

File No.23(5)/2015-Comp(Part.I)

F. No. 23(5)/2015-Comp. Cell (Pt.-I) (E:330469)
Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Food & Public Distribution

R. No. 275, Krishi Bhawan, New Delhi – 110001

Dated: 20/08/2019

To

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

Subject: 100% e-KYC campaign at Fair Price Shops – reg.

Sir/Madam,

As you are aware that under the scheme on “End-to-End Computerization of PDS Operations”, the digitization of ration cards/beneficiaries data has helped the States/UTs in cleansing of databases upto a certain extent, and the efforts have been augmented by seeding of Aadhaar numbers of the beneficiaries with their ration cards. Presently, almost 86% ration cards (at least one member) and 81% beneficiaries’ have been seeded with Aadhaar numbers in the country.

2. Further, as per the provision of TPDS (Control) Order, 2015 it is obligatory on behalf of the State/UT Governments to regularly review the list of eligible households/beneficiaries for the purpose of deletion of ineligible households/beneficiaries or inclusion of eligible households/beneficiaries. Presently, with the availability of digitized list of all ration cards/beneficiaries and various IT based systems including e-KYC, it is now much easier to perform the periodic reviews as above and keep the active beneficiaries list up to date at all times.

3. In this regard, to help the States/UTs, this Department has prepared a suggestive procedure giving step by step procedure to perform e-KYC of beneficiaries in different scenarios(Copy annexed). It is suggested that this mechanism may initially be used at some sample FPSs (may be 25 or more) for completing 100% e-KYC of ration card holders/beneficiaries tagged to them by 31.08.2019. Thereafter, the same may be extended to all the FPSs to cover 100% beneficiaries in the State/UT by November 2019.

4. A plan of action plan in this regard may please be shared with this Department latest by 20.08.2019, and the results/findings from sample FPSs by 10.09.2019. For any support the nodal officers may kindly may reach out to Sh. Guru Prasad, Sr. Technical Director, NIC at 9490751034 / guru@nic.in or Sh. Pankaj Mishra, Pr. Consultant, CPMU at 9971152087 / cpmu.fpd@nic.in.

Yours sincerely,

Digitally signed by DINESH KUP
GUPTA
Date: Tue Aug 20 16:51:04 IST 2019
Reason: Approved

(D.K. Gupta)

Director (PD)

Tel: 011-23070429

Encl: As above.

Copy to:

1. Shri B.V.C Rao, Sr. Technical Director & HoD, NIC HQ, New Delhi
2. Shri Guru Prasad, Sr. Technical Director, NIC Central Team, Hyderabad
3. Shri Pankaj Mishra, Pr. Consultant, CPMU, D/oFPD.

Suggested procedure for 100% e-KYC campaign at sample Fair Price Shops in States/UTs

1. Introduction:

1.1. Aadhaar based e-KYC is a mechanism wherein a PDS beneficiary having Aadhaar, authorizes UIDAI server (through Biometric/OTP (Aadhaar) authentication) to provide his/her basic demographic data such as Name, Address, Date of Birth, Gender, Photograph to the State FCS Department for validation purpose. The designated officer/s in State department compare/s the data retrieved through e-KYC against the details available with the PDS database to validate and ascertain the identity of the beneficiary.

1.2. Detailed guidelines issues by this Department for validation of Aadhaar numbers seeded in PDS beneficiary database with bulk authentication and e-KYC procedure are available on National Food Security Portal (<https://nfsa.gov.in>) under Resources menu > Letters and Advisories > “Guidelines for improving validation of seeded Aadhaar with ration cards and e-KYC procedure” dated 11/01/2019. A comparison of e-KYC mechanism with Bulk-validation procedure & Aadhaar Authentication through FPS is provided in Annexure

2. Objective of e-KYC exercise:

2.1. The objective of the exercise will be to attempt e-KYC of 100% beneficiaries at selected Fair Price Shops in States that are undertaking biometric/Aadhaar based authentication through ‘ePoS enabled Fair Price’. The activity will also enable state to prepare Roll-out plan of e-KYC in the entire state

3. Guideline for selection of sample FPSs:

3.1. The exercise shall be conducted in at least 25 Fair Price Shops in the State, located in urban and rural areas, having low share of biometric authenticated transactions.

4. Suggested procedure for FPS level e-KYC campaign

4.1. Steps for carrying out e-KYC through ePoS at Fair Price Shop

- NFSA ration card holders shall be informed through posters/ pamphlets etc.that all household members having names in NFSA ration cards shall visit the Fair Price Shop to initiate e-KYC request through e-POS.
- FPS dealer shall initiate e-KYC of the visiting beneficiaries at the time of foodgrains distribution. Consent of ration card holder/beneficiary (guardian in case of minor) must be taken before e-KYC authentication.
 - Beneficiaries who have already seeded Aadhaar in ration card shall initiate e-KYC request using finger-print biometrics, IRIS through ePoS.
 - Beneficiaries who have not seeded Aadhaar in ration card, shall provisionally seed the Aadhaar after initiating e-KYC.
- FPS dealer shall request the beneficiary to inform the remaining family members to visit FPS for e-KYC during after distribution/ non-peak hours at predetermined slots/days assigned for different ration cards (the FPS dealer shall ensure that the shop remains open for required hours for facilitating e-KYC exercise and foodgrains distribution to beneficiaries is not delayed or affected in any manner).

