



DIRECT BENEFIT TRANSFER AND MGNREGS

Dr. Jyothi H P* & Dr. Gangadhara Y V**

*Assistant Professor, DOS in Social Work, University of Mysore,
Mysuru, Karnataka

** Faculty, DOS in Social Work, University of Mysore, Mysuru, Karnataka

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Abstract:

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a National Scheme with an average yearly expenditure of more than Rs. 50,000 Crore, which is discharged through various implementing agencies like Gram Panchayats / Blocks / Line Departments. On average, 1 Crore works are taken up each year. To manage and monitor such plan; an ICT-based MIS has been created which requires handholding support on a consistent schedule with States / UTs. Further to streamline the procedures and incorporation of modules on new activities, the NREGA Soft is extemporized in light of prerequisites. Some initiatives, for example, Direct Benefit Transfer (DBT), Payments through e-FMS and Ne-FMS, Aadhaar Based Payment System and so on are being actualized. This process is done electronically. DBT is one of those which makes real-time transfers of the benefits to the beneficiaries. This paper throws lights on the usage of DBT in MGNREGS. The objectives of this paper are to know about DBT for various schemes in India, to explain the Year wise Transfer of funds from Centre to states for MGNREGS, to examine the total number of beneficiaries through DBT in India, to know the statistics of Karnataka about DBT and to know the DBT for MGNREGS for Karnataka State. The present paper is based on secondary data collected through annual reports of various departments of both central and state governments. The period of data compilation is from the financial year 2013-14 to 2017-18. For testing of hypothesis, the statistical technique like One-Sample t-test was used. The result is showing that DBT is playing an effective role in facilitating the benefits to reach the beneficiaries with a real-time transfer of funds. The savings to the government is also appreciable.

Key Words: DBT, MGNREGS, AADHAAR, India, Karnataka State, transfer.

Introduction:

The MGNREGA is a national program with an annual average expenditure of more than Rs. 50,000 Crore, discharged by various implementing agencies such as the Gram Panchayats / Blocks / Line Departments. On average 1 Crore work is taken up every year. An ICT-based MIS has been developed to administer and track such a programme, requiring handholding assistance on a regular schedule with States/UTs. NREGA Soft is used, taking into account the prerequisites, in order to streamline the processes and integrate modules into new activities.

Some initiatives are being modified, such as Direct Benefit Transfer (DBT), e-FMS and Ne-FMS payments, the Aadhaar Based Payment System and so on. In addition, close checks on various criteria are taken up, such as execution in the generation of person-days, job completion rate, resource geo-tagging, improvement in works that identify with natural resource management, and so on (Ministry of Finance, 2019). Basically, the Chief Technical Officers will be in charge of implementing the MIS and DBT under MGNREGA and digitising beneficiary information, maintaining the NREGA Soft real time MIS portal, the MGNREGS IT arrangement and resolving any problems, assuming that they are consistently coordinated with NICRD. At the execution stage, S/he will liaise with the States, train the main employees and explain questions for the smooth operation of the MIS, DBT and associated IT system. S/he will assist in following the outcomes and execution problems of MGNREGA and determining the focus of action to overcome these difficulties.

In the Ministry of Rural Development, New Delhi, Chief Technical Officers will be appointed and will function under the direction and direct supervision of the Joint Secretary, MGNREGA. Special camps will be conducted at Grama Panchayat or Block Level to seed account numbers with an AADHAAR number. For the seeding process, approval and required details will be collected. The receipt of the acceptance of consent will be assured. The "Indian Bank's Association" will prepare a consent form to obtain the consent of account holders for seeding, and it will be circulated among banks. Written permission may also be taken from the account holders. For work allocation, Aadhaar is not compulsory. 98 percent of the transfers are made by DBT, which is through the workers' bank accounts. Geo-tagged asset formation is given special importance. Out of ₹. 48,000 Crore allocated this fiscal of 2017-18, Rs.31, 000 Crore had been disbursed. This indicates that the release of grants to the states in the MGNREGS has not been postponed.

Direct Benefit Transfer:

Apne Adhikar Apne Dwar- Punchline was given by our Honourable Prime Minister Sri. Narendra Modi about DBT. There is an unparalleled expansion of direct benefits for the poor and deserving cut-out middlemen, according to our Prime Minister. Increasingly, the sum was passed to the beneficiaries, reducing leakages. Direct Benefit Transfer (DBT) was launched on the first of January 2013 ('Direct Benefit Transfer-A

blessing during the time of Pandemic | National Informatics Centre-2020) with the goal of improving the government delivery system by re-designing the existing procedure in welfare plans for a simpler and faster stream of data/subsidies and to ensure precise focusing of the recipients, de-duplication and reduction of fraud.

