

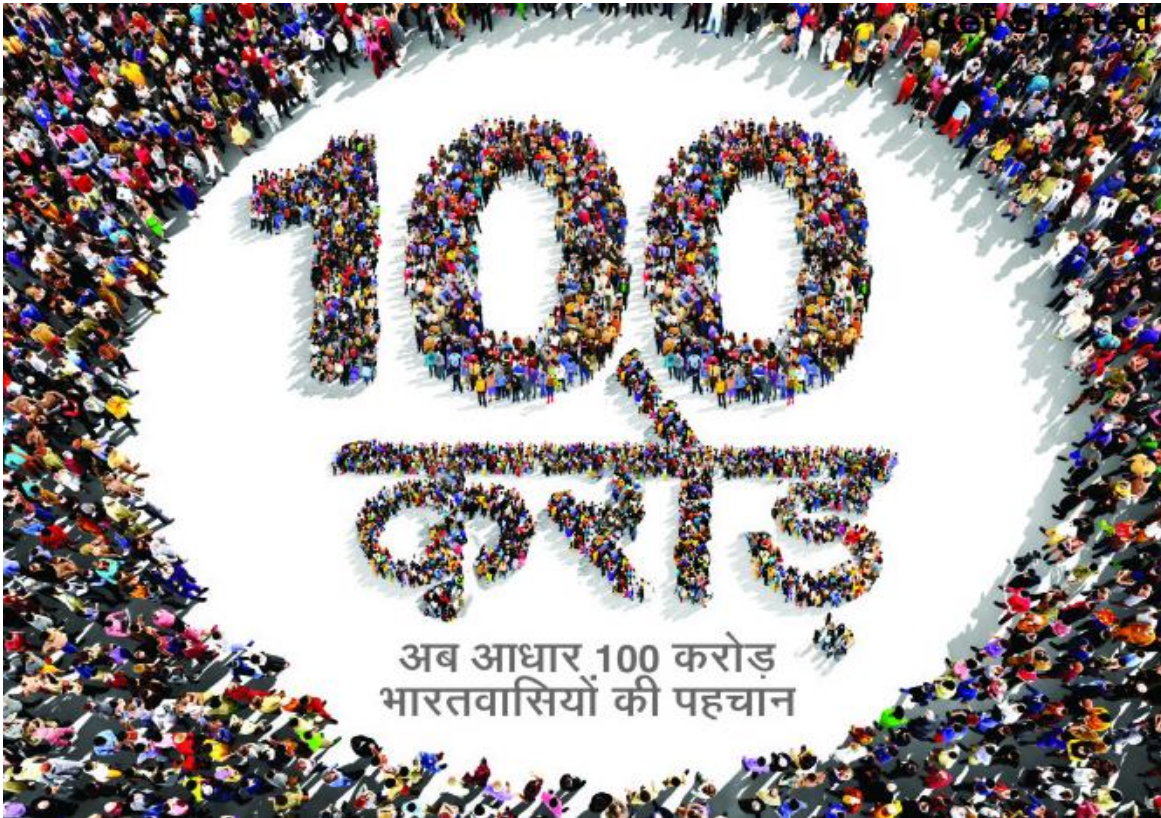









Direct Benefit Transfer (DBT)

NACH

Date: July 22, 2016





-  Aadhaar given to 103 crore residents
-  96.7% of adults have Aadhaar
-  28.39 crore bank accounts linked to Aadhaar
-  13.07 crore LPG consumers linked with Aadhaar
-  14.27 crore ration cards linked to Aadhaar
-  7.31 crore Aadhaar seeded in MGNREGS database
-  Aadhaar powering Digital India - Digi Locker, eSign, etc.



