

Direct Benefit Transfer- An Innovative approach to Financial Inclusion in India

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Abstract: Financial inclusion is one of the innovative approach to reach the financial services and reach the benefits to the unreached and uncovered people in the country. Pradhan Mantri Jan Dhan Yojana (henceforth PMJDY) provides bank account to the people without maintaining minimum balance which helps to open 18.51 cr bank account as on March, 2018. Aadhaar facilitates to find out the real beneficiaries of the Government schemes and benefits. Direct Benefit Transfer (henceforth DBT) is one of the effective systems which reduce or avoid middleman in between the Government and beneficiaries. The present study is focused on to analyse the DBT as an innovative approach to the Financial Inclusion in India under various key programmes implemented in India. In which, researcher has studied the penetration of Aadhaar among the rural and urban beneficiaries and extent of DBT reached among the beneficiaries in terms of cumulative savings and gains through various DBT schemes.

Keywords: Financial Inclusion, PMJDY, Aadhaar, Direct Benefit Transfer, Pratyaksha Hastaantarit Laabh (PAHAL), National Social Assistance Programme (NSAP), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Student Scholarship.

1. INTRODUCTION

Financial inclusion is the pursuit of making financial services accessible at affordable costs to all the individuals businesses, irrespective of net worth and size. Financial inclusion strives to address and proffer solutions to the constraints that exclude people from participating in the financial sector. It is also called inclusive financing. Financial innovation has come through advances over time in financial instruments and payment systems used in the lending and borrowing of funds. The Pradhan Mantri Jan Dhan Yojana (PMJDY) is a financial inclusion programme that aims at expanding and making affordable access to financial services to the last man in the row. Since its launch on August 15, 2014 till March, 2018, over 31 cr bank accounts were opened and over Rs 7.85 cr were deposited under the scheme. Nearly one in three Indians does not have access to a bank account and one in seven does not have access to credit. These ratios would be much poorer for the eastern and north-eastern parts of the country. Financially excluded or barely included, the choices faced by these people should be an important consideration in the current debate on linking Aadhaar to bank accounts. A centralized database and authentication system, like Aadhaar, is better than a distributed system where each bank builds and maintains the biometric database of its own customers. Collecting the biometric information of a customer is a long and expensive process. The high entry costs associated with a distributed system make moving one's account between banks a cumbersome process. A Centralized system, like Aadhaar Enabled Payment System (henceforth AEPS), makes it easy for a new financial services provider to plug in and launch its services. A widespread network of agents associated with different banks, operating on AEPS, would expand the choice set for the customer, increase competition and improve customer service. Flexibility in using the branch, agent or biometric Automated Teller Machine (henceforth ATM) to access bank account would put such a customer on an equal footing with the customers who access the existing network of ATMs using a card and Personal Identification Number (PIN) for authentication. The choice of authentication system would no longer define the extent of access to the banking network.

1.1 Direct Benefit Transfer in India

Both the central and state governments in India operate a vast array of cash and in-kind transfers to protect its poor. But these social protection schemes often suffer from substantial leakages and poor targeting, distort market functioning by subsidising prices and thereby impose significant fiscal stress without commensurate social benefits. India is seeking to port these subsidies into direct-to-beneficiary transfers, often called Direct Benefit Transfers or DBT. Implementing DBT should be a means to an end, not only to reduce leakages in the Indian subsidy system, but also to ensure that the targeted poor and vulnerable in society get timely transfers at low cost in time and money. The primary aim of this Direct Benefit Transfer program is to bring

transparency and terminate pilferage from distribution of funds sponsored by Central Government of India. In DBT, benefit or subsidy will be directly transferred to citizens living below poverty line. Central Plan Scheme Monitoring System (henceforth CPSMS), being implemented by the Office of Controller General of Accounts, will act as the common platform for routing DBT. CPSMS can be used for the preparation of beneficiary list, digitally signing the same and processing of payments in the bank accounts of the beneficiary using the Aadhaar Payment Bridge of National Payments Corporation of India (NPCI).