In the Planning Commission, the DBT mission was made to go around as the nodal point for the DBT programmes' use. The mission was moved to the Department of Expenditure in July 2013 and will continue to work until 14.9.2015. The DBT Mission and related matters were set up in the Cabinet Secretariat under Secretary (Co-ordination) w.e.f. 14.9.2015 to provide more catalyst.

In 43 districts, the first phase of DBT was implemented and later, 78 more were included in 27 scholarship, women, youth, and labour welfare plans. On 12.12.2014, the nation was further enlarged by DBT. In 300 districts with higher Aadhaar enrolment, 7 new scholarship schemes and the Mahatma Gandhi National Rural Job Guarantee Act (MGNREGA) were introduced under DBT. The Electronic Payment System was developed between 13.2.2015 and 19.2.2015. All ministries/departments and their institutions/PSUs shall follow this structure and shall extend to all Central Sector (CS)/Central Funded Schemes (CSS) and to all programmes where the money transfer is directly shared with beneficiaries. In the DBT plans, Aadhaar is not necessary.

DBT empowering agents are Aadhaar, Mobile and bank accounts and as of date in excess of 22 crore Jan Dhan Account, in excess of 100 crores, Aadhaar and about 100 crore Mobile connections provide an interesting opportunity to conduct DBT across the nation including States and UTs in all welfare plots. DBT will add integrity, adequacy, openness and accountability to the governance system and blend trust in the administration with confidence. The 'Maximum Governance Minimal Government' dream can be understood by the use of present innovation and IT devices. DBT is the government's strong need and focus area.

Research Methodology:

Secondary data from the government website <http://www.dbtbharat.gov.in> was analysed using SPSS 22 version. For testing of hypothesis, the statistical technique like One-Sample t-test was used. The period of data compilation was from the financial year 2013-14 to 2017-18.

Objectives:

- To know about DBT for various schemes in India.
- To know the statistics of Karnataka about DBT.
- To know about the DBT for MGNREGS for Karnataka State.
- To explain the Year wise Transfer of funds from Centre to states for MGNREGS.
- To examine the total number of beneficiaries through DBT in India.

Analysis and Interpretation:

Table 1: Direct Benefit Transfer in India

Total DBT (cumulative)	₹. 2,89,879.77 Cr
Total DBT (FY 2017-18)	₹. 1,06,936.45 Cr
Total Savings	₹. 57, 029 Cr
Number of Schemes	413
Ministries	56

Source: <http://www.dbtbharat.gov.in>

Table No.1 shows that more than ₹. 2, 89,879.77 Cr had been released electronically to the bank accounts of the beneficiaries and to the operational expenditure of the Schemes including MGNREGS. The total DBT done during the Financial Year 2017-18 is more than ₹. 1, 06,936.45 Cr. The method of DBT was used for 413 central schemes from around 56 ministries. This has resulted in a saving of more than ₹. 57, 029 Cr to the exchequer of the government.

Table 2: Karnataka State Statistics about DBT

Total DBT (FY 2017-18)	₹.399.25 Cr
Total Number of Beneficiaries	0.89 Cr
Number of Schemes	118
Savings	₹. 0.16 Cr

Source: <http://www.dbtbharat.gov.in>

Table 2 shows that the total DBT amount done during the financial year 2017-18. It was more than ₹.399.25 Cr. At the end of 2017-18, more than 0.89 crore people were benefitted through DBT. Totally 118 schemes have been implemented through DBT. More than ₹. 0.16 Cr has been saved by using DBT method.

Table 3: MGNREGS in Karnataka

Total Number of Beneficiaries	61,89, 856
AADHAR seeded Beneficiaries	57, 43, 402
Percentage of AADHAR seeding	92.79
Total Fund Transfer	₹. 9, 45, 81, 434 Cr
Funds Transfer through Electronic mode (APB, NEFT, RTGS, AEPS)	₹. 9, 45, 81, 434 Cr
Percentage of funds disbursed through electronic mode	100

Source: <http://www.dbtbharat.gov.in>

Table 3 shows an overall picture of DBT for MGNREGS in Karnataka. About 61, 89, 856 MGNREGS beneficiaries have benefitted through DBT. Total number of AADHAR seeded is 57, 43, 402 which equals to 92.79% of total beneficiaries. Total fund transferred electronically was ₹. 9, 45, 81, 434 Cr. This shows a 100% of benefits to the MGNREGS beneficiaries through DBT.

