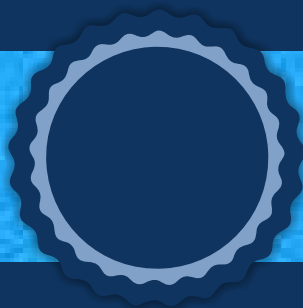




Standard Operating Procedure (SOP) Modules for Direct Benefit Transfer (DBT)



सत्यमेव जयते

DBT Mission
Cabinet Secretariat

**DBT Mission
Cabinet Secretariat**

**4th Floor,
Shivaji Stadium Annexe, Rajiv Chowk,
New Delhi - 110001**

**Website:
<http://cabsec.nic.in/dbt/origin.html>**

CONTENTS

‣ <i>List of Abbreviations</i>	4
‣ Section 1 - DBT Framework	6
‣ Section 2 - Classification of Schemes	9
‣ Section 3 - Standard Operating Procedures (SoPs) for DBT schemes	11
‣ Section 4 - SoP I: Cash Transfer from Government to Individual Beneficiary	14
Illustrative example: MGNREGA	19
‣ Section 5 - SoP II: In-kind transfer from Government to Individual Beneficiary	20
Illustrative example: Food PDS	26
‣ Section 6 - SoP III: Other Transfers	27
Illustrative example: ASHA Workers under JSY	33
‣ Section 7 - Architecture of Fund Transfer under the DBT Framework	34

List of Abbreviations

A/C - Account

APBS - Aadhaar Payment Bridge System

ASHA - Accredited Social Health Activist

BD - Beneficiary Database

CAS - Common Application Software

CBS - Core Banking Solution

CHC - Community Health Centre

DBT - Direct Benefit Transfer

DHS - District Health Society

DRD - Department of Rural Development

FMG - Financial Management Group

ICDS - Integrated Child Development Services

IFD - Integrated Finance Division

IFSC - Indian Financial System Code

IT – Information Technology

JSY - Janani Suraksha Yojana

MGNREGA - Mahatma Gandhi National Rural Employment Guarantee Act

MIS - Management Information System

NACH - National Automated Clearing House

NAEB - National Afforestation and Eco-development Board

NAP - National Afforestation Program

NGO - Non Government Organisation

NHM - National Health Mission

NIC - National Informatics Centre

NPCI - National Payments Corporation of India

NSAP - National Social Assistance Program

OMMAS - Online Management, Monitoring and Accounting System

PAHAL - Pratyaksh Hastantarit Labh

PAO - Pay and Accounts Office

PD - Program Division

PDS - Public Distribution System

PFMS - Public Financial Management System

PHC - Primary Health Centre

PIP - Program Implementation Plan

PIU - Program Implementing Units

PMGSY - Pradhan Mantri Gram Sadak Yojana

Pr. AO - Principal Accounts Office

RGI - Registrar General of India

SC - Sub health Centre

SFDA - State Forest Development Agency

SFT - Secure File Transfer

SOP - Standard Operating Procedure

SRRDA - State Rural Roads Development Agency

UC - Utilization Certificate

UIDAI - Unique Identification Authority of India

ULB - Urban Local Body

UT - Union Territory



1. DBT Framework

Direct Benefit Transfer (DBT) framework has a multi-stakeholder architecture which capitalises on the competencies of various departments and institutions to deliver benefits to beneficiaries in a timely and effective manner. The figure below explains how different stakeholders work together to facilitate a holistic environment for successful implementation of DBT system.

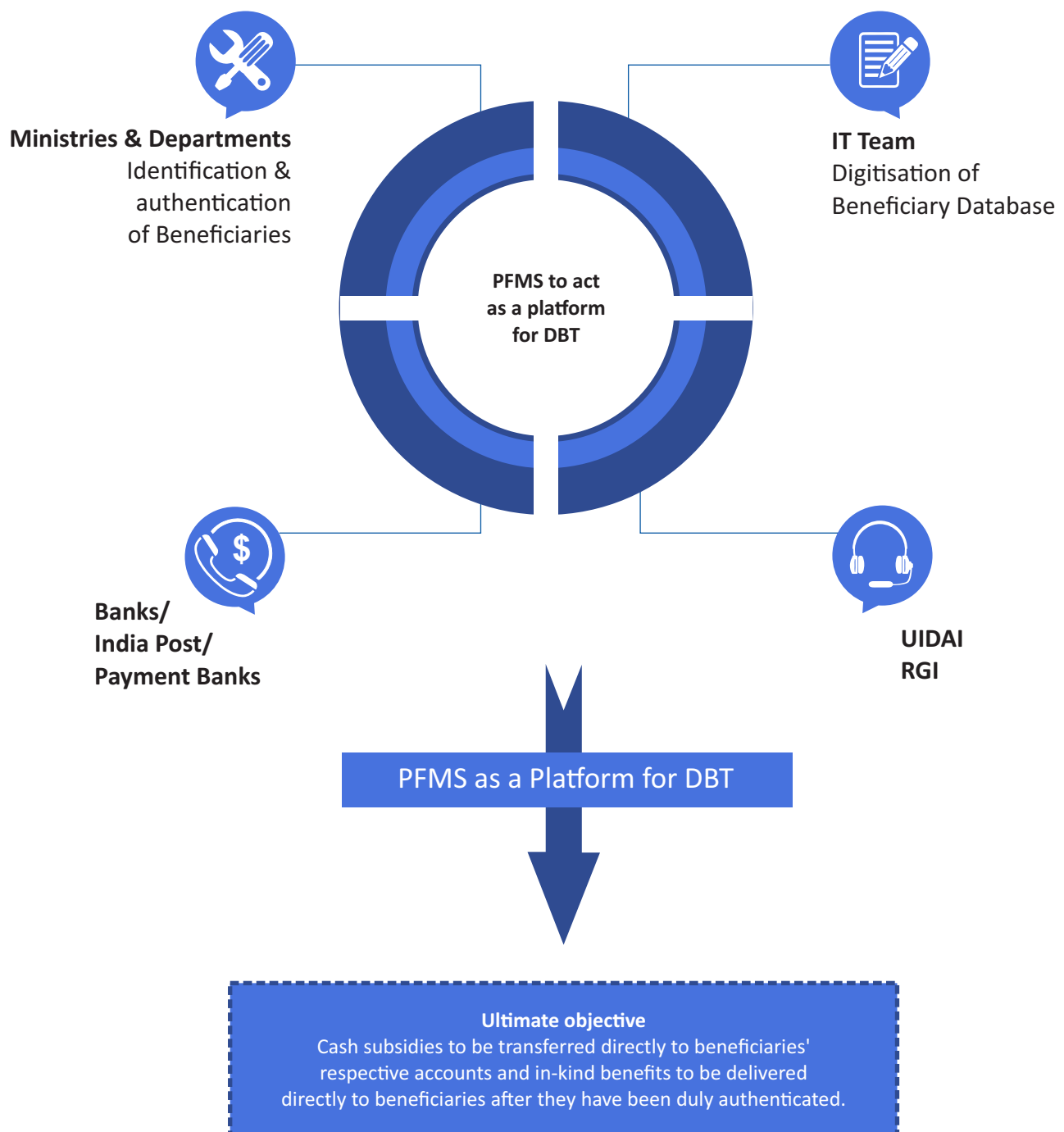


Fig.1 Stakeholders Involved in DBT Framework

ROLES & RESPONSIBILITIES OF STAKEHOLDERS

1. Ministries/Departments

- Creation of a DBT Cell to facilitate smooth transition of different schemes to DBT.
- Examination of all schemes to identify specific schemes and/or their components which are suitable for DBT.
- Identification and authentication of beneficiaries for respective schemes.
- Maintenance of database containing scheme wise beneficiary details.
- Seeding of *Aadhaar* into beneficiary database.
- Creation of payment files for disbursements to end beneficiaries.

2. IT Team of Ministry/Department

- Digitization of verified beneficiary data
- Creation and maintenance of real time MIS portal
- Timely update and maintenance of data

3. UIDAI/Registrar General of India

- Ensure *Aadhaar* enrolment
- Enable Bio- metric authentication to establish identity of individual

4. PFMS

- Facilitate mapping of schemes to bank accounts of different stakeholders by Program Divisions involved in fund flow under various schemes.
- Verification of bank account details of beneficiaries by maker/checker using PFMS platform.
- Processing of payment files to the sponsor bank of Ministry/ State Department/ Implementing Agency for disbursal of benefits:
 - a) For DBT payments by Ministry/Department- done by DDO/PAO of concerned Ministry/Department
 - b) For DBT payments by implementing agency- done by maker and payment authority of Implementing Agency
- Sharing final payment response with the concerned Ministry/State Department/Implementing Agency within the time limit as prescribed by banks.
- Establishment of reverse feedback loop to Ministries/Departments.
- Issue automatic Utilization Certificates (UC) to the Ministries/Departments which have utilised their funds under a scheme.
- Provide training and hand-holding support to user departments.
- Dissemination of information about payments to beneficiaries through SMS alerts based on reverse information on credit success from Banks.

5. Banks/ Post Offices

- Opening of bank accounts/postal accounts/Jan Dhan accounts.
- Updating Beneficiary data (Updating bank account numbers and linking them with *Aadhaar*).
- Carrying out payments to beneficiaries' accounts within the prescribed time limits.
- Generating payment status response files with PFMS.
- Dissemination of payment information to beneficiaries through SMS alerts about credit/debit of the fund transfer under a scheme.



2. Classification of Government Schemes/Components



To facilitate better understanding of which scheme or component of scheme can be considered as DBT compliant, and to spearhead the transition process of schemes to DBT, the schemes/components can be classified into two broad categories based on the type of benefit given to the beneficiaries:

- I) **Cash Transfer to Individual Beneficiary** – This category includes schemes or components of schemes wherein cash benefits are transferred by Government to individual beneficiaries. For example PAHAL, MGNREGA, NSAP etc. This transfer of cash benefits from Ministry/Department to beneficiaries happens through different routes as given below:
 - a) directly to beneficiaries (from Consolidated Fund of India)
 - b) through State Treasury Account to beneficiaries (from State Consolidated Fund)
 - c) through any Implementing Agency (as appointed by Centre/State Governments) beneficiaries
- II) **In-kind Transfer to Individual Beneficiary** - This category includes schemes or components of schemes where in-kind benefits are given by the Government to individuals through an intermediate agency. Typically, the Government or its agent incurs internal expenditure to procure goods for public distribution and to provide services for targeted beneficiaries. Individual beneficiaries receive these goods or services for free or at subsidised rates.


To cite an example, in Public Distribution System (PDS), Food Corporation of India (FCI) is the Government agent responsible for procurement, movement, storage and distribution of food grains to Fair Price shops. FCI issues the food grains at subsidised rates, as fixed by the Government. The rates so fixed do not cover the full economic cost incurred by the Corporation. The difference represents the consumer subsidy for the PDS, and is paid to the Corporation by the Government of India. Similarly, Government incurs internal expenditures for provision of in-kind subsidies on other products like kerosene, fertilisers, books, medicines, vaccines, etc.

Other Transfers

This category includes transfers made in the form of honorariums, incentives, etc. to community workers and NGOs, etc. who are the enablers of government schemes for successful implementation of the schemes. For example - ASHA workers under NHM, Aanganwadi workers under ICDS, teachers in Aided School, Sanitation staff in ULBs, etc. are not beneficiaries themselves but they are given wages, training, incentives, etc. for their service to the beneficiaries/community.