- Beneficiaries whose attempt of biometric authentication is succeeded during the e-KYC, shall be able to immediately view their photo and demographic data retrieved from UIDAI server in the ePoS device.(Last 4 digits of Aadhaar Number, Year of Birth and only those demographic details which are actually required may be shown).
- These beneficiaries shall be intimated about the e-KYC approval status through SMS or other means. Beneficiaries whose e-KYC fails shall be flagged for further physical verification.
- Beneficiaries, whose e-KYC is denied due to failure of biometric authentication, even after repeated attempts, shall also be flagged for physical verification. However, the FPS dealer shall ensure that no genuine beneficiary is denied foodgrains due to failure of biometric authentication. The e-KYC cycle shall be repeated each month for left-out beneficiaries.
- FPS dealer shall be given a pre-printed sheet containing list of ration card numbers, beneficiary names and Aadhaar seeding status for capturing the progress of e-KYC and for submission of following detail by the end of each month:
 - Ration card/beneficiaries who reported to not having Aadhaar (including children)
 - Ration card/Beneficiaries who have successfully undertaken e-KYC
 - Genuine cases of Aadhaar authentication failure
 - Ration card/beneficiaries who did not turn-up for e-KYC, along with reported reasons.

4.2. Steps for carrying out e-KYC at doorstep for left- out beneficiaries

During the third month attempt shall be made to reach out to remaining beneficiaries through door to door visits.

- Pre-printed sheet containing list of households/beneficiaries who did not come to FPSs for e-KYC, shall be provided to State F&CS Department functionary along with their address.
- The State F&CS Department functionary and FPS dealer shall undertake door-to-door visits to cover the remaining households along with ePoS device for facilitating e-KYC at their doorsteps. Such beneficiary e-KYC may be attempted using different ePoS device and analysis may be done to find out the reasons for earlier failed authentication.
- Support from Vigilance Committee members and other Village functionaries such as Anganwadi workers, ASHA workers and Gram Sevaks etc. shall be taken to ensure identification and coverage of all remaining households/ members during door-to-door e-KYC.
- By end of the month, the State FCS functionary shall submit report to FCS office with following details
 - Members found during door-to-door visits
 - Members who initiated e-KYC
 - Members who did not have Aadhaar (including children)
 - Households/ Members not found during door-to-door visits
 - Death cases
 - Member migration due to marriage
 - Migration by household/member
 - Household/ members do not exist
 - Other reasons
- The report may be also shared with VC members and Social audit team for further verification, before taking any further action.

4.3. Steps for FCS staff for approval/ verification mechanism

- Once e-KYC is initiated at the beneficiary's end, and photo & demographic details fetched from CIDR will be visible to the concerned Officer in ration card management system.
- The designated officer at block/ sub-district level shall login with their credentials for matching the records fetched from CIDR with that available at PDS database.
- Officer will examine each case closely to
 - Flag matching/ nearly matching cases as e-KYC compliant or
 - Flag rest of the cases for physical verification.
- Officers will complete the physical verification and will flag ration card/ beneficiary into following categories
 - e-KYC compliant cases
 - Mismatch cases deleted after field verification
- e-KYC approval status will be intimated to beneficiaries through SMS or other means
- The district level authority will check and validate 10% of the cases approved by block/ sub-district level authority.

5. Suggested format for reporting of findings:

After undertaking the exercise suggested above for a period of three months, State govt. shall submit the report to the Department of Food and Public Distribution in the following format.

Key findings of e-KYC exercise in sample FPS

Name of the State	
Total number of districts covered	
Total number of FPS covered	
Total ration cards tagged to sample FPS	

Sl.	Key reporting indicators	No. of NFSA beneficiaries
1	Beneficiaries tagged to FPS	
2	e-KYC compliant cases	
3	Totally mis-match either in name/ demographic information or Aadhaar details	
4	Genuine bio-authentication failure cases	
5	Death cases	
6	Migration after marriage/ others	
7	Do not have Aadhaar- Children	
8	Do not have Aadhaar- Adults	
9	Households/ beneficiaries not found	
10	<u>Other reasons</u>	

Annexure-1: Comparison of e-KYC mechanism with Bulk-validation procedure & Aadhaar Authentication

Sl.	Mechanism	Details Sent to CIDR (UIDAI Server)	Response Received from CIDR
1	Biometric Authentication by beneficiary at FPS	a) UID number of the beneficiary b) His/her Biometric details	Yes/No against each attempt depending upon whether UID number and biometrics match.
2	Bulk Authentication by Dept.	a) UID numbers of the beneficiaries b) Their Demographic details (Beneficiary Name, Gender, Age/Date of Birth/ Year of Birth, etc.)	Yes/No against each beneficiary, depending upon if the demographic details available in UIDAI server against the UID number matches the details sent by the department.
3	e-KYC by beneficiary	a) UID number of the beneficiary b) His/her Biometric details	If UID number and biometrics match, then photo & demographic details as per UIDAI database pertaining to the UID no. is sent to the Dept. The department matches the details sent by UIDAI with that available in Dept. database to validate the beneficiary.