Table 4: Year wise Transfer of funds from Centre to states for MGNREGS

S.No	Year	Funds (₹ in Cr)	Increase in Percent
1	2013-14	0.00	----
2	2014-15	20010.1	----
3	2015-16	25861.76	22.62
4	2016-17	37311.92	30.69
5	2017-18	30840.31	-20.98
Total		114024.1	-----

Source: <http://www.dbtbharat.gov.in>

The above table shows the year wise funds transfer from central government to state government between 2013-14 and 2017-18 for MGNREGS. During the year 2013-14 there was no transfer of funds. In 2014-15, the amount transferred was ₹. 20010.1 Cr. It was ₹. 25861.76 Cr during 2015-16, ₹ 37311.92 Cr during 2016-17 and ₹. 30840.31 Cr during 2017-18. The table clearly shows that there was highest fund transferred during the financial year 2016-17 and also transfer of fund was increased year to year but decreased to -20.98% during the 2017-18 financial year compared to the preceding year.

Hypothesis Testing:

The data is showing the funds (in Crores) released from Central government to States for MGNREGS.

H1	H ₀	There was no significant difference in terms of year-wise transfer of funds from Centre to State
	H ₁	There was a significant difference in terms of year-wise transfer of funds from Centre to State

Table 5: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Year wise fund transfer	5	2.2805	14249.91410	6372.75532

Table 6: One-Sample Test

Year Wise Fund Transfer	Test Value = 5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
	3.578	4	0.023	22799.81800	5106.2127	40493.4233

Since the calculated value of t is 3.578 and the critical value for 4 degrees of freedom at 5% level of significance is 0.741 and also significance is 0.023. It falls in rejection region. Hence we are comparing calculated value of t is greater than critical value. We reject null hypothesis and accept the alternate hypothesis. Therefore our null hypothesis has been disproved and there is significant difference in terms of transfer of funds from central government to state governments year wise.

Table 7: Year wise DBT Beneficiaries (India)

S.No	Year	Beneficiaries in Cr	Percentage Increase
1	2013-14	0.00	----
2	2014-15	4.66	----
3	2015-16	10.37	55.06
4	2016-17	11.15	06.98
5	2017-18	11.21	00.54
Total		37.39	-----

Source: <http://www.dbtbharat.gov.in>

Table 7 shows the year wise number of beneficiaries in crores through DBT across India. There were no beneficiaries during the year 2013-14. 4.66 Crore beneficiaries have benefitted through DBT during the year 2014-15. During 2015-16, the total number of beneficiaries who got benefits through DBT was 10.37 Crores and it was 11.15 Crores during the 2016-17 Financial Year. The total number of beneficiaries during 2017-18 is 11.21 Crores. There is an uptrend in the number of beneficiaries who got benefitted through DBT.

Hypothesis Testing:

H2	H ₀	There was no significant difference in the year-wise increase of DBT beneficiaries.
	H ₁	There was a significant difference in the year-wise increase of DBT beneficiaries.

Table 8: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Year wise DBT Beneficiaries	5	7.4780	4.99091	2.23200

Table 9: One-Sample Test

Year wise DBT Beneficiaries	Test Value = 5					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
	1.110	4	0.329	2.47800	-3.7190	8.6750

Since the calculated value of t is 1.110 and the critical value for 4 degrees of freedom at 5% level of significance is 0.741 and also significance is 0.329. It falls in rejection region. Hence we are comparing calculated value of t which is greater than critical value. We may reject null hypothesis and accept the alternate hypothesis. Therefore our null hypothesis has been disproved and there is significant difference in the year wise number of beneficiaries through DBT in various schemes.

Conclusion:

The above findings indicate that for 413 central schemes from around 56 ministries, the DBT approach was used in India. This has resulted in savings of more than 57,029 Cr to the government's exchequer. If you see a year-wise transfer of funds from the Centre to states, there is a steady rise, while the transfer of funds decreased to -20.98 percent over the previous year during the 2017-18 financial year. There is an upward trend in the number of beneficiaries earning DBT benefits at all levels in India. At the end of 2017-18, in Karnataka State, more than 0.89 crore individuals gained through DBT. A total of 118 systems have been introduced via DBT in Karnataka state. Approximately 61, 89, 856 MGNREGS beneficiaries received benefits via DBT. The total number of seeded AADHARS is 57,43,402, equivalent to 92.79% of the total beneficiaries. More than just Rs.0.16 crore. By using the DBT process, 0.16 Cr was saved. Total fund transferred for MGNREGS electronically was ₹.9,45,81,434 Cr. This indicates a 100 percent benefit from DBT to the MGNREGS beneficiaries. This is indicative of the pivotal role of DBT in reaching out to the beneficiaries. This also stopped leakages that wiped out the intermediaries of government benefits. MGNREGS is the world's largest subsistence programme. In such large schemes, DBT helps to meet the beneficiaries in real-time by shifting benefits.

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