Ration



LPG



Pension



MGNREGS



Jan Daan
Bank Acc



PPF



Capable of Aadhaar based and Account based transactions

Network of 1,102 banks - 770 for APB and 1,098 for ACH

29.17 crores Aadhaar numbers seeded in mapper

6 settlements in a day - 3 each for APB and ACH

Aadhaar based DBT - 5.52 crores transactions (Jan 16 to Jun 16)

Account based DBT - 12.64 crore transactions (Jan 16 to Jun 16)





**NPCI NACH-APBS
 for Aadhaar
 & Account based
 DBT – INR 18300 Crore
 disbursed (FY 2015-16)**

Type Of Bank	No. OF BANKS
Public Sector Banks	27
Private Sector Banks	22
Foreign Banks	25
Regional Rural Banks	56
Local Area Bank	3
State Co-Op Banks	31
District Central Co-Op Banks	258
Scheduled Urban Co-Op Banks	49
Other- Urban Co-Op Banks	551
Total	1022

Aadhaar Based		
	FY 2014-15	FY 2015-16
No. of Transactions	77,11,234	6,13,78,469
Amount	8,94,08,10,081.74	53,29,33,36,393.28
Account Based		
	FY 2014-15	FY 2015-16
No. of Transactions	12,66,555	4,31,38,310
Amount	1,88,89,91,682.37	1,29,35,95,43,775.97



Return reasons are standardized and published to the member banks

Recommendation of IBA on return and reject reasons implemented on June 20, 2016

Aadhaar based - Miscellaneous others to be eliminated from September 01, 2016

Account based - 1. Feedback sought from member banks for additional reasons
2. System to be modified - to include mandatory text field to provide actual reason

PFMS to align the return/reject codes of NPCI and provide only those codes to the government departments

Banks are uploading transactions with generic scheme identifier

10.2 crores of transactions have been uploaded between August 1, 2015 to June 30th , 2016 in generic code 'CPSMS'

In the absence of scheme codes incentive and charges could not be calculated and claimed. Delay payment to banks and NPCI

PMFS to provide scheme details of 10.2 crore records

PFMS to provide scheme codes in payment files on an ongoing basis



NPCI to calculate charges and incentive for DBT and claim from Government departments (OM of Department of Expenditure)

Incentive and charges payment structure to be simplified

The switching fee of Rs. 0.50 along with the fixed incentive of Rs.5.00 to be paid along with transaction settlement

Variable incentive to be calculated and paid on quarterly basis

Proposal submitted to DOE and CGA



Improve Aadhaar seeding and Aadhaar based transactions

All the State Governments to be directed to move to NACH platform

All the banks should process DBT transactions through NACH platform only



- **Implementing Aadhaar authentication at every exchange point would enable governments to track the movement of food entitlements across the PDS chain**





Ration transfer using Aadhaar



Commodities are transported from go downs to FPS. Delivery is authenticated by Route Officer



An SMS is automatically sent to all card holders informing the arrival of stock



Beneficiary approaches FPS with either the Ration Card or Aadhaar number to take ration



POS validates ration card number and displays the details of family members



Online authentication is done by sending Aadhaar number and fingerprint to UIDAI

Authentication



POS provides balance stock report to the FP Shop dealer. EPOS-MIS up to the level of individual member gets updated real-time



POS device records all transactions along with time stamp and sends the data to the central EPOS MIS server. It provides printed receipt to the beneficiaries



If details do not authenticate, exception handling is done. These include OTP, Tehsildar enrolment or FPS dealer authentication