1.2 History of Direct Benefit Transfer

The program was launched in selected cities of India on 1 January 2013. It was launched in 20 districts, covering scholarships and social security pensions initially. Former Union Minister for Rural Development of India Jairam Ramesh and former Chief Minister of Andhra Pradesh N. Kiran Kumar Reddy inaugurated the scheme at Gollaprolu in East Godavari district on 6 January 2013. The government has decided to review the progress on regular basis. The first review was scheduled to be undertaken on 15 January, 2013. According to P. Chidambaram, former Union Minister of Finance, Government of India, the scheme rolled out across 11 more districts by 1 February and 12 more districts by 1 March 2013. In April 2013 the government decided to extend the DBT scheme in 78 more districts of the country from July 1, 2013. The decision was taken by then Prime Minister Dr. Manmohan Singh after a review meeting. The 78 new districts included 6 districts each from Uttar Pradesh and Himachal Pradesh, 3 each from Bihar and Tamil Nadu, 2 from West Bengal and 4 each from Odisha and Gujarat. In a review by the Prime Minister's Office on 5 August 2013, the minutes reported that two schemes dominated transfers through CPSMS around 83 percent of all transfers were for the Janani Suraksha Yojana and scholarships. Lack of computerized records for schemes to be linked to DBT was hindering rollout. The minutes show that out of 39.76 lakh beneficiaries who ought to have been covered under various schemes, only 56 percent had bank accounts, 25.3 percent had both bank accounts and Aadhaar numbers, but only 9.62 percent have bank accounts seeded with Aadhaar numbers.

1.3 Major Schemes of Direct Benefit Transfer

On June 1, 2013, the minister of Petroleum & Natural Gas, M Veerappa Moily formally launched the scheme direct benefit transfer for LPG (DBTL) Scheme in 20 high Aadhaar coverage districts. The subsidy on LPG cylinders will be credited directly to consumers' Aadhaar-linked bank accounts. All Aadhaar-linked domestic LPG consumers will get an advance in their bank account as soon as they book the first subsidized cylinder before delivery. Modified Version of DBTL Scheme (November 2014) Government of India Introduced Modified Direct Benefit Transfer of LPG (modified DBTL) scheme in 54 districts in 11 states including all in Kerala starting November 15, 2014 whereby LPG consumers who have not yet availed the benefit will be able to get cash subsidy amount transferred into their accounts to buy Liquefied Petroleum Gas (LPG) cylinders at market price. Followed by the LPG subsidies scheme the Government of India associated with the major schemes such as

- Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA),
- National Social Assistance Programme (NSAP),
- Public Distribution System (PDS),
- Student Scholarship Schemes

As on November, 2018 DBT has been implemented in 433 schemes from 46 ministries of Central Government of India.

2. REVIEW OF LITERATURE

Some of the review of literature have been undertaken to understand the financial inclusion Direct Benefit Transfer (DBT) and social sector schemes. The following review has been categories into financial inclusion, Direct Benefit Transfer etc.

Singh & Nisha (2014), in their study established a direct relationship between human development and financial inclusion. They further highlighted the importance of physical infrastructure for connectivity and information and Government policies for financial inclusion.

Paramasivan C and Ganeshkumar V (2013), they recommended the banking technology has progressed fast enough and more importantly the realization that the poor is bankable has the poor can access bank. Various measures which the government of India should implement or which are under implementations but should be executed in a more effective manner through micro finance institutions, business facilitators and business correspondents. Our very old post offices will be an ideal channel to pursue the future long term goals of agency banking especially in rural India.

Santosh, Subrahmanyam and Narayana Reddy (2016), in their study entitled, "Major Milestones of Financial Inclusion in India- An Analytical Study" in this article, revealed that Financial Inclusion is not a onetime effort, it is an ongoing process. It is a huge project which requires concerted and team efforts from all the stakeholders – the Government, Financial Institutions, the regulators, the private sector and the community at large. Among the initiatives taken by the Government/RBI in that the two major milestones Self Help Group (SHG) Bank Linkage Programme and PMJDY plays a major role for achieving of greater

financial inclusion in India. These two steps were the main objective are to provide financial services to the excluded segment of the society such as weaker sections and low income groups.

Kumar Bijoy (2018), has recommended to policy makers to concentrate on the creation of job opportunities for all to have complete financial inclusion in India. There is a need to strengthen the financial infrastructure for delivery of financial services at the doorstep of all. However, the study finds through primary survey that the low income groups are even not able to utilize the existing financial structure due to lack of sufficient sustainable income. Government efforts can only open bank accounts for the poor but cannot make them active accounts.