3. Standard Operating Processes (SOP) for DBT Schemes



The process of direct benefit transfer to beneficiaries comprises various sub processes at different levels in the overall structure. These sub processes include:

A.Preparatory Steps

B.Registration on PFMS

C.Creation of Beneficiary Database

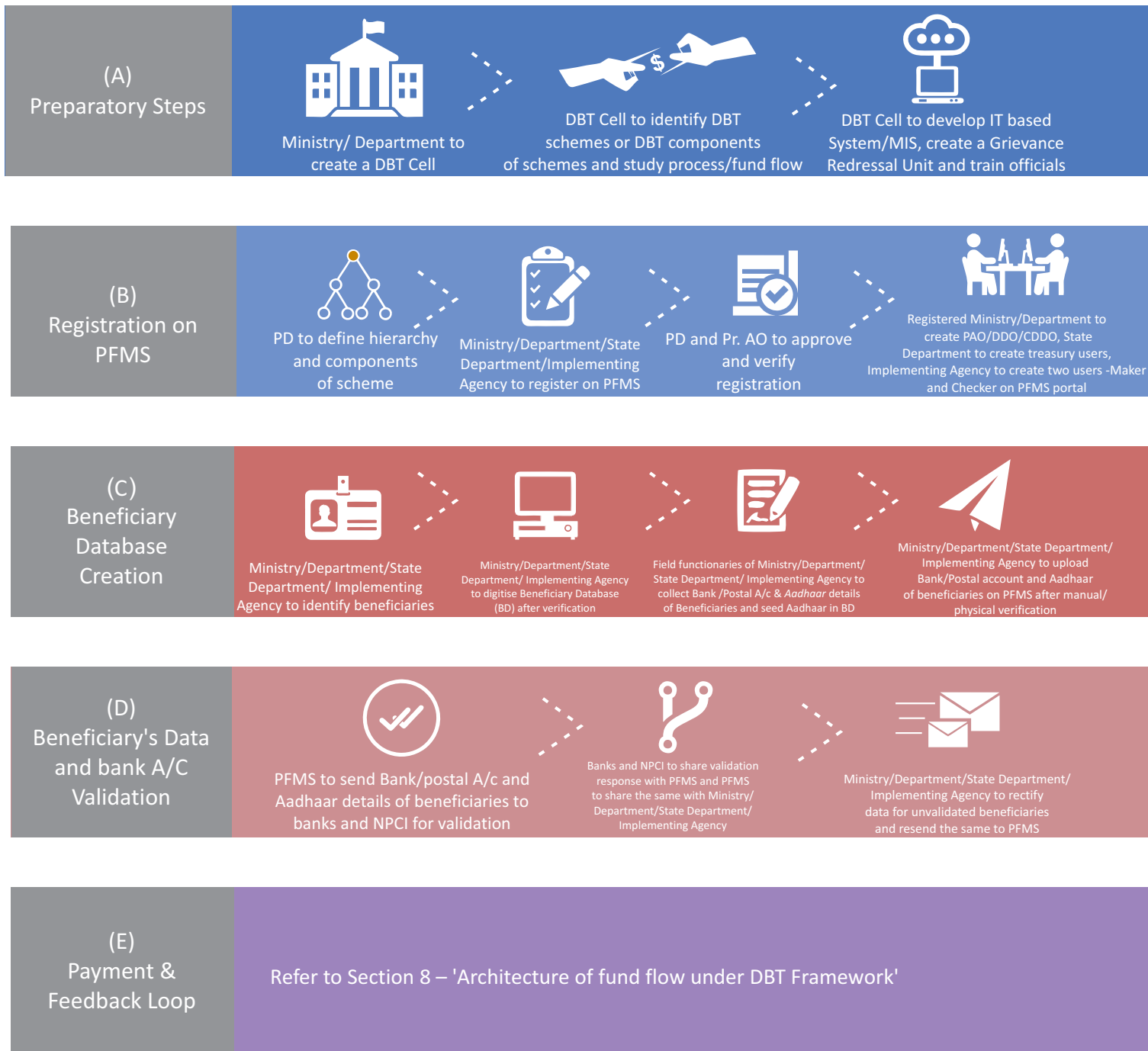
D.Validation of Beneficiary Details (for SOP I and SOP III) / Distribution of in-kind benefits (for SOP II)

E.Payment and Feedback Loop

Sub processes A to D are enunciated for two scheme categories, namely Cash Transfer to Individual Beneficiary, In-Kind Transfer to Individual Beneficiary and Other Transfers/Processes within the program design in Sections 5, 6 and 7 respectively. The sub process 'Payment and Feedback Loop' listed at E is discussed elaborately in Section 8 titled 'Architecture of Fund Transfer Under the DBT Framework'. Section 8 is applicable only for SOP I and SOP III.

These sub processes are described with the help of a general process map below:

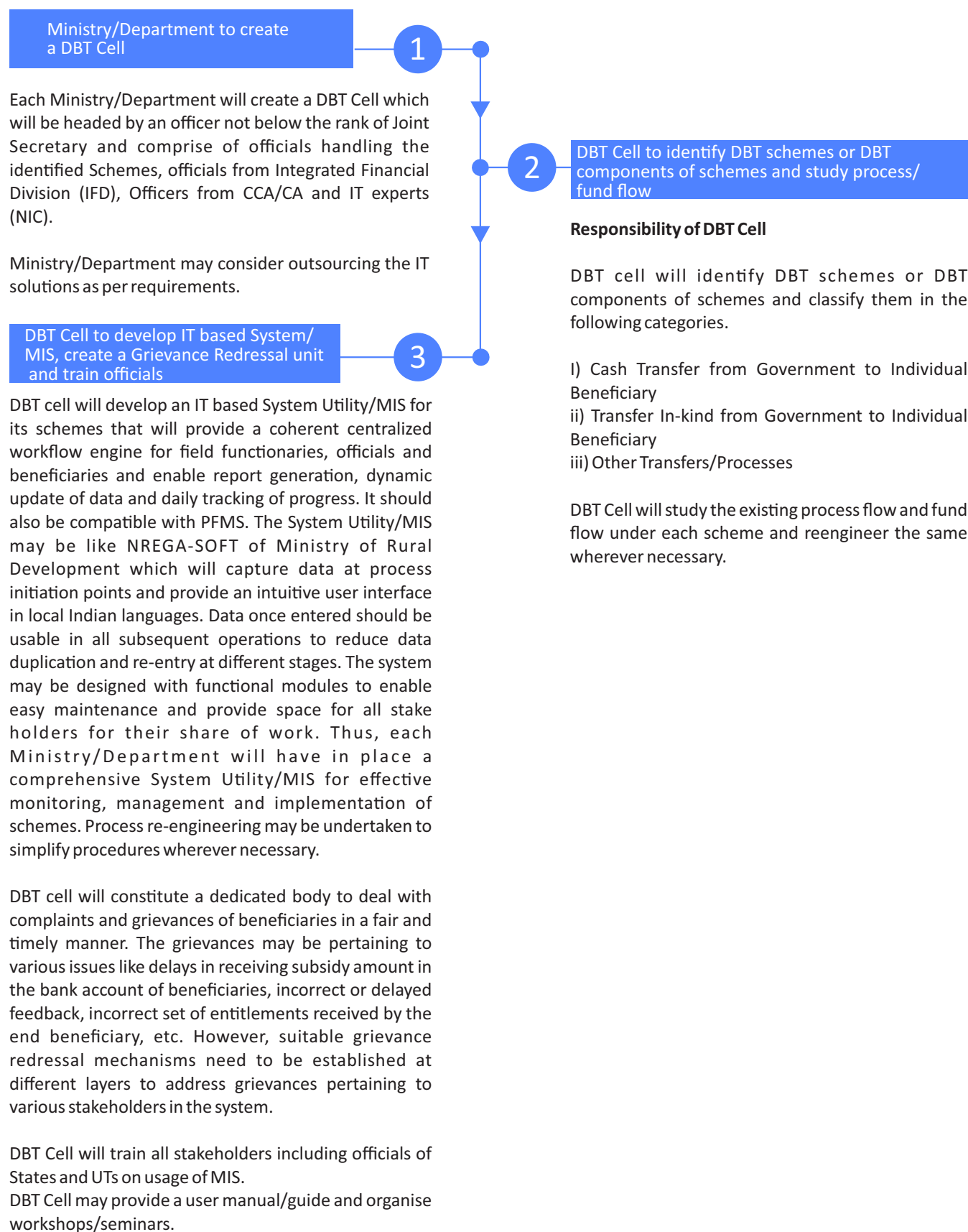
SOP I: CASH TRANSFER FROM GOVERNMENT TO INDIVIDUAL BENEFICIARY



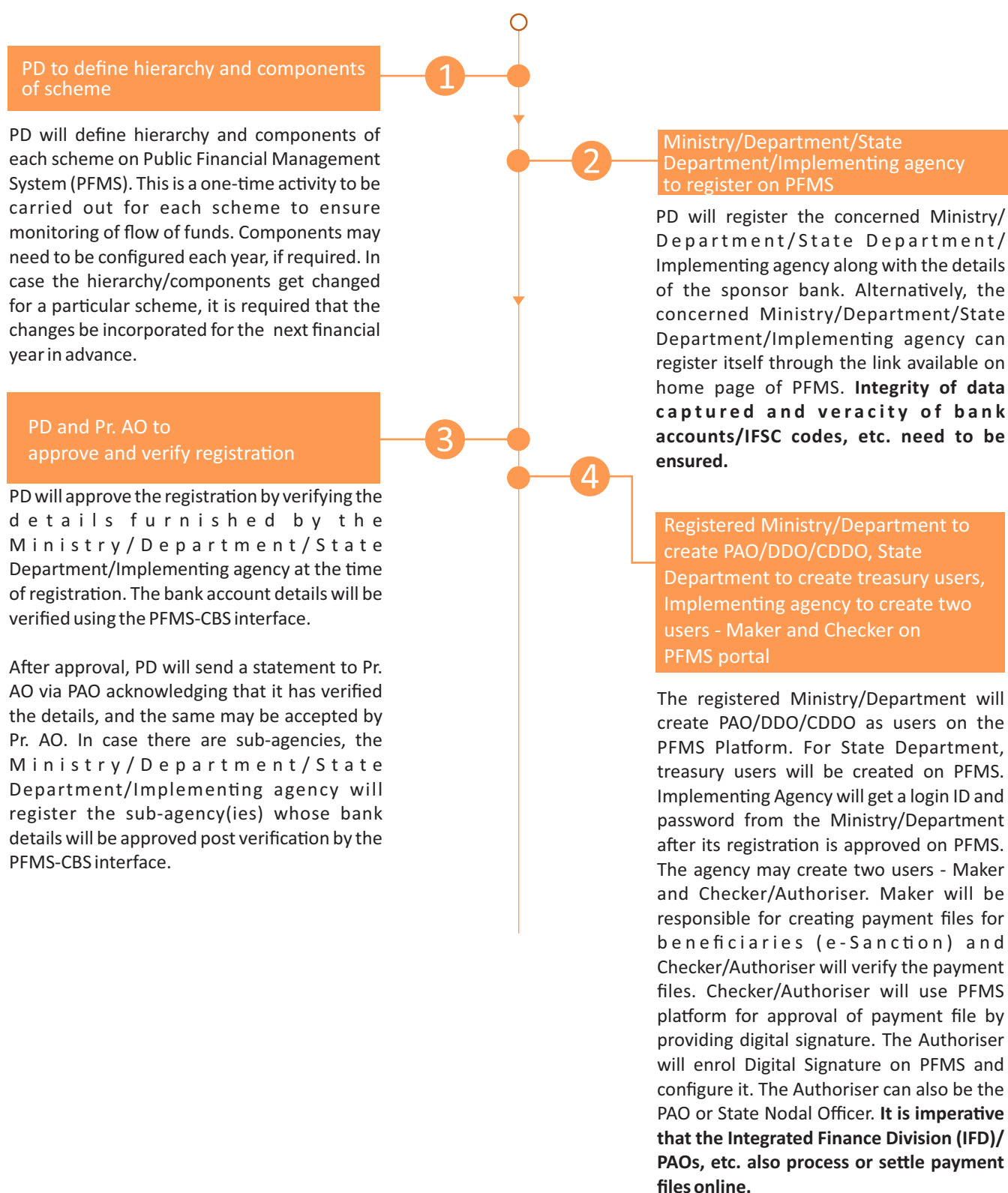


4. SOP I: Cash Transfers from Government to Individual Beneficiaries

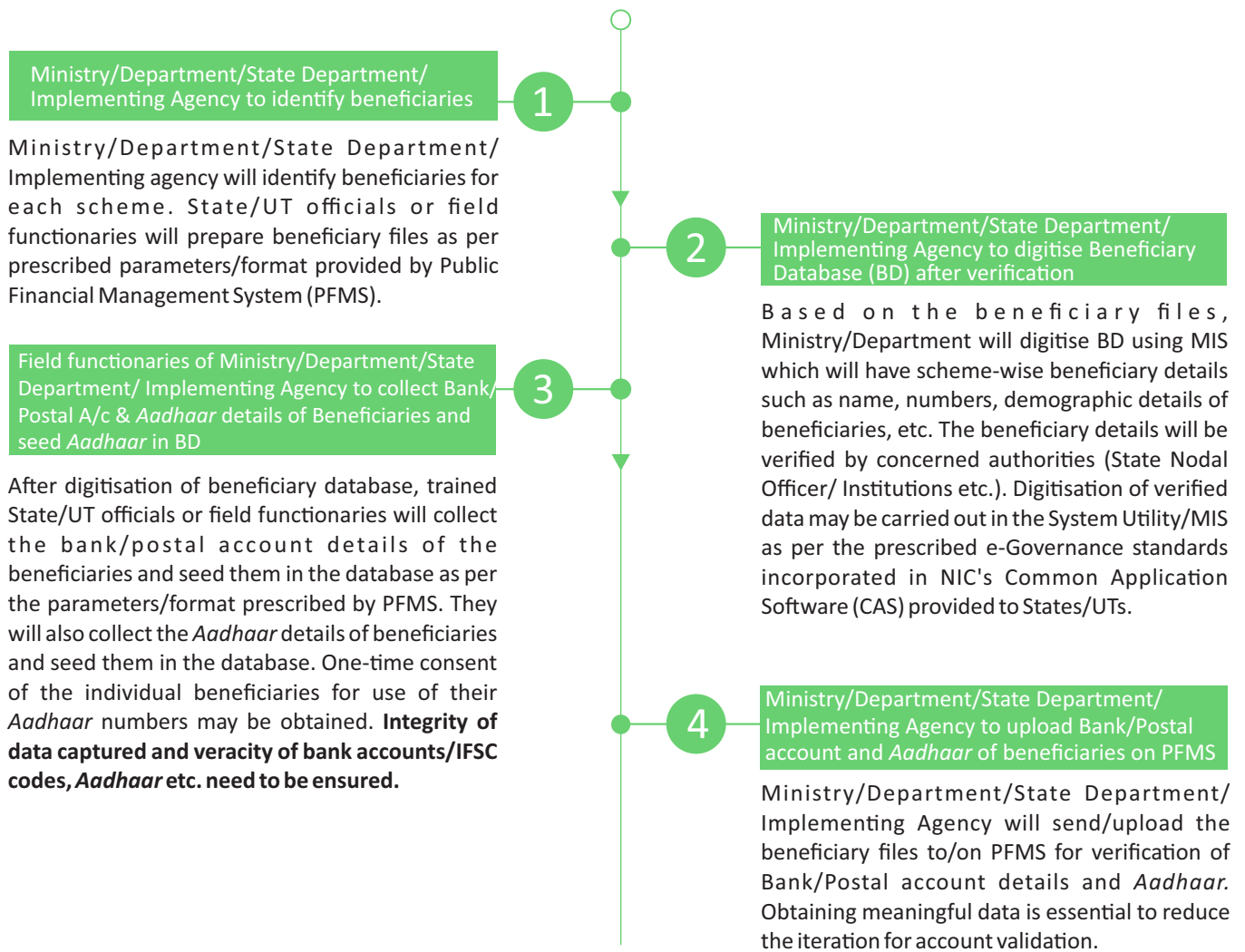
A. Preparatory Steps



B. Registration on PFMS



C. Beneficiary Database Creation



D. Beneficiary's Data and Bank A/C Validation

PFMS to send Bank/postal A/c and *Aadhaar* details of beneficiaries to banks and NPCI for validation

PFMS, through its automated processes, will send beneficiary files to banks/ India Posts for account validation and *Aadhaar* details to NPCI for verification of *Aadhaar*.

1

Ministry/ Department/ State Department/ Implementing Agency to rectify data for unvalidated beneficiaries and resend the same to PFMS

Ministry/ Department/ State Department/Implementing Agency will check the response files and rectify beneficiaries' data wherever required and send the rectified files to PFMS again. Several rounds of data pushing may occur till data is 100% correct. This will continue till data of all beneficiaries is accepted/ validated from Banks /NPCI. However, the Ministry/ Department/ State Department/Implementing Agency can still prepare payment files for partial list of validated beneficiaries.

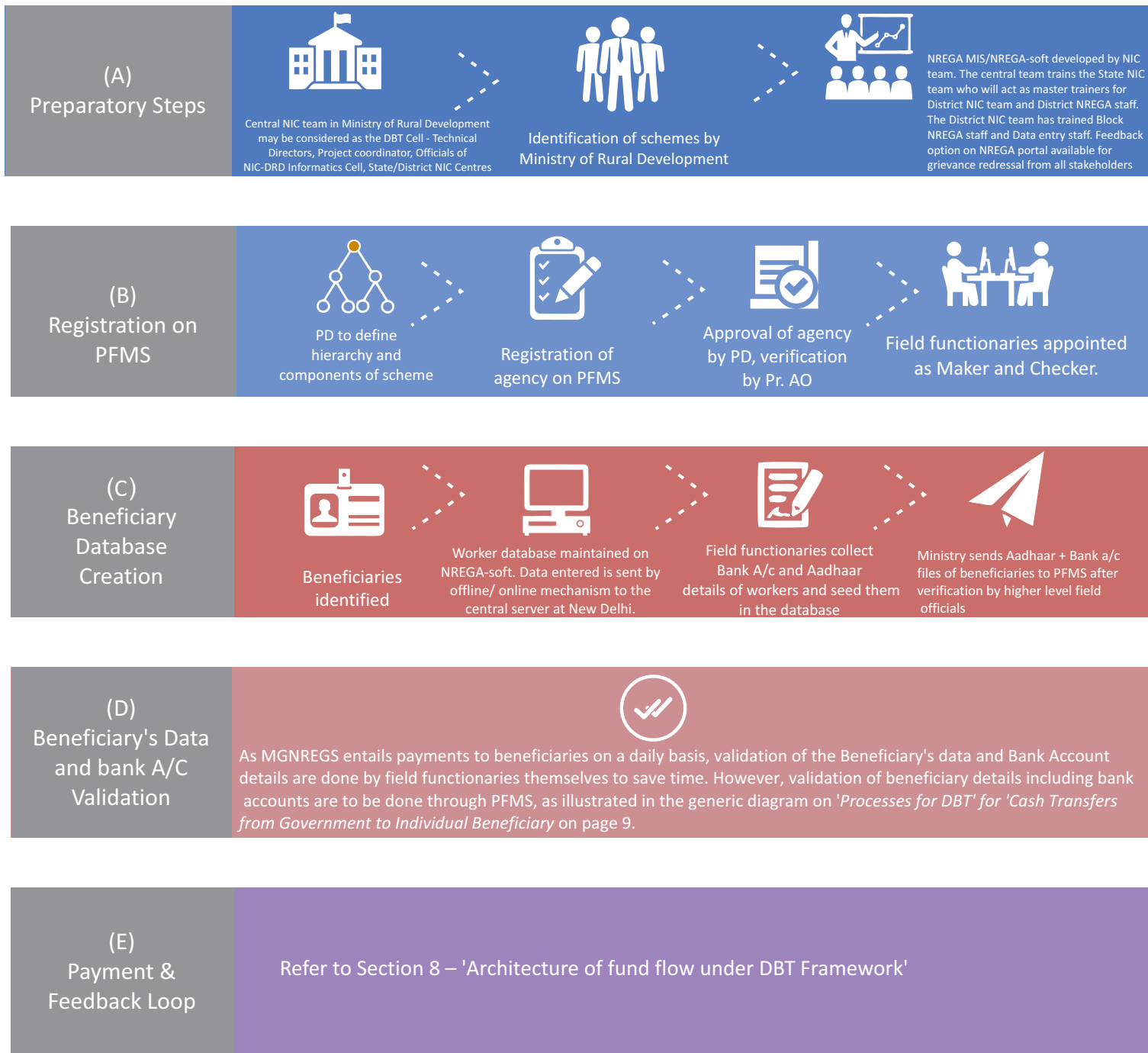
3

Banks and NPCI to share validation response with PFMS

2

Banks and NPCI will share the validation responses for the beneficiary files with PFMS. These response files will contain information on account holder's name as per record. PFMS will send these response files for all beneficiaries (both for those whose details are validated and not validated) to Ministry/Department/State Department/Implementing Agency.

An Illustrative Example of SOP I: MGNREGS, Ministry of Rural Development





5. SOP II: In-Kind Transfers to Individual Beneficiaries

SOP II: IN-KIND TRANSFER FROM GOVERNMENT TO INDIVIDUAL BENEFICIARY

(A) Preparatory Steps



Ministry/ Department to
create a DBT Cell



DBT Cell to identify DBT
schemes or DBT components
of schemes and study process/ flow



DBT Cell to develop IT based
System/MIS, create a Grievance
Redressal unit and train officials

(B) Registration on PFMS



PD to define hierarchy
and components
of scheme



Ministry/Department/State
Department/Implementing
Agency to register on PFMS



PD and Pr. AO to approve
and verify
registration

(C) Beneficiary Database Creation



Ministry/Department/State
Department/ Implementing
Agency to identify beneficiaries



Ministry/Department/State
Department/ Implementing Agency
to digitise Beneficiary Database
(BD) after verification



Field functionaries of Ministry/Department/
State Department/Implementing Agency
to collect *Aadhaar* details of Beneficiaries
and seed *Aadhaar* in BD

