

# Direct Benefit Transfer: Notes for UPSC Polity

Direct Benefit Transfer or DBT is a part of the Indian government's anti-poverty programme launched in 2013. Here, the government is trying to alter the method of transferring subsidies. Under the DBT, subsidies are transferred to the people directly through their bank accounts.

This article will give details about the initiative.

As a government scheme this concept is an important part of the Polity section of the UPSC Exams

## History of Direct benefit Transfer

The program was launched in selected cities of India on 1 January 2013. It was launched in 20 districts, covering scholarships and social security pensions initially.

The former Union Minister for Rural Development, Jairam Ramesh and former Chief Minister of Andhra Pradesh N. Kiran Kumar Reddy inaugurated the scheme at Gollaprolu in East Godavari district on 6 January 2013. The government has decided to review the progress on a regular basis.

The first review was scheduled to be undertaken on 15 January 2013. According to P. Chidambaram, former Union Minister of Finance of India, the scheme will be rolled out across 11 more districts by 1 February and 12 more districts by 1 March 2013.

In April 2013 the government decided to extend the DBT scheme in 78 more districts of the country from July 1, 2013. The decision was taken by then Prime Minister Dr. Manmohan Singh after a review meeting. The 78 new districts will include 6 districts each from Uttar Pradesh and Himachal Pradesh, 3 each from Bihar and Tamil Nadu, 2 from West Bengal and 4 each from Odisha and Gujarat.

## Structure of the DBT

The primary aim of this Direct Benefit Transfer program is to bring transparency and terminate pilferage from distribution of funds sponsored by the Central Government of India. In DBT, benefit or subsidy will be directly transferred to citizens living below the poverty line. The Central Plan Scheme Monitoring System (CPSMS), being implemented by the Office of Controller General of Accounts, will act as the common platform for routing DBT. CPSMS can be used for the preparation of beneficiary list, digitally signing the same and processing of payments in the bank accounts of the beneficiary using the Aadhaar Payment Bridge .

The following programmes are part of the DBT initiative:

- National Child Labour Project
- Student Scholarship
- LPG subsidy

The modified version of DBTL scheme introduced was implemented in 54 districts in 11 states including all in Kerala starting November 15, 2014 whereby LPG consumers who have not yet availed the benefit will be able to get cash subsidy amount transferred into their accounts to buy Liquefied Petroleum Gas (LPG) cylinders at market price.

About 74 Schemes of 17 ministries of the central government were under DBT by 31 May 2016. As DBT implemented in December 2017 in 400 schemes from 46 ministries.