Neha Sharma (2017), has concluded that at implementation level, there still exists scope for improvement. Also, improvement in financial awareness can indirectly help in successful implementation of this scheme. DBT Policy is pro-poor policy which can surely accomplish the anticipation of the stakeholders (Both the people and the government). The scheme may not fully eliminate the all anomalies but will surely bring some principal changes in the delivery of benefits. It will surely eliminate the growth of black marketing. Also, it will enhance the standard of living of people or for now provide some really deprived ones the basics of the life by providing them access to cash.

Assocham (2017), biometric cards have facilitated disbursement of as much as Rs 83,184 crore to beneficiaries of Direct Benefit Transfer (DBT) schemes without the notorious leakages of the past. "Real benefit of Jan Dhan and Aadhaar is finally reflected in the number of beneficiaries of government DBT schemes. The amount of funds transferred under DBT schemes between 1st January 2013 and 31st March 2017 is Rs 83,183.79 cr," completion of three years of the Pradhan Mantri Jan Dhan Yojana (PMJDY) scheme for financial inclusion. DBT schemes have resulted in weeding out of 3.34 crore duplicate consumers under PAHAL and a further 2.33 crore ration cards being deleted. Total savings under DBT have been Rs 49,500 cr till December 2016. Total subsidy paid under DBT in 2016-17 is Rs 74,502 cr. Cash subsidy paid under DBT is expected to increase to Rs 1 lakh crore subsequently.

Rajasekaram N (2018), has concluded and suggested that Basic Savings Bank Deposit Account (BSBDA) accounts and DBT have made considerable growth in including the people who were financially excluded. The government of India has overcome the barrier of "Lack of legal documents" by issuing Aadhaar number to everyone. Now the banks are accepting the Aadhaar card as a legal document for an opening bank account. RBI has identified five target groups of people for improving the financial literacy level and conducted many outbound camps. No Frill and Basic Service Demat Account (BDSA) were created for serving the poor people.

Aman Sharma (2018), The Government of India is estimated to save amount of Rs. 82,985 cr by expanding DBT schemes. The scheme, which entails transfer of subsidies straight into the bank accounts of beneficiaries, Government of India saved amounted to Rs. 25,956 cr by removing fake account holder as per the latest government figures. The figure represents an increase of more than 45 percent over Rs. 57,029 cr till March 2017 that the Prime Minister Narendra Modi mentioned.

Sakthivel N and Mayilsamy R (2018), in their study they suggested that the government may consider to increase the subsidy amount because of the beneficiaries are feeling low amount of subsidies claimed and to liberalise the rule. The gas agencies may pay attention on the payment due to extra charge collected from the customers on the delivery time. The Ministry of Petroleum and Natural Gas has undertaken several innovative measures such as guardian officers for each district, development of technology for use of SMS, and a single window portal to enable consumers to join the scheme. This portal is an important step in bringing transparency and gives details of who is benefiting from subsidy.

Korde (2015), opined that in the implementation of DBT only very few Aadhaar enabled with accounts, low accessibility to banking service, and low level of awareness of the scheme. Most rural people are not aware about this scheme and remaining are highly dependent on others to avail banking services, so that they can easily get benefit as they do not feel safe while transacting through others. Other issues like transfer of subsidy to female members' accounts need to be addressed as cases are of misuse of finance by male members' government requires giving attention on these issues for better implementation and fruitful results.

Kumar (2016), opined that the main objective of DBTL scheme of every organization is to increase the number of satisfied customers so that to increase loyalty as well as revenue. The awareness about the DBTL is very high as 98 percent customers get information and satisfaction with DBTL services provided by the company, distributors, bank and helpline. Customers are linked with their bank account with Aadhaar.

Mani Goswami (2016), has mentioned about the progress of overall growth and strengthening of the economy by way of creating a robust framework of financial inclusion. Between 2011 and 2014, due to the sustained efforts from the government as well as the regulator, bank account penetration increased from 35 percent to 53 percent. In absolute terms, 175 million new bank account holders were added during this period. India's unbanked population has more than halved to 233 million in 2015 from 557 million in 2011, according to a report prepared by PricewaterhouseCoopers India for the Internet and Mobile Association of India (IAMAI) and Payments Council of India (PCI). Raising the level of acceptance of technology by customers will require sustained financial literacy initiatives on the part of bankers. Financial inclusion without financial literacy has no meaning as the stakeholders cannot grasp the benefits/ risks associated.