(D) Distribution of In-kind benefits



Allocation of in kind benefits
to States/ UTs

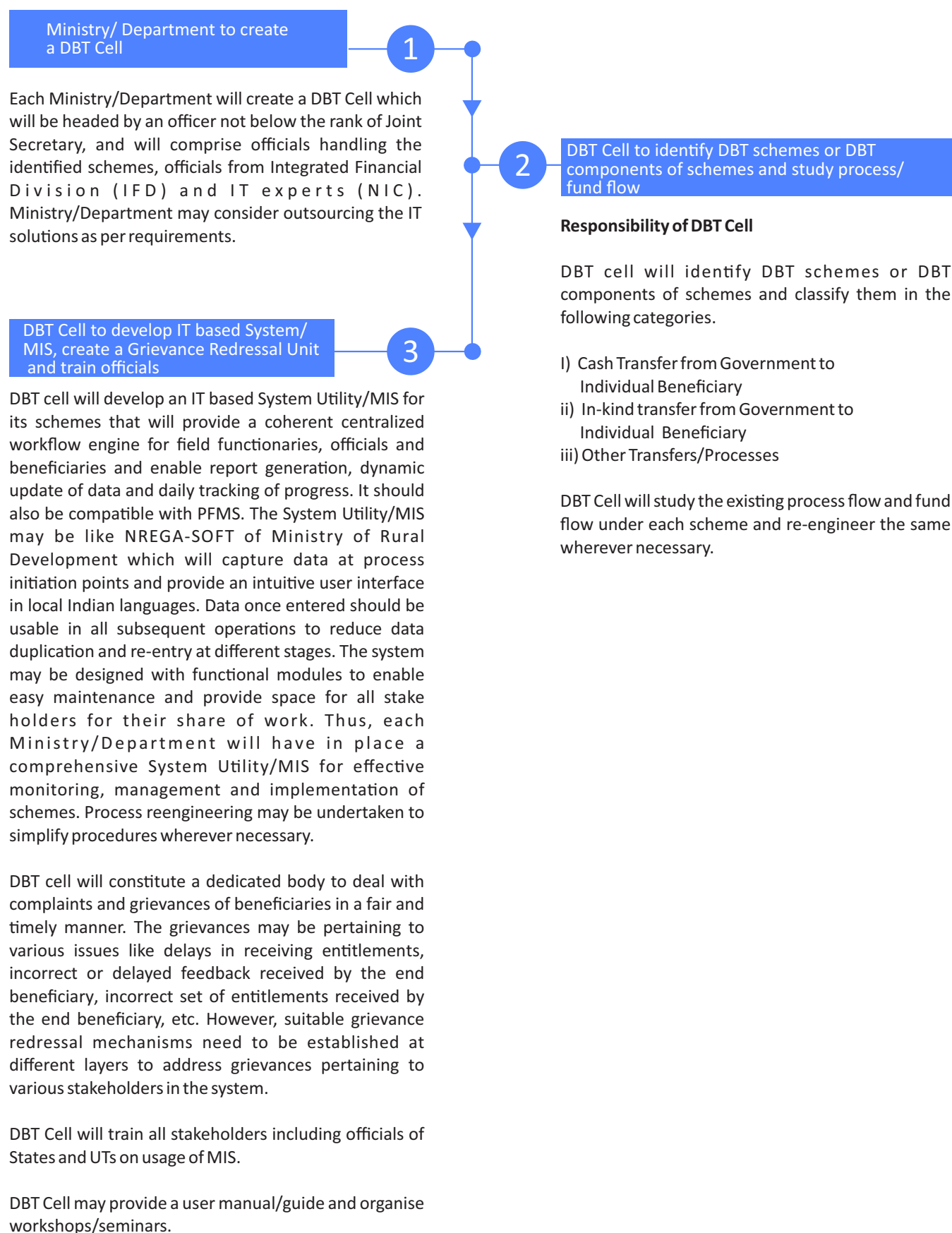


Ministry/Department/State
Department/Implementing Agency
to develop mechanism for distribution of goods

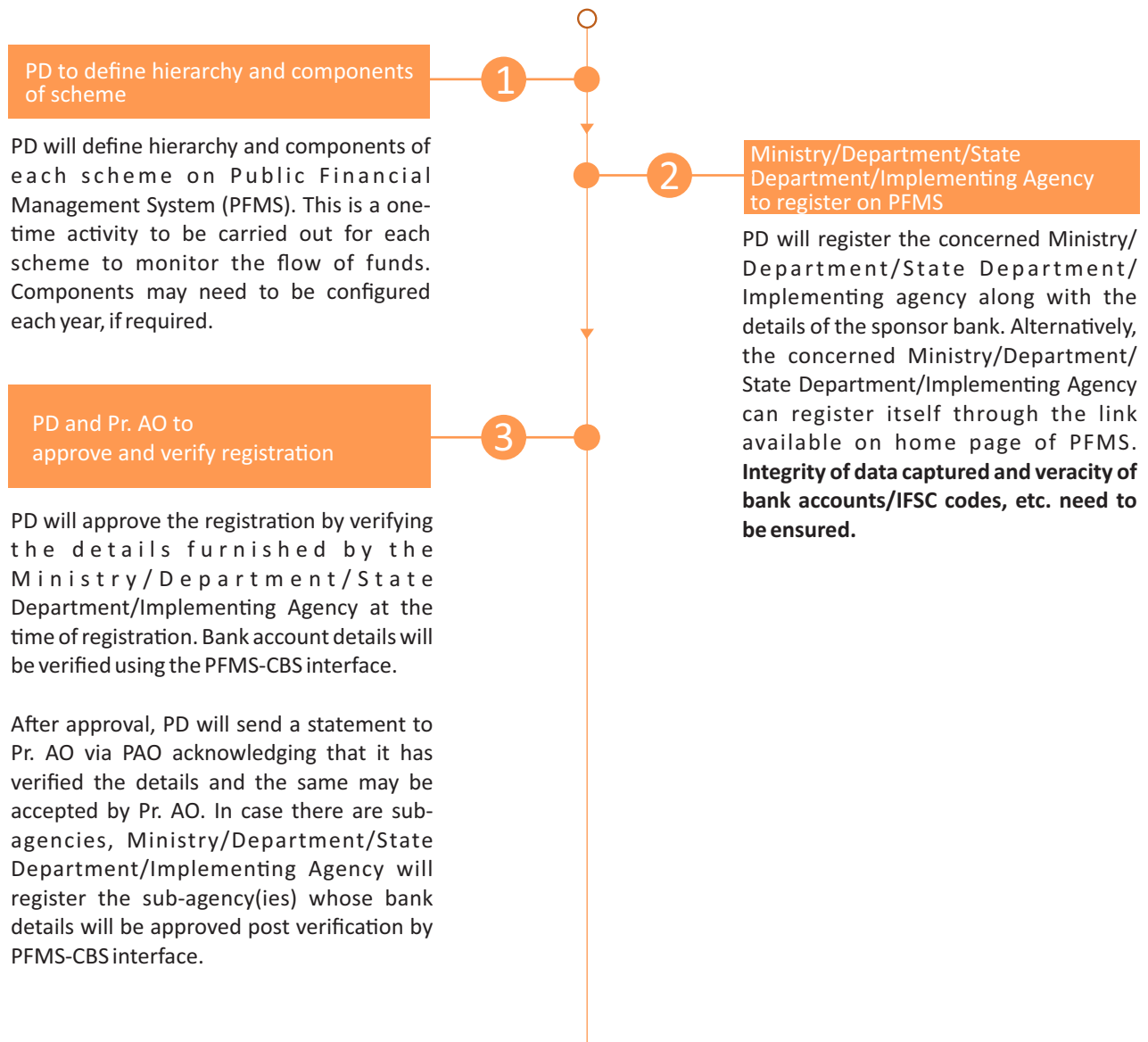


Delivery of In-kind benefits to
beneficiaries after authentication at
PoS (preferably *Aadhaar* enabled)

