

Direct Benefit Transfer

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In News

The DBT Mission was **created in the Planning Commission** to act as the nodal point for the implementation of the DBT programmes. The Mission was transferred to the Department of Expenditure in July, 2013 and continued to function till 14.9.2015. To give more impetus, **DBT Mission and matters related have been placed in Cabinet Secretariat** under Secretary (Coordination & PG) from 14.9.2015.

Features of Direct Benefit Transfer

- DBT is a scheme that was launched to transfer the benefits and subsidies of various social welfare schemes like **LPG subsidy, MNREGA payments, Old Age Pension, scholarships** directly in the bank account of the beneficiary.
- First phase of DBT was initiated in 43 districts and later on 78 more districts were added in 27 schemes pertaining to scholarships, women, child and labour welfare.
- **Electronic Payment Framework was laid down in 2015.** This framework is to be followed by all ministries/ departments and their attached institutions/ PSUs and is applicable on all central sector (CS)/ centrally sponsored schemes (CSS) and for all schemes where components of cash is transferred to individual beneficiaries.
- **Aadhaar is not mandatory in DBT schemes.** Since Aadhaar provides a unique identity and is useful in targeting the intended beneficiaries, Aadhaar is preferred and **beneficiaries are encouraged to have Aadhaar.**

The Scope of DBT Covers the Following Categories of Schemes

- **Cash Transfer**

. This category includes schemes or components of schemes wherein **cash benefits are transferred** by the Government to individual beneficiaries.

. This transfer of cash benefits happens through different routes:

directly to beneficiaries

through state treasury accounts to beneficiaries

through any implementing agency as appointed

- **In Kind**

. This category includes schemes or components of schemes wherein **kind benefits** are given by the Government to individuals through an intermediate agency.

. Typically, Government or its agent incurs expenditure internally to procure goods for public distribution and make services available for targeted beneficiaries.

- **Other Transfers**

. **Transfers from the government to different non-government functionaries who help in facilitation of various government schemes till the last mile.**

. This category includes transfers made to the various enablers of government schemes like community workers, NGOs, in the form of honorarium, incentives, etc.

. Example – ASHA workers under NHM, Aanganwadi workers under ICDS, sanitation staff in ULBs are not beneficiaries themselves but they are given wages, training, and incentives for their service to the beneficiaries/ community.

- **JAM Trinity**

The JAM Trinity will enable this novel system to transfer benefits in a **leakage-proof, well targeted, cashless and timely manner.**

- **Business Correspondents Infrastructure**

Business Correspondents/ Bank Mitras will have a vital role in operationalising the programme and **ensuring the last mile connectivity.** The strong presence of BCs will ensure that payments are disbursed to the beneficiaries on time, at their doorstep and of full value.

- **Payments Banks**

The main objective of payments banks is to widen the spread of payment and financial services to small business, low-income households, migrant labour workforce, etc. in a secured technology-driven environment across the country. RBI seeks to **increase the penetration level of financial services in the remote areas of the country** through payments banks.

Initiatives of DBT 2.0 in Fertilizer Subsidy

- **DBT Dashboards**

It will facilitate accurate information gathering and decision-making w.r.t. the position of requirement/ supply/ availability of various fertilizers at National, State and District levels.

- **PoS 3.0 Software**

The **multilingual facility** would provide Aadhar virtual ID option for registration, login and sale activity in DBT software.

It would also have a provision for area-specific, crop-specific recommendations based on Soil Health Card (SHC) data.

Further, it would capture sales to farmers, mixture manufacturers, and planter associations separately.

- **Desktop PoS Version**

Keeping in view the various operational challenges viz. limited PoS vendors, rush of sales due to peak season etc. the department has developed a multilingual desktop version of PoS software as an alternative or added facility to PoS devices.

Retailers with laptops and computer systems can use high-speed broadband service for fertilizer sales.