Selvam V and Velmurugan G (2015), People should be given proper awareness about the scheme by the village panchayats. This can be achieved through the effective participation of the panchayat and the educated youth in the villages. Proper awareness programme can be conducted at village level through educational institutions, non-governmental organizations, self-help groups so that the government can eliminate the misconceptions about the scheme to be implemented in the villages. The officials' in charge for enrollment can give a clear picture about the technology involved in this scheme as well.

3. DATA ANALYSIS AND FINDINGS

3.1 Growth of schemes under Direct Benefit Transfer

Growth in terms of No. of schemes incorporated with the roof of DBT is ever increasing. The following table clearly stated that the scheme wise growth of DBT between 2013 and 2018 in India.

Table 1: Growth of Schemes under Direct Benefit Transfer in India

S. No	Year	Schemes	CAGR
1.	2013-14	28	57.84
2.	2014-15	34	
3.	2015-16	59	
4.	2016-17	142	
5.	2017-18	437	
6.	2018-19	433	

Source: govbhatat.gov.in progress report 2018-19

The above table indicates the total number of schemes merged with Direct Benefit Transfer programme from 2013-14 to 2018-19. The compound Annual Growth Rate for total scheme has calculated as 58 percent which shows the great achievement made by the Government of India. It is increased from 28 No. of schemes in 2013-14 to 433 No. of schemes in 2018-19. It has been given in the following graphical explanation.

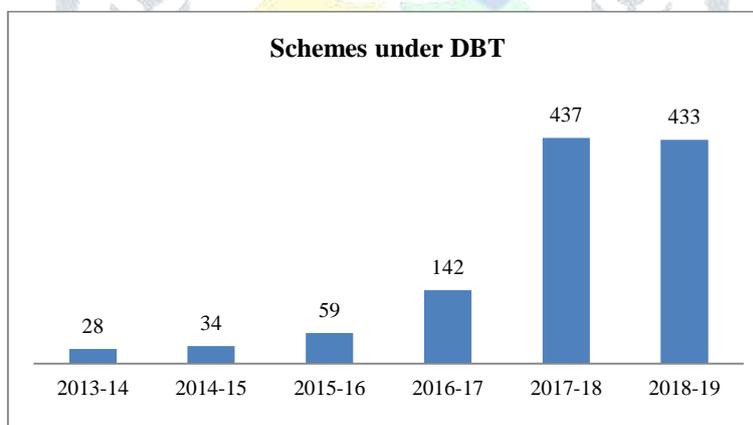


Chart No. 1 (Source -govbhatat.gov.in progress report 2018-19)

3.2 Growth of No. of Beneficiaries under DBT in India

Number of beneficiaries under DBT through various schemes is one of the significant components for measuring growth of DBT. The following table presents the year wise member of beneficiaries under DBT through various schemes from 2013 to 2019 in India.

Table 2: Growth of No. of Beneficiaries under DBT in India

S. No	Year & Schemes	(In Crore)						
		PMAYG	Scholarship Schemes	NSAP	MGNREGS	PAHAL	Others	Total
1	2013-14	NA	0.35	0.55	NA	9.8	0.1	10.8

2	2014-15	NA	0.67	2.54	4.66	14.85	0.1	22.8
3	2015-16	NA	0.92	2.92	10.37	16.62	0.4	31.2
4	2016-17	NA	2.25	2.76	11.15	18.73	0.8	35.73
5	2017-18	0.58	2.3	2.97	11.43	22.42	84.28	124
6	2018-19	0.88	0.29	3.01	11.53	23.01	91.21	130

Sources: govbhatat.gov.in progress report 2018-19

The above table infer that there was steady and consistent growth in No. of beneficiaries under DBT through various schemes in India from 2013 to 2017. But there was sudden drastic growth in No. of beneficiaries after implementation of PMAY in 2017 which increased 124 cr of beneficiaries and it has torched 130 cr beneficiaries in 2018-19. The same has been given in graphical form.