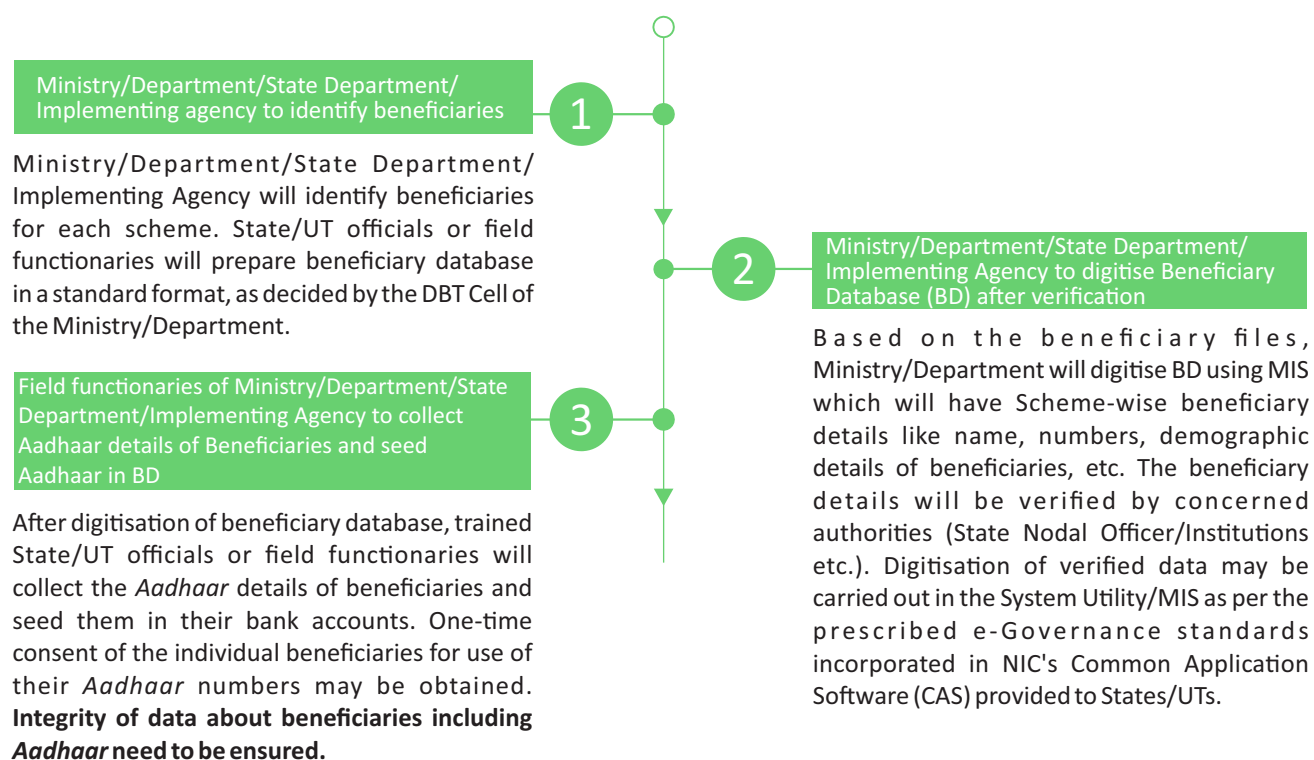
A. Preparatory Steps



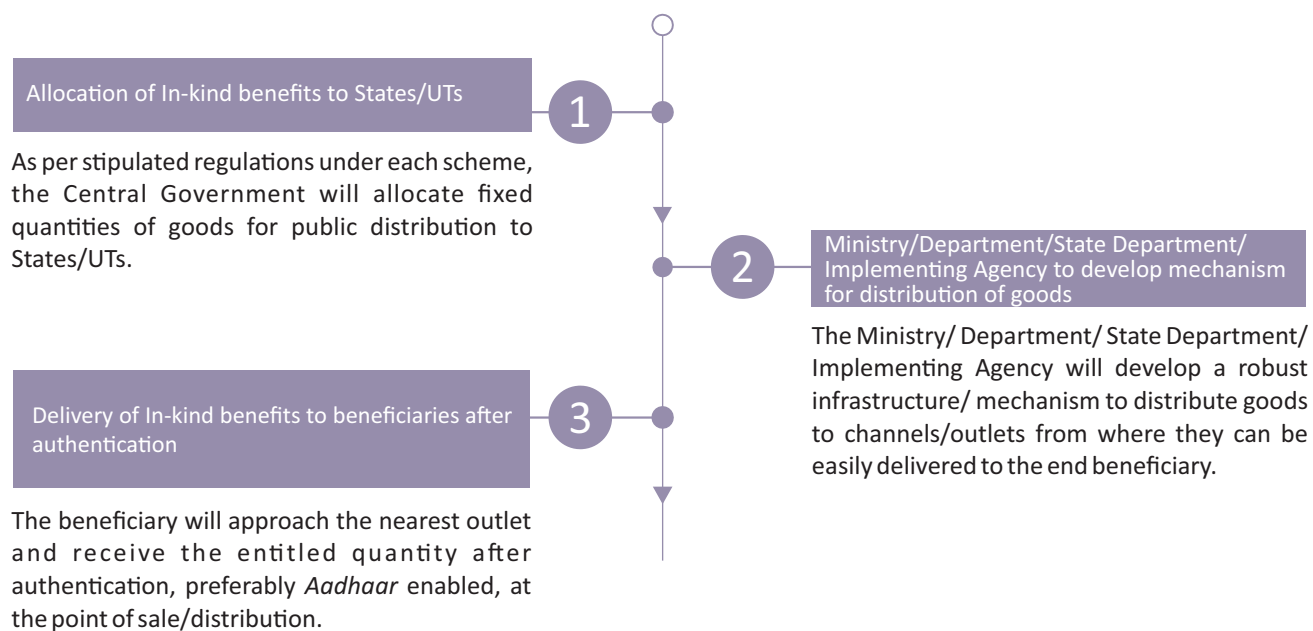
B. Registration on PFMS



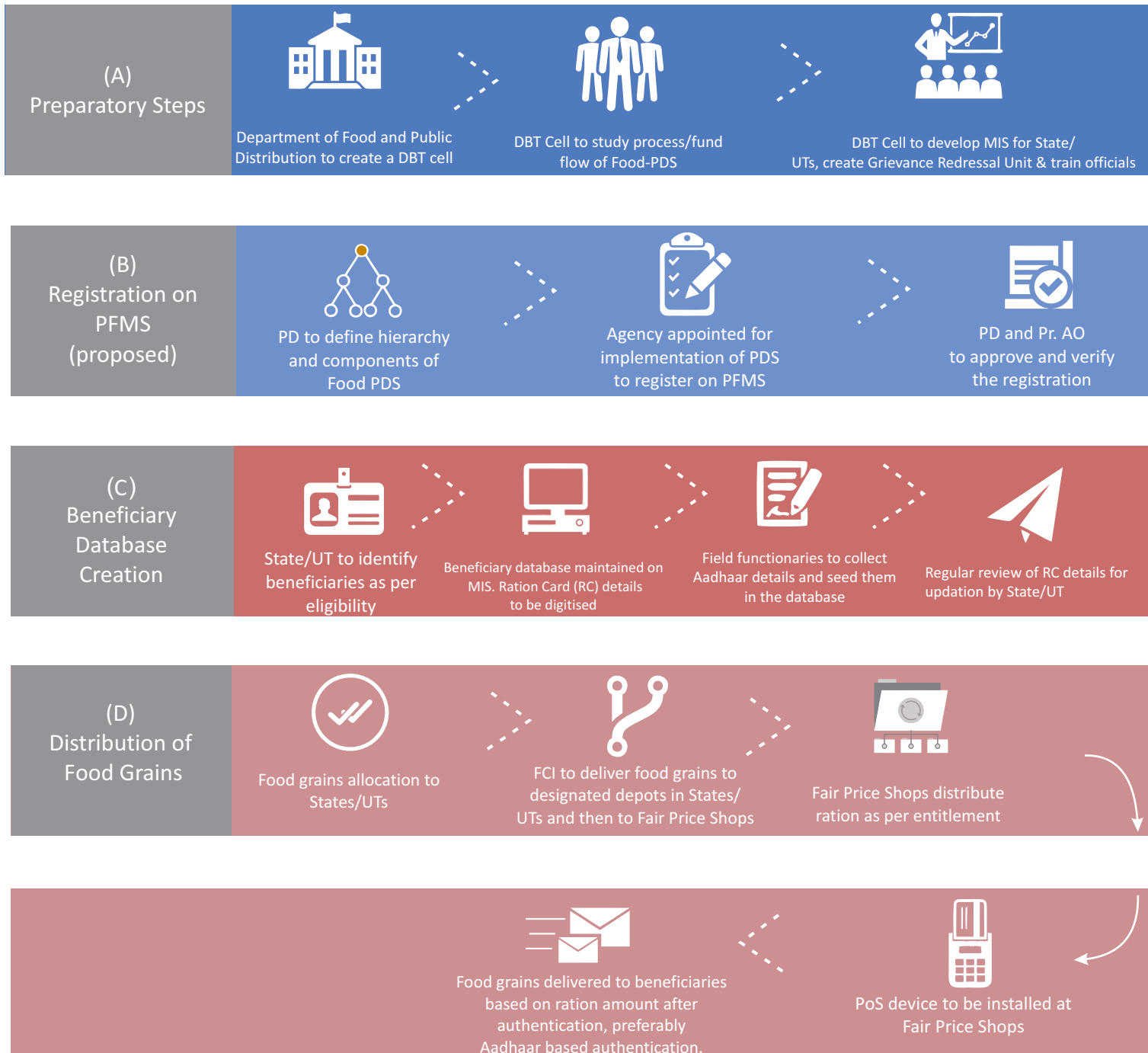
C. Beneficiary Database Creation



D. Distribution Of In-Kind Benefits



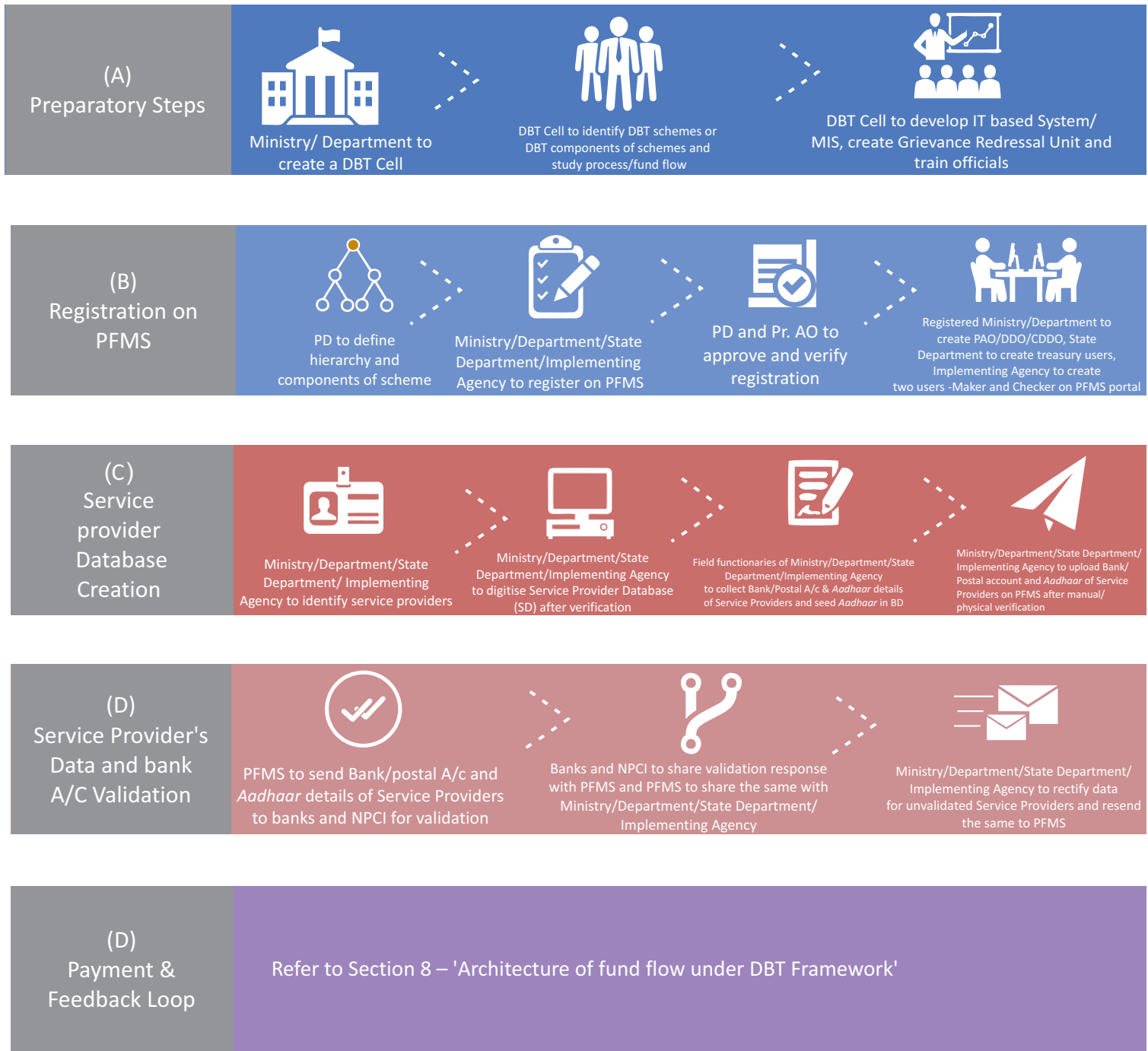
An Illustrative Example of SOP II: Food PDS, Department of Food & Public Distribution



