

DBT savings may touch ₹40,000 crore in FY19

Sarkari Savings

Year	Number of schemes	Total fund transfer (in ₹ cr)	Number of beneficiaries (in cr)
2013-14	28	7,367.7	10.8
2014-15	34	38,926.1	22.8
2015-16	59	61,942.4	31.2
2016-17	142	74,689.4	35.7
2017-18	437	1,90,870.9	123.9
2018-19*	434	24,874.4	103.5



Source: DBT Mission, Cabinet Secretariat *Till May

Total savings since 2013 to cross ₹1.25-lakh cr

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If all goes to plan, the Government will end up saving ₹40,000 crore this fiscal year through the direct transfer of welfare and subsidies to beneficiaries. The Direct Benefit Transfer (DBT) had raked in savings of over ₹30,000 crore in 2017-18.

With this, the total sum saved through the DBT since its inception in 2013 will cross ₹1.25-lakh crore.

In fact, the cumulative savings from the DBT over these years nearly equal the total subsidy outgo in FY19 on fertilisers, petroleum, interest and minor items, all of which are tabled under 'Other Subsidies' in the Union Budget. This, of course, excludes food subsidies, which constitute the bulk of the government benefits.

The Government expects more savings once the entire subsidy regime is brought under DBT.

"We expect savings of ₹30,000-40,000 crore in the current fiscal," a government official told *BusinessLine*.

So far, the Government has disbursed about ₹4-lakh crore through the process.

Savings from the DBT till March 31, 2017 stood at ₹57,029 crore;

taken with the ₹32,984 crore savings for FY18, the total savings add up to ₹90,012 crore.

The DBT is heavily dependent on JAM, the trio of Jan-Dhan accounts (over 31.26 crore), Aadhaar (over 121.46 crore) and Mobile connections (105 crore).

Much of the DBT savings came from cleaning up LPG subsidies. Government data show that 3.79 crore "duplicate, fake/non-existent, inactive" LPG connections have been eliminated. In addition, 2.22 crore consumers stopped claiming the subsidy; this includes 1.04 crore 'Give It Up' consumers. The total savings on this account till March 31, 2018 stood at over ₹42,000 crore.

Similarly, the Government saved nearly ₹30,000 crore in food subsidy after the deletion of 2.75 crore "duplicate and fake/non-existent" ration cards (including some due to migration, death, and so on). Similarly, the Ministry of Rural Development saved over ₹16,000 crore on wages after eliminating fake or ineligible beneficiaries.

The DBT was initiated by the previous UPA government on a pilot basis on January 1, 2013 to make delivery of government welfare simpler and faster with accurate targeting of beneficiaries, de-duplication and reduction of fraud. The scheme took off in November-December 2014 when entire districts and key schemes were brought within its ambit.

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