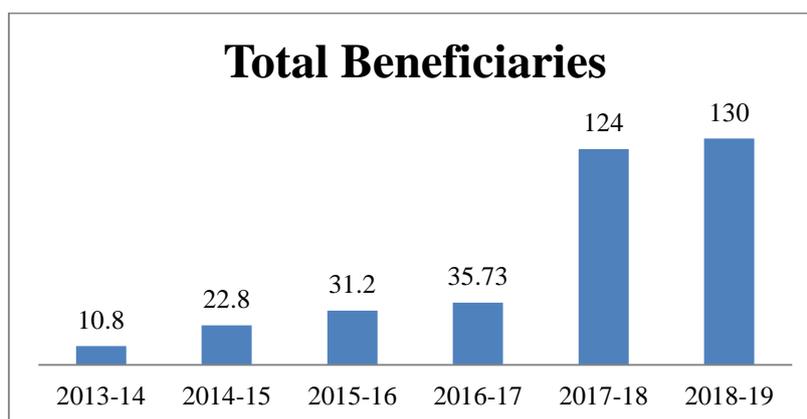


Chart No. 2 (Source - govbhatat.gov.in progress report 2018-19)

3.3 Transfer Funds under DBT through various programmes in India

It is also important parameter of growth of DBT is fund transfer to the beneficiaries under various key programmes under DBT to the beneficiaries between 2013 and 2018 is represented in the following table.

Table 3: Fund Transfer of various programme under DBT in India

(In Crore)

S. No	Year & Schemes	PMAYG	Scholarship Schemes	NSAP	MGNREGS	PAHAL	Others	Total
1	2013-14	NA	NA	906.2	NA	5394.9	1066.59	7367.7
2	2014-15	NA	NA	6049.4	20010.1	9384.41	3482.26	38926.2
3	2015-16	NA	5119.04	8364.7	25861.8	21421	1175.95	61942.4
4	2016-17	NA	12859.6	5410	37311.9	15876.5	3231.36	74689.4
5	2017-18	65237.5	11660.5	9684.7	33751.3	23502.4	47034.5	190870.9
6	2018-19	27417.1	3024.68	3954	16138.3	19312.7	68447.2	159880

Sources: govbhatat.gov.in progress report 2018-19

The above table discloses the year wise fund transfer to beneficiaries till 2018-19. It is clear that there is a substantial increase in fund transfer. The total fund transfer is amount of 7367.7 Cr in 2013-14 to 159880 Cr in 2018-19 till November, 2018. It was also found that there was steady increase in fund transfer from 2013-14 to 2017-18, but there was sudden decline in the fund transfer under DBT through various schemes in 2018-19. It may be inferred that the removal of illegal or fake accounts may be caused for decline in found transfer in the specific year 2018- 19.

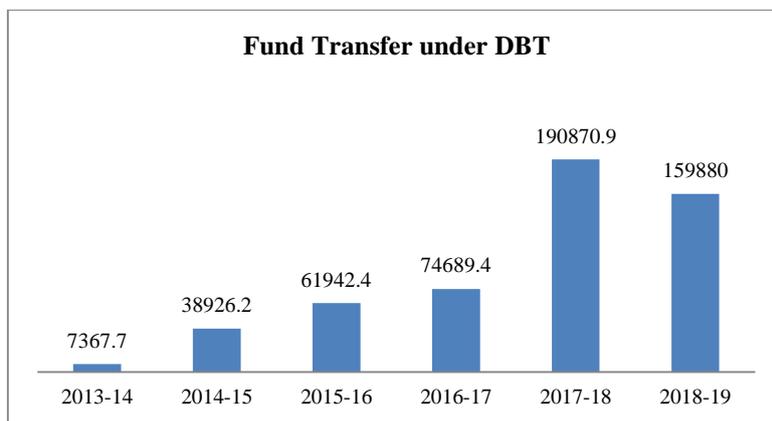


Chart No. 3 Sources- govbhatat.gov.in progress report 2018-19

3.4 DBT & Other Governance Reforms

The following table describes the various scheme wise the gains attained by the beneficiaries in terms of savings in cumulative aspects upto the recent period of March, 2018.