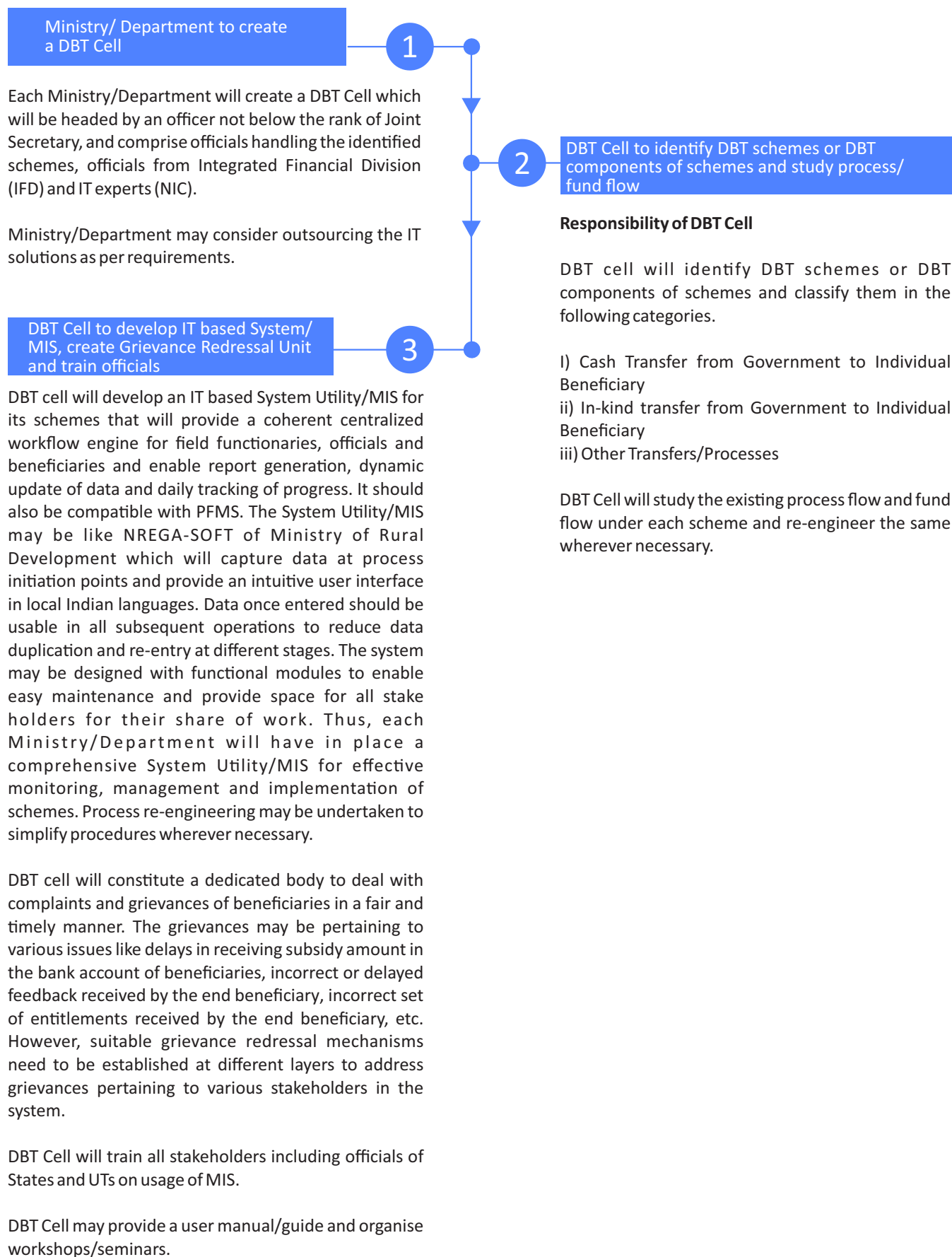


6. SOP III : Other Transfers

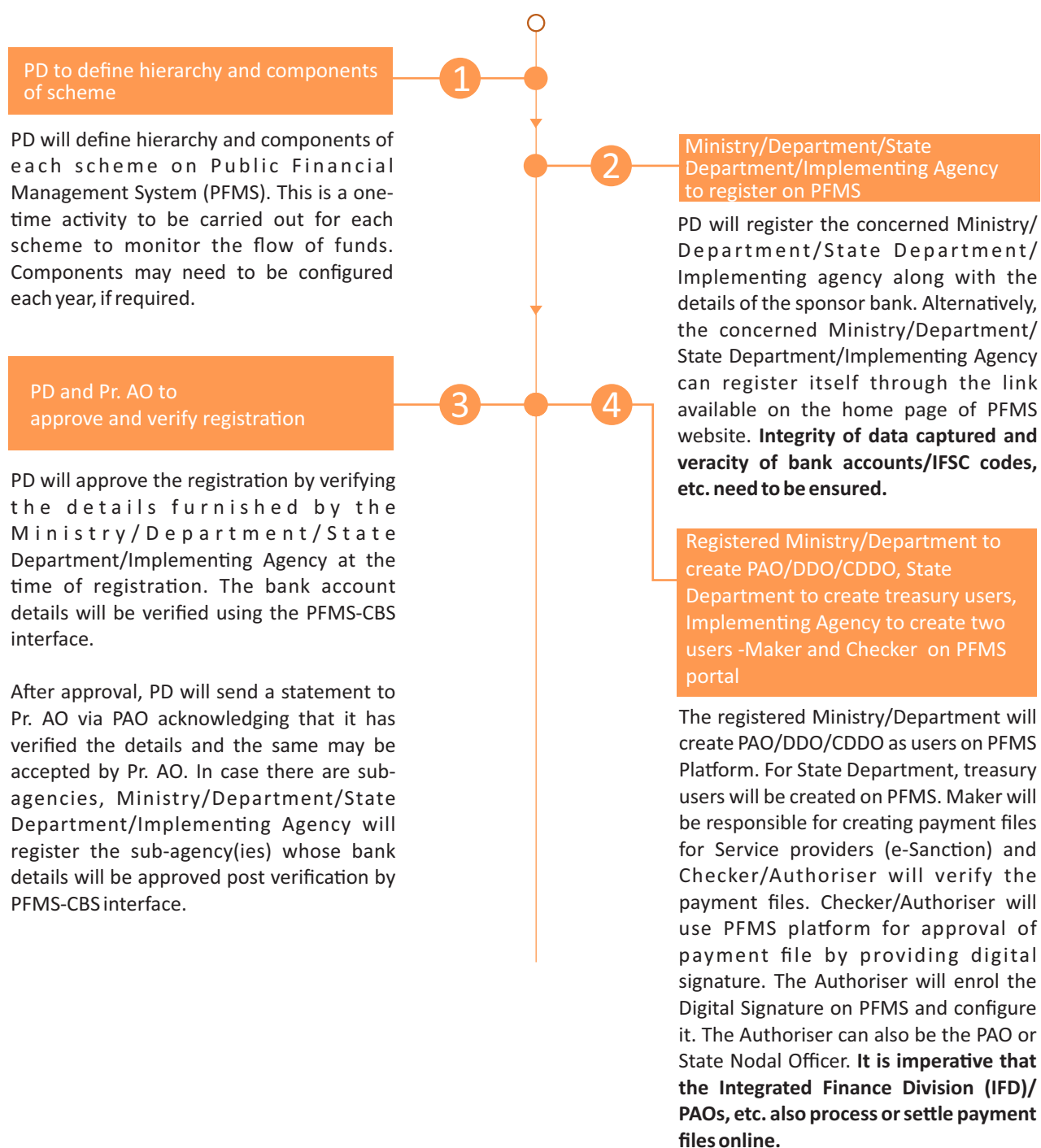
SOP III: OTHER TRANSFERS



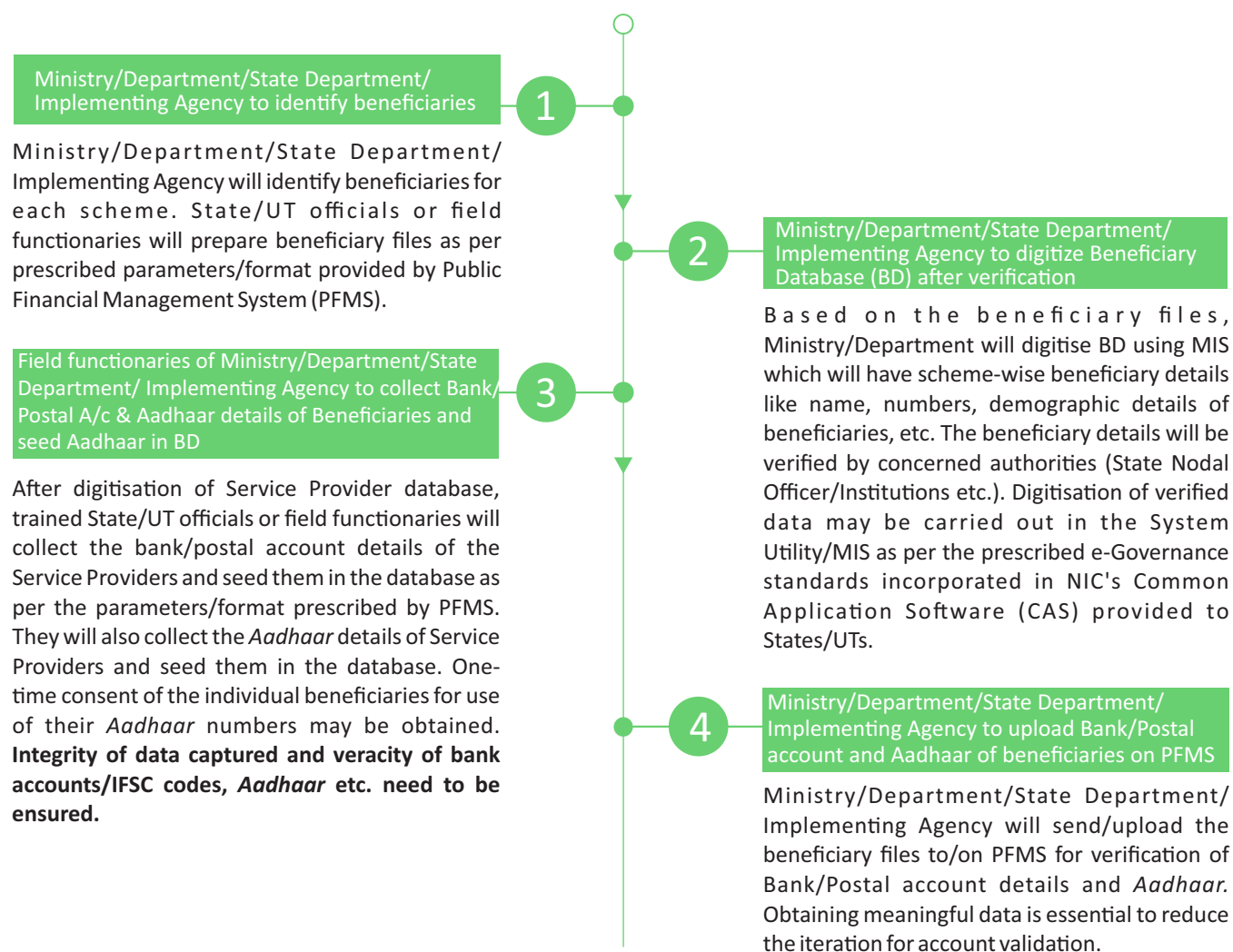
A. Preparatory Steps



B. Registration on PFMS



C. Service Provider Database Creation



D. Service Provider's Data and Bank A/C Validation

PFMS to send Bank/postal A/c and *Aadhaar* details of beneficiaries to banks and NPCI for validation

PFMS will send beneficiary files to banks/posts for account validation and *Aadhaar* details to NPCI for verification of *Aadhaar*.

1

Ministry/ Department/ State Department/ Implementing Agency to rectify data for unvalidated beneficiaries and resend the same to PFMS

Ministry/ Department/ State Department/Implementing Agency will check the response files and rectify beneficiaries' data wherever required and send the rectified files to PFMS again. Several rounds of data pushing may occur till data is 100% correct. This will continue till data of all beneficiaries is accepted/ validated from Banks /NPCI. Step D.1 repeats. However, the Ministry/Department/State Department/Implementing Agency can still prepare payment files for partial list of validated beneficiaries.

