

# ON SHAKY GROUND?

## Aadhaar-based cash transfer

The government has announced a road map to implement Aadhaar-based direct cash transfer across the country by April 1, 2014. A closer look at the current enrolment status, however, indicates the target might not be realistic. Also, people in only a few states could benefit

### 1 The road map...

- Jan 1, 2013: Project to be rolled out in 51 districts
- Apr 1, 2013: 18 states to be covered
- Apr 1, 2014: Coverage to be extended to the entire country

### 2 ... But, where's the number?

- Sep 29, 2010: First Aadhaar number issued
- 222,664,291: Total Aadhaar numbers issued so far (18.4% of the country's population as of 2011)
- 20 mn: Total monthly enrolment potential
- 40%: The share of Andhra Pradesh and Maharashtra in the total Aadhaar numbers issued so far
- Uneven show: Penetration in most other states remains weak

#### Who stands where | Coverage in 10 most populous states

State	Penetration	Population ('11)	In brackets (% reach)
Uttar Pradesh	9,872,642	199,581,477	(4.9)
Maharashtra	40,359,232	112,372,972	(35.9)
Bihar	2,097,923	103,804,637	(2.0)
West Bengal	5,517,777	91,347,736	(6.0)
Andhra Pradesh	47,995,180	84,665,533	(56.7)
Madhya Pradesh	12,866,870	72,597,565	(17.7)
Tamil Nadu	6,998,844	72,138,958	(9.7)
Rajasthan	9,730,930	68,621,012	(14.2)
Karnataka	15,943,715	61,130,704	(26.1)
Gujarat	5,743,845	60,383,628	(9.5)

### 3 And, there are ambitious plans...

- Wide range:** Aadhaar is planned to be used across schemes to make payments of pension, MNREGA wages, PDS distribution, scholarship payouts and healthcare benefits
- Subsidy:** Transfer of LPG subsidy is also on the list, though food and fertiliser subsidies have been kept out for now

### 4 ... But there are challenges, too

- Greater participation:** States' participation in Aadhaar enrolment and coverage of schemes would be necessary
- Operational hurdles:** Implementing direct cash transfer with less than 80% overall penetration may lead to problems. Also, the weak Aadhaar coverage in some age groups shows implementation of schemes like pension transfer may be difficult

#### Share of various age groups in Aadhaar coverage

