

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**TERMS OF REFERENCE OF TASK FORCE FOR DIRECT TRANSFER  
OF SUBSIDIES EXPANDED TO INCLUDE AN AADHAAR-ENABLED  
UNIFIED PAYMENT INFRASTRUCTURE**

**New Delhi, Bhadrpada 29, 1933  
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The terms of reference of the Task Force under the Chairmanship of Shri Nandan Nilekani, Chairman, Unique Identification Authority of India (UIDAI) has been expended to include an Aadhaar-enabled unified payment infrastructure. The said Task Force was constituted by the Ministry of Finance in February 2011 to recommend and implement a solution for direct transfer of subsidies on Kerosene, LPG and Fertilizer to the intended beneficiaries.

It has been now decided to extend the Terms of Reference of the aforesaid Task Force so as to include the following:

- i Recommend a detailed solution architecture for direct transfer of subsidy wherein Ministries and State Governments through a payments bridge can transfer funds into any Aadhaar-enabled bank account on the basis of the Aadhaar number;
- ii Recommend an architecture for e-banking through interoperable Business Correspondents and examine alignment of current standards for devices that will be deployed by them;

- iii Recommend an architecture to align the recommendations of the Inter-Ministerial Group on a Framework for the Delivery of Basic Financial Services using Mobile Phones with Aadhaar enabled payments infrastructure;
- iv Recommend a solution that incorporates a robust, customer support and grievance redressal mechanism;
- v Recommend the feasibility of extending the solution architecture to include payment instruments apart from bank accounts and post office savings bank accounts to facilitate the fostering of e-commerce;
- vi Oversee and evaluate the implementation of the solution proposed on a pilot basis through the concerned Implementing Ministries, as and when approved by E-GoM; and
- vii Suggest a common framework to adopt the above solution to all Government welfare schemes involving disbursements to individual beneficiaries. The solutions devised by the Task Force should ensure that the entire country can leverage the same payments platforms.
- viii Recommend an approach to harmonize various exercises related to opening bank accounts for financial inclusion and electronic benefit transfers;
- ix Identify and recommend amendments, if any, required to existing Government payment and accounting procedures to enable direct subsidy transfers.

The solutions devised by the Task Force may necessarily be incentive-compatible for all stakeholders in payments processing, respect beneficiary choice, drive competition, be fully interoperable and should be an implementable solution;

For the purpose of this extended Terms of Reference, the Task Force will have the following as additional members:

- i A representative of the Reserve Bank of India;

- ii A representative of the Indian Banks Association;
- iii Director General, NIC;
- iv Controller General of Accounts (CGA) or his representative; and
- v CEO, National Payments Corporation of India (NPCI).

The Task Force may also co-opt other members who are, inter alia, industry experts, academicians and domain specialists to the Task Force based on necessity.

The Task Force will submit its ***Final Report*** on the extended Terms of Reference within three months of the extension of the Terms of Reference. During this period, along with other pilots, the current pilots being undertaken by the Ministries implementing the Interim Report of the Task Force on Direct transfer of subsidies on Kerosene, LPG and Fertiliser will need to be aligned.

The recommendations of the Final Report on Aadhaar enabled payment infrastructure may also be incorporated in the Final Report of the Task Force on Direct Transfer of subsidies on Kerosene, LPG and Fertiliser.

The Department of Financial Services (DFS) may provide secretarial assistance to the Task Force for this particular mandate. A Joint Secretary from DFS will be nominated to function as the nodal officer.

**DSM/SS/GN**