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In a first, Karnataka uses Aadhaar to transfer subsidy to one million farmers

By [K R Balasubramanyam](#), ET Bureau | Updated: Mar 14, 2017, 10.05 PM IST

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BENGALURU: [Karnataka](#) has successfully credited Rs 671 crore of input [subsidy](#) to about one million [farmers](#) hurt by drought using their [Aadhaar](#) identity, in the process becoming the first Indian state to do so.

The feat is all the more special as Karnataka is home to the largest number of technology companies in the country, and also to Aadhaar architect [Nandan Nilekani](#), who campaigned and worked for the success of the unique ID programme, betting on its long term benefits to people.

Chief Minister [Siddaramaiah](#), who launched Parihara -- the programme of [direct benefit transfer](#) (DBT) to farmers at Vidhana Soudha on Tuesday, said his government's unique initiative, making wide use of technology, ensures the subsidies reach the targeted individuals.

Nilekani was happy to learn about the programme. "It is wonderful to see an innovative use of Aadhaar and DBT by Karnataka Government to streamline subsidy for farmers and reduce corruption and delays," he told ET.

Karnataka had reported that 9.68 lakh farmers suffered a crop loss in an area of 26.16 lakh hectares. The agriculture and revenue departments together assessed the crop loss and claims. While the Centre has so far released Rs 450 crore, the State has given an advance of Rs 221 crore.

The State government has given a subsidy of Rs 6800 per hectare for crops in rain-fed areas, Rs 13,500 per hectare for crops in irrigated farms, and Rs 18000 per hectare for perennial crops like coconut, areca, mango etc. This relief is given to those farmers who report a loss of 33% and above of their expected yield, T.M.Vijay Bhaskar, Additional Chief Secretary, and Development Commissioner, told ET.

The input subsidy is released by the Centre from the National Disaster Relief Fund (NDRF) to the State which used to be passed on to farmers through the Deputy Commissioner and Tahsildar's offices after following a laborious process. This time, while the government asked for Rs 4702 crore, but the Centre has approved only Rs 1782 crore.

"Last year, for the first time, tahsildars transferred these subsidies through RTGS. But these were still a time consuming process, and there were always complaints about wrong people collecting the money. This year, the government has gone a step further, and released using the Aadhaar identity of farmers," the Development Commissioner said.

The government, according to him, gathered the details of the Aadhaar numbers of farmers and the details of their Aadhaar-seeded bank accounts. The revenue and agriculture department authorities later verified farmers' claims with the Bhoomi database to ascertain if they indeed owned the kind of land they declared, and executed the fund transfers.

"The who process has been completely transparent, without any deal, instantaneous, corruption-free, and saved a lot of labour and time for district officials," said Vijay Bhaskar. "In the event of such claims in future, we don't have to gather these details again," he said.

The technology backbone for Parihara has been developed by the Bhoomi monitoring cell and the revenue department.

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