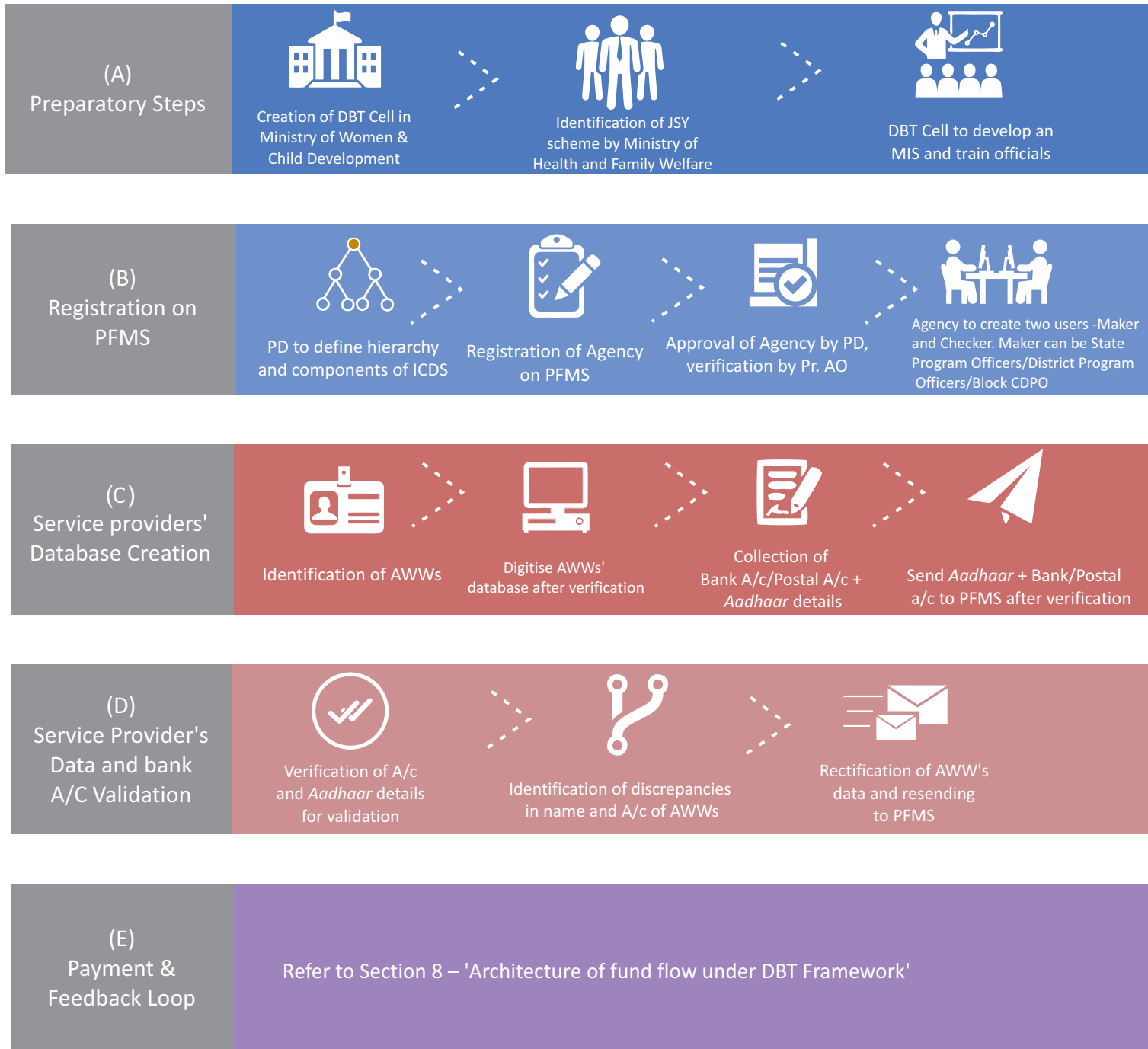
3

2

Banks and NPCI to share validation response with PFMS


Banks and NPCI will share the validation responses for the beneficiary files with PFMS. These response files will contain information on account holder's name as per record. PFMS will send these response files for all beneficiaries (both for those whose details are validated and not validated) to Ministry/Department/State Department/Implementing Agency.

An Illustrative Example of SOP III: ANGANWADI WORKERS (AWW)/ANGANWADI HELPERS INTEGRATED CHILD DEVELOPMENT SERVICES (ICDS) Ministry of Women and Child Development





7. Architecture of Fund Transfer Under the DBT Framework



Almost all schemes of the Government of India involve transfer of benefits, in either cash or kind to the identified beneficiaries. This necessitates the flow of funds from a parent Ministry/Department to the beneficiaries through different routes. A structured and well- defined fund transfer mechanism is thus, important to ensure not only the successful implementation of schemes on the DBT platform, but also compliance with accounting requirements.

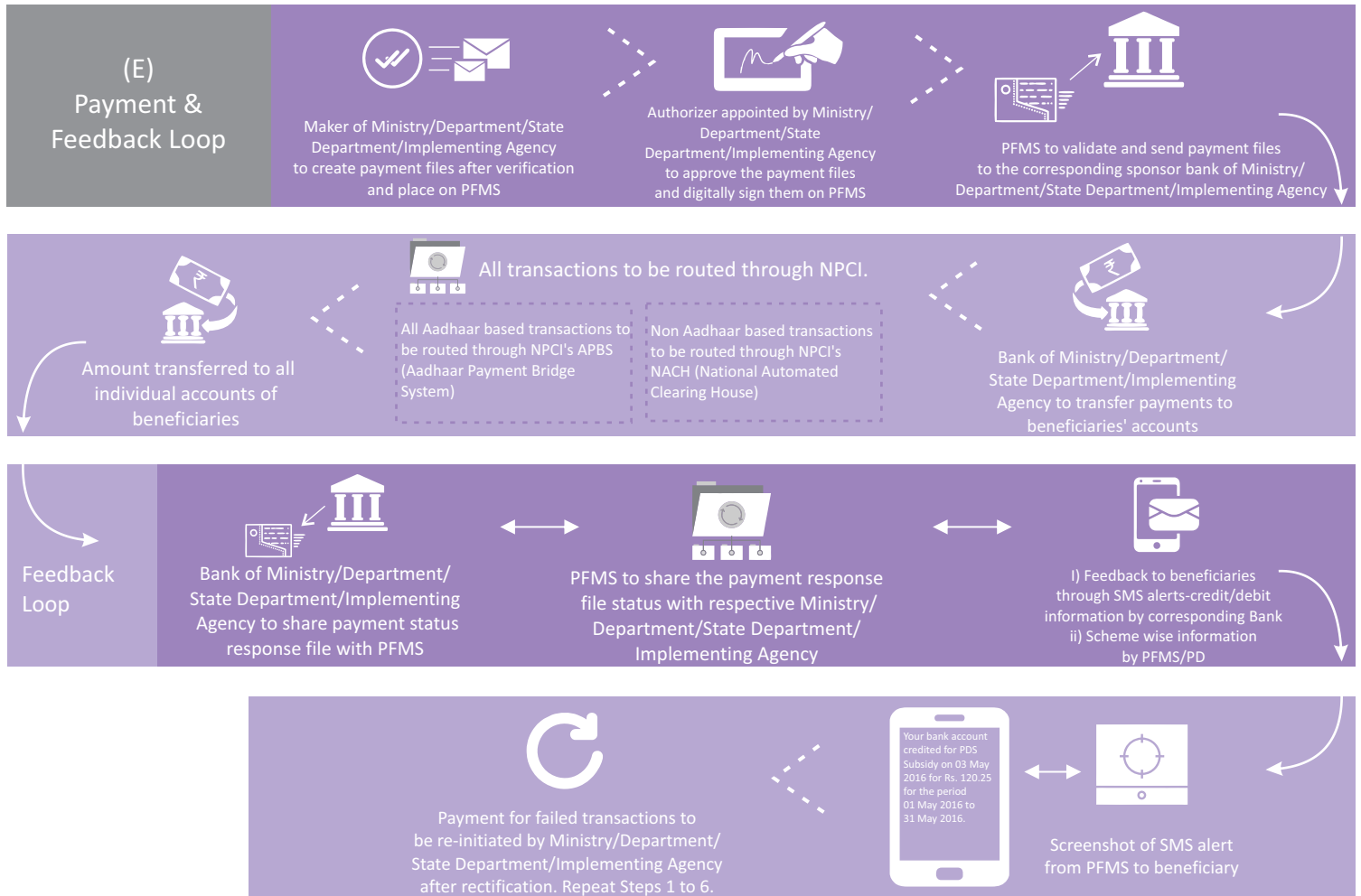
The previous sections 5, 6 and 7 focussed on the DBT processes to be established. This section explains the fund flow mechanism to be followed under DBT. It is to be observed that this fund flow mechanism is particularly applicable to schemes involving Cash Transfers to Individual Beneficiaries (SOP I) and Other Transfers to enablers of Government schemes (SOP III). With regard to In-Kind Transfers (SOP II), the Ministry/Department must ensure that fund transfers, if any, at various levels are captured on the PFMS platform, while disbursement of In-kind benefits to beneficiaries is done post authentication, which preferably should be *Aadhaar* enabled.

In general, there are three different routes through which fund transfers can take place under various schemes, viz.

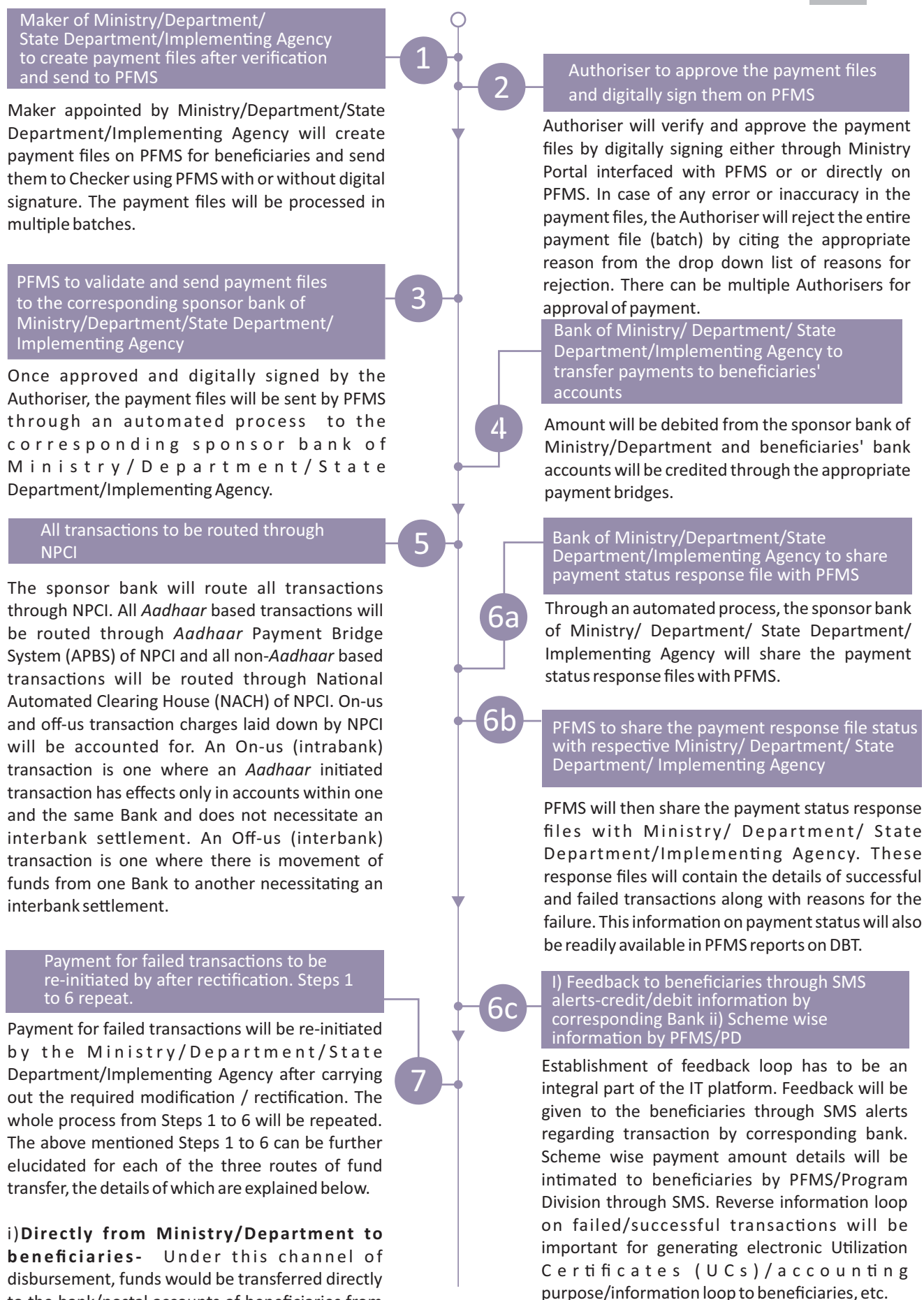
- I. Fund transfer from parent Ministry/Department to the accounts of beneficiaries directly e.g. MGNREGS, scholarships by different Ministries/Departments.
- ii. Fund transfer through State Treasury Account to beneficiaries, for e.g. old age pension in UP.
- iii. Fund transfer through any implementing agency (as appointed by Centre/State Governments) to beneficiaries. For e.g. Schemes of the D/o Sports through SAI, Scholarships of the D/o Higher Education through UGC. Implementing agencies may also include Special Purpose Vehicles (SPVs) created by Ministries/Departments for disbursement of benefits (in cash or kind) to intended beneficiaries.