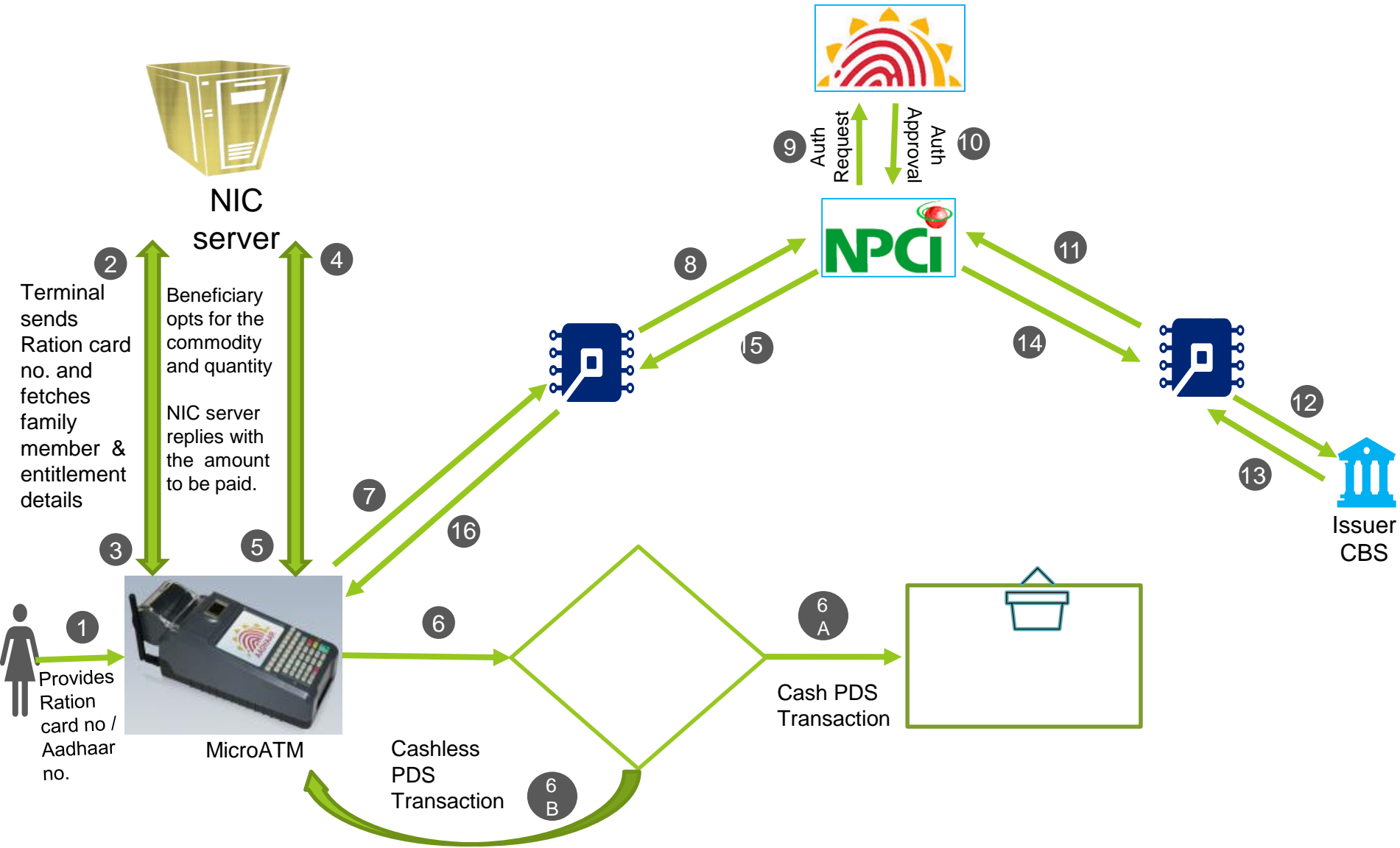


After authentication FPS dealer enters details of commodities. The transaction details are sent to EPOS server and the commodities are provided to the beneficiary .





PROCESS FLOW FOR CASHLESS AePS TRANSACTION IN PDS



Description of the activities performed by various stakeholders

State Govt	Beneficiary	NIC	MicroATM manager	Acquiring Banks	NPCI	UIDAI
Ensure the overall success of the project	Receive entitlements upon payment at subsidized prices	Maintains entitlement database for each beneficiary	Manages the microATM device	Manages the terminal device & authentication process	Acts as financial switch to facilitate the financial transaction	Provides biometric authentication services
Maintain the infrastructure at Fair Price shops		Maintains financial and entitlement transaction status				



BENEFITS WITH THE IMPLEMENTATION OF MICRO ATM/POS IN PDS

- **Financial Inclusion – PDS shop owner acts as Banking Business correspondence (BC)**
- **Reduced Leakages**
- **Increased ease of Usage- cash less mode allows user to pay exact amount**
- **Monitoring & MIS generation- Data driven analytics for usage patterns, Grievances redressal & corrective policy decision is possible**



 Thank you

