

A YEAR'S SUBSIDY SAVED Govt's total subsidy for FY16 till December was ₹48,860 cr

DBT Leads to ₹50,000-cr Savings for Govt in 3 Years

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New Delhi: Savings due to Direct Benefit Transfer (DBT) over the last three years have touched ₹50,000 cr as on December 31, 2016, as per latest government figures. This amount is equivalent to the subsidy paid out under DBT in this financial year, implying nearly a year's subsidy was saved.

"The savings figure is expected to significantly rise further in the next financial year as the government will be bringing a total of 533 central payout schemes in 64 ministries under the DBT mechanism by March 31, 2018 as per the directions of PM Narendra Modi," a top government official told E.T. Presently, 84 schemes in 17 ministries are covered under the DBT, up from 34 schemes as on March 31, 2015. "Under UPA, the talk was only about big scams and several lakh crore rupees of losses. There is no scam now...instead we have saved nearly ₹50,000 cr by crediting the subsidy amounts directly in the bank accounts of the correct beneficiaries and eliminating ghost beneficiaries," the top official added. Nearly 33 crore people receive various subsidies directly in their bank accounts now through DBT.

As per government's interim figures as on December 31, the cumulative DBT savings stand at ₹49,650 cr; pending information from many states. The top government official pitted this figure against the one of ₹48,860 cr of subsidy transferred through DBT in this financial year till December 31, 2016. The total DBT payout since 2014 till date has been ₹1.6 lakh cr. "This implies that nearly one year of total subsidy payout has been saved by the government through DBT," the official said. Though the DBT mechanism started in 2013

The Savings Math

₹49,650 Cr: DBT savings from 2014-15 till December 31, 2016. (Pending data from states)



₹14,000 cr saved in Public Distribution Scheme & deleting 2.33 cr ration cards, ₹7,633 cr saved in MGNREGS & ₹26,408 cr savings in LPG PAHAL. ₹399 cr saved in National Social Assistance Programme

₹48,860 Cr: Total payout through DBT in 2016-17 till December 31. Savings equal a year's payout

More Savings on cards: Schemes under DBT to be increased from 84 to 533 by March 31, 2018



Major Modi schemes to join DBT soon: Pradhan Mantri Ujjwala Yojana, Atal Pension Yojana, PM Suraksha Bima Yojana and PM Jeevan Jyoti Bima Yojana, Aam Aadmi Bima Yojana, PM Crop Insurance Scheme and PM Gramin Awas Yojana

under the UPA on a pilot basis, it took off in a major way only under Modi government after the LPG subsidy scheme (Pahal) was commenced through the DBT mechanism in November 2014. "We saved ₹15,192 cr in 2014-15, ₹20,951 cr in 2015-16 and nearly ₹14,000 Cr in 2016-17 till December 31, 2016 through DBT," the official said.

The government says it has saved almost ₹14,000 cr in its Public Distribution Scheme (PDS) by deleting 2.33 cr ration cards so far and better targeting of beneficiaries through DBT. ₹7,633 cr is cited as the savings in the MGNREGS scheme by the government so far. ₹399 cr is cited as savings in the National Social Assistance Programme. The biggest saving of ₹26,408 cr is cited in the LPG PAHAL scheme, including ₹4,824 Cr in the first nine months of this financial year. The LPG subsidy

payout qualifies as the world's largest cash transfer programme, Centre claims. The government is sticking to its guns on the LPG subsidy savings figure despite the Comptroller and Auditor General of India (C&AG) poking holes in the same in a recent report saying the savings were "exaggerated". C&AG said the government had assumed that the 3.11 cr blocked or inactive customers would have availed 12 subsidised cylinders apiece rather than only 6 cylinders as per national average per capita consumption of cylinders.

The major schemes new on DBT platform over the next one year will include Pradhan Mantri Ujjwala Yojana, Atal Pension Yojana, PM Suraksha Bima Yojana and PM Jeevan Jyoti Bima Yojana, PM Crop Insurance Scheme and PM Gramin Awas Yojana.