Table 4: Gains from Direct Benefit Transfer in India upto March- 2018

S. No.	Scheme	Savings / Benefits (In Cr.)			
		Cumulative upto March 2017	In Percentage	Cumulative upto March 2018	In Percentage
1	PAHAL	29,769	52	42,275	47
2	PDS	14,000	25	29,708	24
3	MGNREGS	11,741	21	16,073	21
4	NSAP	399	1	438.6	1
5	Scholarship Schemes	-	-	397.42	0.5
6	Others	1,120	2	1,120.69	0.5
Total		57,029		90,012.71	

Sources: govbhatat.gov.in progress report

The above table reveals the estimated benefit/gains from Direct Benefit Transfer programme in India till March, 2018. After merging various schemes with DBT programme there are more fake, duplicate beneficiaries accounts had been stopped by the Government of India. The table shows around Rs. 90012 Cr is estimated to save upto March, 2018. The very popular schemes of PAHAL and PDS are having highest amount of Rs. 42275 Cr and Rs. 29708 Cr were estimated to save after removal of non-existent, fake and duplicate account holders. It is also given in the term of graphical illustration in the following chart.

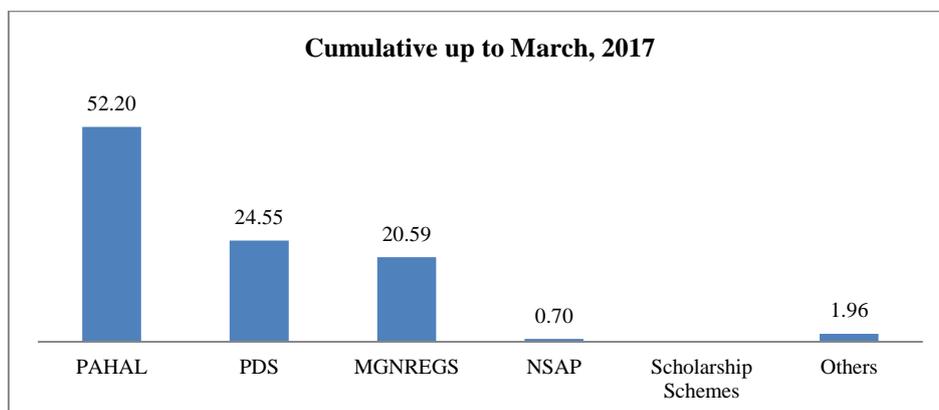


Chart No. 4 (Sources: govbhatat.gov.in progress report)

3.5 Removal of Illegal Accounts under DBT

It has been considered one of the achievements of Government of India in the implementation of and linked under DBT. There was lot of duplicate, fake and non- existent accounts in various schemes. That have been identified and removal from the beneficiaries list. Those details are given in the following table.

Table 5: Removal of Illegal Accounts under DBT upto March- 2018

S. No.	Scheme	Magnitude of illegal Accounts
1	PAHAL	3.79 crore duplicate, fake/ non-existent, inactive LPG connections eliminated. In addition 2.22 crore consumers stopped claiming subsidy (including 1.04 crore 'Give It Up' consumers).
2	PDS	Deletion of 2.75 crore duplicate and fake/ non-existent Ration Cards (including some due to migration, death etc.)
3	MGNREGS	Based on field studies, Ministry has estimated 10Percentage savings on wages on account of deletion of duplicate, fake/ non-existent, ineligible beneficiaries.
4	NSAP	Deletion of 2.2 lakh duplicate, fake/ non-existent, ineligible beneficiaries (including some due to migration, death etc.).
5	Scholarship Schemes	Deletion of 5.26 lakh duplicate, fake/ non-existent beneficiaries.
		Deletion of 1.79 lakh duplicate, fake/ non-existent beneficiaries.

Sources: govhatat.gov.in progress report 2018

The table indicates the progress report on deletion of fake, duplicate and non-existent beneficiaries under the programme of Direct Benefit Transfer. In which, 3.79 Cr fake, duplicate of LPG connections eliminated by the Government of India. In addition, there are 2.22 Cr consumers' LPG subsidies have been stopped since November, 2018. Followed by the Public Distribution System (PDS) there are 2.75 Cr fake Ration Cards deleted due to migration and death etc. Based on the field studies, the ministry has eliminated 10 Percentage savings on MGNREGS account of deletion of duplicate ineligible beneficiaries in India. More than 2 lakh members' accounts were identified as duplicate, non- existent and non- eligible persons under NSAP, Scholarship Scheme were removal from the beneficiaries list by the Government of India.

