

Digitally enabled, govt saves big

Around ₹5.5lakh crore disbursed via DBT over 4 years, ₹90,000 cr saved, UPI payments surge

DIGITAL

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WHEN THE NDA government launched the Digital India programme, it was expected that multiple purposes would be serviced with it—catalysing the move towards a less-cash (more formalised) economy and cutting the enormous waste in assorted government subsidies and other sops through better targeting being the top two.

During the course of last four and a half years, it has been able to provide a digital identity, that is Aadhaar, to over 123 crore people in India, which is double the number in 2014, when 61 crore people had Aadhaar numbers.

On the back of various digital initiatives, India's rank on the United Nations eGovernance Index has climbed 22 positions to 96 in 2018 from 118 in 2014. This is also the first time that India has entered into the top 100 for the first time. In fact, India's rank stood at 113 in 2008, but it went down to 124 in 2012, when Congress-led UPA government was in power.

With rise of digitalisation, growth of digital payment systems such as BHIM-UPI and BHIM-Aadhaar have gained traction. As per data shared by the government, over the past four years, digital payment transactions have grown manifold from 31.6 crore transactions in 2014-15 to 2071 crore in 2017-18. "BHIM app has become one of the main digital payment instruments for sending, collecting the money and to pay for various utility bills. In November 2018, more than 173 lakh transactions of value ₹7,981 crore were made using BHIM app," the government said.

The growth of mobiles and smartphones have transformed the ecosystem of digital delivery of services. With the combination of Jan Dhan bank accounts, mobile phones and Aadhaar numbers, lakhs of people are able to receive monetary benefits directly to their bank accounts.

While its intent to link Aadhaar to welfare schemes invited some criticism, the Supreme Court in a September 2018 ruling upheld the Constitutional validity of the Aadhaar Act even as it ring-fenced the law from possible misuse by the state and private entities. There is no legal bar now on connecting the permanent account number (PAN) to the Aadhaar and linkage of the process of availing subsidies and benefits provided by the government to the unique identity. While UPI-based digital payments are on the rise, banks see both as an opportunity and challenge in this.

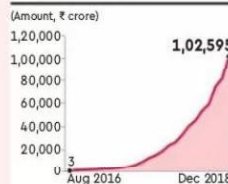
"A total of ₹5.49 lakh crore have been disbursed through Aadhaar based DBT to beneficiaries of 433 government schemes which have led to savings of over ₹90,000 crore in the last 4 years by removing fictitious claimants," said an official in the IT Ministry.

To make government services easily accessible to people, a mobile platform UMANG (unified mobile application for new age governance) was created. The platform offers access to 325 services, 72 applications of 17 states as on December 2018.

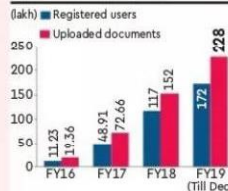
DBT payments soar



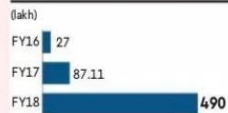
UPI payments spiral



Digilocker usage jumps



Aadhaar-based e-sign takes off



Another initiative of the government to provide electronic services in rural areas was common service centres (CSCs). At present, 3.05 lakh CSCs are functional, of which 2.11 lakh are functional at gram panchayat level. The CSCs, which work under the public-private partnership model, offers 350 digital services to the people. The government had also announced MyGov as a citizen centric digital collaboration platform in 2014. Started in July 26, 2014, the platform got 8.74 lakh users in the first year. "Today, MyGov has over 71 lakh active users under 64 groups who contribute their ideas through 790 discussion groups and participate through 794 earmarked tasks that have grown from 36 lakh active users in 2016," the government said.

The IT ministry have been steering BPO in rural areas. Under the BPO scheme, 45,840 seats have been allocated to 163 companies, which resulted in setting up of 240 units distributed across 110 locations of 20 states and 2 Union Territories. A 29% rise was witnessed in electronics production in 2018.