The architecture of fund flow process under the DBT framework is illustrated in the diagram below followed by a detailed description of each step.

ARCHITECTURE OF FUND TRANSFER UNDER THE DBT FRAMEWORK



E. PAYMENT & FEEDBACK LOOP





An illustrative example: NeFMS project under MGNREGS

National Electronic Fund Management System (NeFMS) is a pilot project launched by the Central government on 01.04.2016. This has been implemented in 11 states, namely Assam, Bihar, Haryana, Karnataka, Kerala, Odisha, Punjab, Rajasthan, Tripura, Uttarakhand and Uttar Pradesh for direct and faster disbursement of wages (excluding material component and administrative component) under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). The expenditure on wage component is debited to the Major Head of Account 2505 – Rural Employment while the expenditure on material cost and administrative component are debit to the Head of Account 3601 - Grants-in-aid to State Govt. (Major Head). The fund flow process under N-eFMS takes place as follows:

- Department of Rural Development sends Fund Transfer Orders (FTOs) for wage component to PFMS daily.
- PFMS sends the FTOs to respective Bank/ India Post Accounts.
- Banks/India Posts will send response files to PFMS.
- These response files will be subsequently shared with the Department.
- Payment for validated beneficiaries will be transferred directly into the accounts of the beneficiaries.
- Payment for failed transactions will be re-initiated.

FUND FLOW VIA MINISTRY/DEPARTMENT

DESIRED FUND FLOW PROCESS		Illustrative example- NeFMS project (MGNREGS)
STEP 01	Maker appointed by Ministry/ Department to create payment files after verification and place them on PFMS	Under N-eFMS, the Department of Rural Development (DoRD) creates Fund Transfer Orders (FTOs) i.e. payment files for wage component and sends them to PFMS daily
STEP 02	Authoriser appointed by Ministry/ Department to approve the payment files and digitally sign them on PFMS	PFMS validates the NREGA workers' details with the respective Banks/Postal Accounts, shares the same with DoRD which is approved and digitally signed by the Authoriser. Validation of a new beneficiary bank account for a scheme is a one-time activity
STEP 03	PFMS to validate and send payment files to the sponsor bank of Ministry/ Department	Sending of payment file by PFMS to sponsor bank of DoRD
STEP 04	Sponsor Bank to transfer payment to beneficiaries' accounts	Transfer of amount by sponsor bank of DoRD into NREGA workers' accounts
STEP 05	Sponsor bank to route all transactions through NPCI. All Aadhaar based transactions to be routed through APBS and all Non Aadhaar based transactions to be routed through NACH	Sharing of payment status response (success/failure back to PFMS server) file by sponsor bank of Ministry/Department with PFMS
STEP 06	Sponsor bank to share payment status response file with PFMS. PFMS to share the response files with Ministry/Department i.Feedback to beneficiaries through SMS alerts-credit/debit information by beneficiary's bank ii. Scheme wise information by PFMS/PD	Payment for failed transactions to be re-initiated by Ministry after rectification
STEP 07	Payment for failed transactions to be re-initiated by Ministry/ Department after rectification and repeat Steps 1 to 6.	

*The illustrative example may not follow the desired fund flow process exactly



ii) Through State Treasury Account

Under this channel of disbursement, funds from the Central Government will be transferred to beneficiaries' accounts through the State Treasury Account. This route is generally adopted in Centrally Sponsored Schemes which are largely funded by the Central Government with a defined share of State Government. After receipt of Central share in the State Consolidated Fund and matching State share, funds are transferred to Districts/Panchayats from the State Consolidated Fund and then to the beneficiaries. However, it may also be possible that the State may use an electronic Fund Management System of its own for payments in which case the funds will be transferred from the State Consolidated Fund directly into the beneficiaries' accounts.

Illustrative Example: Indira Gandhi National Old Age Pension Scheme in Uttar Pradesh

The Indira Gandhi National Old Age Pension Scheme (IGNOAPS) is a non-contributory old age pension scheme that covers Indians who are 60 years and above and live below the poverty line. The pension scheme is part of the National Social Assistance Programme (NSAP) that was launched by the Ministry of Rural Development in August, 1995.

Presently, on the basis of Socio-Economic Caste Census (SECC) data, funds are allocated to the States / Uts.

Funds for IGNOAPS are released to the Consolidated Fund of the State Government of U.P. After receiving the share from the centre, the state withholds its share and transfers the fund to individual beneficiaries from the State treasury. The detailed fund flow is explained henceforth.

The fund flow from the Ministry to the State treasury and from the State treasury to the end beneficiary is mapped entirely to the centralized PFMS. The bank/postal account details of the end beneficiaries are sent to PFMS for validation of bank accounts.

The payment files are electronically generated by the Department of Rural Development of the State government and placed on PFMS for payment. The payment file is then digitally authorised by the concerned finance officer and nodal officer of the State department. Finally, this file is sent to the State Treasury, where the payment file is verified and based on availability of funds under the appropriate head to which the old age pension corresponds, funds are released directly into the account of the beneficiary through PFMS.

FUND FLOW VIA STATE TREASURY

DESIRED FUND FLOW PROCESS

Illustrative example- IGNOAPS in U.P*

STEP 01	Maker appointed by State Department to create payment files after verification and place on PFMS	Department of Rural Development, U.P (U.P DoRD), electronically generates payment files. The payment files are sent to be placed on PFMS
STEP 02	Authoriser appointed by State Department to approve the payment files and digitally sign them on PFMS	PFMS sends e-files to banks for validation. Verified files are sent to the concerned finance officer and nodal officer of U.P, DoRD for digital authorisation
STEP 03	PFMS to validate and send payment files to the sponsor bank of State Department	State Treasury of U.P receives payment files from the department via PFMS and digitally signs the payment files
STEP 04	Sponsor Bank to transfer payment to beneficiaries' accounts	On receiving payment files, sponsor bank of State Department of U.P will initiate payments to beneficiaries' accounts
STEP 05	Sponsor bank to route all transactions through NPCI. All Aadhaar based transactions to be routed through APBS and all Non Aadhaar based transactions to be routed through NACH	Sharing of payment status response file by sponsor bank of State treasury of U.P with PFMS
STEP 06	Sponsor bank to share payment status response file with PFMS. PFMS to share the response files with Ministry/Department. i. Feedback to beneficiaries through SMS alerts-credit/debit information by beneficiary's bank ii. Scheme wise information by PFMS/PD	Payment for failed transactions to be re-initiated by State Treasury of U.P. after rectification
STEP 07	Payment for failed transactions to be re-initiated by Ministry/ Department after rectification and repeat Steps 1 to 6	

*The illustrative example may not follow the desired fund flow process exactly



iii) Fund Transfer through Implementing Agency

Under this channel of disbursement, funds will be transferred by Ministry/Department to an identified implementing agency as nominated by Ministry/Department as per the budget allocated to such implementing agencies. These implementing agencies will be responsible for further transfer of funds to banks/postal accounts of the identified beneficiaries.

Example:- UGC as an implementing agency for various scholarship/fellowship schemes

UGC is an implementing agency for various government schemes relating to scholarship programs. The fund flow mechanism is as under:

- UGC receives the amount of funds allocated for scholarships under the department's budget.
- UGC identifies the beneficiaries/scholarship holders. The list of such identified beneficiaries is uploaded on the web portal maintained by UGC.
- After validation of beneficiary list by PFMS, payment files are generated by the UGC's sponsor bank.
- These payment files are digitally signed by authoriser appointed by UGC and then sent to PFMS through the UGC portal.
- The sponsor bank, on the receipt of payment files from PFMS, initiates the process of fund transfer.
- Payment status response file of the fund transfer is shared by the sponsor bank with PFMS which in turn shares the same with UGC.
- Payment for failed transactions to be re-initiated by UGC after rectification.

FUND FLOW VIA IMPLEMENTING AGENCY

DESIRED FUND FLOW PROCESS		Illustrative example- UGC Scholarship Schemes*
STEP 01	Maker appointed by State Department to create payment files after verification and place on PFMS	UGC, the Implementing Agency electronically generates payment files which are then placed on PFMS
STEP 02	Authoriser appointed by State Department to approve the payment files and digitally sign them on PFMS	Authorising officer of UGC to approve the payment files and digitally sign them on PFMS
STEP 03	PFMS sends validated payment files to the sponsor bank of Implementing Agency	PFMS to send validated payment files to sponsor bank of UGC
STEP 04	Sponsor Bank of Implementing Agency to transfer payment to beneficiaries' accounts	Sponsor Bank transfers scholarship amounts to scholarship holders' accounts
STEP 05	Sponsor bank to route all transactions through NPCI. All Aadhaar based transactions to be routed through APBS and all Non Aadhaar based transactions to be routed through NACH	Sponsor Bank shares payment status response files with PFMS. PFMS shares the same with UGC
STEP 06	Sponsor bank to share payment status response file with PFMS. PFMS to share the response file with Ministry/Department. i. Feedback to beneficiaries through SMS alerts-credit/debit information by beneficiary's bank ii. Scheme wise information by PFMS/PD	Payment for failed transactions to be re-initiated by UGC after rectification
STEP 07	Payment for failed transactions to be re-initiated by Ministry/ Department after rectification and repeat Steps 1 to 6	

*The illustrative example may not follow the desired fund flow process exactly

Transaction Charges to Financial Agencies for DBT Transactions

The banking and postal networks in the country have a pivotal role to play in the successful implementation of schemes on the DBT platform. The banks and post offices not only provide financial facilities in terms of bank/postal accounts to the beneficiaries of schemes, but also bear the responsibility of ensuring last mile connectivity and accessibility to benefits provided in the bank accounts of beneficiaries. They are thus required to devote additional resources in terms of financial, physical and human resources for this purpose.

To ensure an adequate incentive mechanism for the financial intermediaries, the Ministry of Finance has issued a **Government Order (No. 32(07) /PF-II /2011- Vol. II) dated 26.02.2016** stipulating transaction charges/cash out incentives for DBT transactions carried out by banks and post offices. As per the Government Order, this commission is paid in two parts, as described below:

i) Transaction charges

A transaction cost of Rs. 0.50/- would be payable for every transaction that happens between the sponsor banks, destination entities and NPCI in accordance with the extant NPCI circular.

ii) Cash out incentives

For MGNREGA, Maternity Benefits (ICDS) and Pension Schemes, a fixed component of Rs. 5/- per transaction and an available component of Rs. 0.50/- per Rs. 100 (transaction amount rounded up to the next hundred) subject to a maximum of Rs. 5/- would be payable. This incentive is provided to promote last mile delivery of financial services.

These transaction charges are however subject to changes in future as per requirements.