3.6 Progress of Pradhan Mantri Jan Dhan Yojana

The progress of PMJDY is given in the following table in terms of no. of beneficiaries in rural and urban areas public and private banks in India. It also gives the details of deposits accounts in respective banks in the following table.

Table 6: Progress of Pradhan Mantri Jan Dhan Yojana (PMJDY) in India as on March, 2018

Bank Category wise Report								
Bank Name / Type	Number of Beneficiaries at rural/semi urban centre bank branches	Percentage	Number of Beneficiaries at urban metro centre bank branches	Percentage	Deposits in Accounts(In lac)	Percentage	Number of Rupay Debit Cards issued to beneficiaries	Percentage
Public Sector Banks	136690128	73.81	117492446	90.91	6302187.35	80.29	190615766	80.59
Regional Rural Banks	42508133	22.95	7844862	6.07	1329632.41	16.94	36722513	15.52
Private Sector Banks	5997845	3.24	3905715	3.02	217579.48	2.77	9196730	3.89

Total	185196106	100	129243023	100	7849399.24	100	236535009	100
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Sources: pmjdy.gov.in Progress report, 2018.

The above table indicates the progress of Pradhan Mantri Jan Dhan Yjana as on March, 2018. There are 185196106 Cr beneficiaries in rural / semi urban centre bank branches in India. In which, 74 percent of beneficiaries account is covered by the Public Sector Bank, 23 percent is covered by Regional Rural Bank and 3 percent covered by Private Sector Bank. The total numbers of beneficiaries are 129243023 Cr at urban metro centre bank branches. The highest percent of 91 has covered by the Public Sector Bank, 6 percent is covered by the Regional Rural Bank and 3.24 percent is covered by Private Sector Bank. The above table clear that the total amount of Rs. 7849399.24 lakh is deposited into all bank account holders. The highest percent of 80 lakh amount is deposited in Public Sector Bank, the total amount of 17 percent is deposited in Regional Rural Bank and the amount of 3 percent is deposited in Private Sector Bank. As per the instruction given by the government of India those who are opening the Jan Dhan Account the bank must give Rupay card for all beneficiaries. There are total numbers of 236535009 Rupay Debit card issued to all the beneficiaries. In which, 81 percent of Rupay Debit cards are issued by the Public Sector Bank, 16 percent and 4 percent Rupay Debit Cards are issued by Regional Rural Bank and Private Sector Bank respectively. The graphical illustration of the progress of PMJDY is given in the following graph.

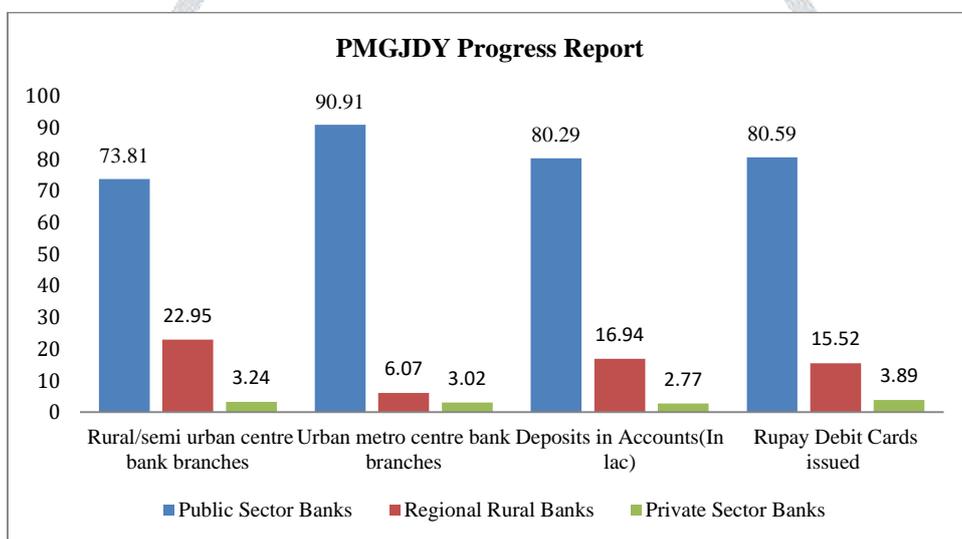


Chart No. 5 (Sources: pmjdy.gov.in Progress report, 2018.)

