beneficiary's database has been completed and 70% have bank account. District Collector Amravati informed that number of schemes has Postal accounts and that there may be need to link these accounts under the PMJDY programme. Similarly, Uttar Pradesh informed that they have taken up biometric authentication through PoS devices in PDS and will accomplish the task. District Collectors of Agra and Ferozabad informed that the task of implementing DBT in Rural Development programmes is underway and will be completed as per the schedule given by the Central Government. UT administration of Chandigarh informed that DBT in PDS is under implementation but there is delay in release of funds from the Centre. It was requested that the funds under the pilot project be released in time to avoid hardships in the field.

13. After detailed discussions, the following decisions were taken:-

- i. D/o Rural Development and M/o PNG will ensure that Aadhaar seeding in beneficiary databases (MGNREGS, NSAP and PAHAL) is completed by 31.3.2016.
- ii. M/o PNG will digitise kerosene beneficiary data and coordinate with D/o Food & PD for taking steps for distributing kerosene after biometric authentication through PoS devices. DBT in kerosene will be initiated on pilot basis in 25 districts of States as per the action plan given by the department.
- iii. M/o PNG may get the status verified of 1.22 crore LPG connections, which neither avail subsidy nor have signed up "Give-up" programme.
- iv. Secretaries of D/o RD, M/o PNG and D/o F&PD may review implementation of DBT in MGNREGS, NSAP, PAHAL and Kerosene on a monthly basis.

- v. A meeting with DFS, D/o Posts, D/o Expenditure and RBI may be convened separately to address the last mile connectivity issues in DBT payments, including the availability and performance of banking correspondents.
- vi. Secretary (C&PG) may convene Department-wise meetings for effective monitoring and implementation of DBT in key Government programmes.