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भारत सरकार  
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्रालय  
खाद्य और सार्वजनिक वितरण विभाग  
कृषि भवन, नई दिल्ली - 110001  
GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS,  
FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION  
KRISHI BHAWAN, NEW DELHI-110001

**D.O. No. 14(7)/2014-Comp. (Pt)**

**February 10, 2015**

Dear *Sir,*

Please refer to this Department's letters of even number dated 07.11.2014, 29.12.2014 and 15.01.2015 regarding digitisation of ration cards and beneficiary database along with seeding of Aadhaar and bank account numbers therein. Besides, my do letter no. 14/12/2014/Comp. dated 11.11.2014 and 08.12.2014 regarding automation of Fair Price Shops (FPS) may also be referred.

2. I would like to inform that Government is looking forward to implement DBT for foodgrains initially in the UTs and few Districts of the States on pilot basis. For the same, any of the following 3 models could be opted for by UTs and States. For this complete digitization of beneficiary data and Aadhaar seeding is a precondition.

- i. Cash transfer of food subsidy to bank account of beneficiaries every month. The Beneficiaries may purchase foodgrains anywhere from market. For undertaking this model, there has to be adequate supply of foodgrains in the market around the year.
- ii. FPS dealers to be supplied foodgrains at MSP or near market prices. Beneficiaries purchase foodgrains from the FPSs at designated prices and all transactions are recorded on Point of sale (PoS) device. The difference of MSP/ designated price and Central Issue Price (CIP) is credited to the beneficiaries' bank accounts in advance against actual purchase from FPS.
- iii. Follow existing manual process of issuance of foodgrains, with or without PoS, aided by digitised database seeded with Aadhaar.

3. As regards Aadhaar seeding, I would request State / UT Govts. to define the process of seeding and enrolment of Aadhaar in the following manner in consultation with NIC and UIDAI/NPR:

- a. Step 1: Share ration card /beneficiary data as per NIC's prescribed standards with UIDAI/NPR. This database may or may not be Aadhaar seeded.
- b. For beneficiaries with Aadhaar seeding:
  - Step 2a: Ask UIDAI to verify the beneficiary records which are seeded with Aadhaar nos.
  - Step 2b: States/UTs to collect valid Aadhaar nos. of those beneficiaries with incorrect entries found during UIDAI's verification exercise during Step 2a.

- c. For beneficiaries without Aadhaar seeding:
  - Step 3a: Ask UIDAI to check within the Aadhaar database whether Aadhaar nos. are issued to these beneficiaries. If Aadhaar nos. were found issued, it may be seeded in the beneficiary database.
  - Step 3b: If Aadhaar nos. are not found issued to such beneficiaries, Aadhaar/NPR to setup enrolment camps for the targeted population/ locations, may be at the level of FPS.
- d. State Govt. could also look at possibility of undertaking door-to-door surveys to collect Aadhaar and bank account details.
- e. States/UTs may also look at undertaking appropriate model as suggested in Para 2 above and select a pilot district based on digitisation, Aadhaar saturation, opening of bank accounts, connectivity, foodgrains availability in the area, etc. A meeting through video-conference would be convened on 17<sup>th</sup> and 18<sup>th</sup> February 2015 with all States to discuss the above referred aspects. Exact schedule of the meeting would be conveyed shortly.

4. Similarly, beneficiaries may also not be having the bank accounts. State/UT Govts., may facilitate opening of bank accounts through Jan Dhan Yojana (JDY) with special emphasis on AAY beneficiaries. A pro-active role of the State/UT Governments in facilitation of beneficiaries in the matter of Aadhaar enrolment by arranging special counters through UIDAI and opening of new bank accounts, wherever required will be highly appreciated.

5. A progress report in this regard may please be sent to this Department on a monthly basis.

With regards

Yours sincerely,



(Deepak Kumar)

To

Principal Secretary/Secretary,  
Department of Food & Civil Supplies,  
All States/UTs