3.7 Aadhaar Saturation in India

Under the Direct Benefit Transfer (DBT) program, in India, the digitized government payments process begins with Aadhaar, a unique identification (UID) number for all of India’s 1.2 billion residents. In 2009, the Indian government, under an executive order, set up the Unique Identification Authority of India (UIDAI) to issue the UID number to all residents. The number is linked to their biometric data (fingerprints, iris images and photos). The Aadhaar UID number is intended to serve as proof of identity, age and residence. The number can be used to open bank accounts and register mobile phone accounts. It can enable eligible residents to more easily access a variety of social security benefits and subsidies, including food, cooking gas (LPG), government pensions and scholarships. The detailed report of the Aadhaar penetration is as follows.

Table 7: State /UT wise Aadhaar Saturation October, 2018

S. No	State Name	Total population (Projected 2018)	Numbers of Aadhaar assigned	Saturation in percentage
State with cent Per cent Aadhaar Penetration				
1	Delhi	18,345,784	21771316	118.7
2	Haryana*	27,388,008	28416816	103.8

3	Himachal Pradesh*	7,316,708	7494254	102.4
4	Goa*	1,542,750	1578797	102.3
5	Kerala	35,330,888	36088627	102.1
6	Punjab*	29,611,935	30238546	102.1
7	Chandigarh*	1,126,705	1144587	101.6
8	Telangana	38,472,769	38835422	100.9
State with 80 - 100 Per cent Aadhaar Penetration				
9	Dadra & Nagar Haveli	378,979	375080	99
10	Uttarakhand	11,090,425	10971365	98.9
11	Lakshadweep	71,218	69824	98
12	Daman & Diu*	220,084	212950	96.8
13	Gujarat*	63,907,200	61298270	95.9
14	Puducherry	1,375,592	1295928	94.2
15	A & N Islands	419,978	395128	94.1
16	Chhattisgarh	28,566,990	26848788	94
17	West Bengal	97,694,960	91664941	93.8
18	Tamil Nadu	76,481,545	71510406	93.5
19	Maharashtra	120,837,347	112828077	93.4
20	Odisha	45,429,399	42387505	93.3
21	Karnataka	66,165,886	61426964	92.8
22	Jharkhand	37,329,128	34649739	92.8
23	Andhra Pradesh*	52,883,163	48807824	92.3
24	Madhya Pradesh	82,342,793	74326338	90.3
25	Tripura	4,057,847	3646690	89.9
26	Mizoram	1,205,974	1064674	88.3
27	Uttar Pradesh*	228,959,599	201320890	87.9
28	Sikkim	671,720	588814	87.7
29	Rajasthan	78,230,816	68039176	87
30	Bihar	119,461,013	100823589	84.4
31	Manipur	3,008,546	2457725	81.7
State with below 80 Per cent Aadhaar Penetration				
32	Arunachal Pradesh	1,528,296	1221723	79.9
33	Jammu Kashmir	13,635,010	10303991	75.6
34	Nagaland	2,189,297	1258034	57.5
35	Meghalaya	3,276,323	919371	28.1
36	Assam	34,586,234	3759107	10.9
Total		1,335,140,907	1200041276	89.9

Source: uidai.gov.in, Enrolment & update October, 2018, state wise Aadhaar saturation

The above table shows the UIDAI state wise Aadhaar Saturation report till October, 2018. The table clears that 90 percent of Aadhaar enrolment completed on its total population it is a great achievement of Indian Government. In which, there

are 8 states which reached above 100 percent achievement out of 36 states. There are 5 states has below 80 percent with Aadhaar penetration, the state of Maghalaya and Assam has very low penetration of Aadhaar into 28 and 11 respectively.

4. CONCLUSION AND SUGGESTIONS

When financial inclusion was introduced in India, there was a problem to find out the real beneficiaries and their status. But it has been practiced with the help of information and communication technology. Direct Benefit Transfer is one of the innovative ways to reach the benefits without any intermediators or machinery under this methods, benefit, schemes, incentives and assistance will reach directly to the beneficiaries' bank account. Therefore, if the Direct Benefit Transfer should be effective, there is a need of linking of bank account and Aadhaar cards through digital format. Direct Benefit Transfer is playing a significant role in the field of financial inclusion in India

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