

Chapter I

Introduction

Chapter I – Introduction

1.1 Introduction

Direct Benefit Transfer (DBT) launched (January 2013) by Government of India is a major initiative to re-engineer the process of delivery in various welfare schemes for simpler and faster flow of information/funds for ensuring accurate targeting of the beneficiaries and for eliminating duplication and fraud. Information and Communication Technology (ICT) is used effectively to identify the beneficiaries accurately so as to eliminate duplications, to reduce delays in payments with minimum intermediary levels and to eliminate pilferages & frauds. Government of Telangana (GoT) as a part of its social safety net strategy introduced (November 2014) ‘Aasara¹ Pensions’ scheme, to ensure secure life with dignity for the poor households and vulnerable sections of the State by sanctioning pension to (i) old aged persons (ii) widows (iii) disabled persons (iv) incapacitated weavers (v) toddy tappers and (vi) persons with HIV-AIDS; the scheme was later extended to provide monthly financial assistance to (vii) beedi workers (March 2015) (viii) single women (April 2017) and pension to (ix) filaria patients (April 2018).

The amount of pension/ financial assistance under Aasara Pensions scheme is ₹2,016 per month (₹1,000 up to May 2019) for all categories except ‘disabled’ category, and ₹3,016 per month (₹1,500 up to May 2019) for ‘disabled’ category. Aasara is implemented as a DBT scheme.

GoI through the three² components of the National Social Assistance Programme (NSAP) provides pension of ₹200, ₹300 and ₹500, as the case³ may be, under the categories of (a) Old Age (b) Widow and (c) Disabled. The beneficiaries under NSAP form part of Aasara Pensions scheme also. The amount received from GoI on account of their pension under NSAP is dovetailed under Aasara Pensions scheme. Further, GoT provides additional funds over and above NSAP limits, to bridge the shortfall for the pension amounts as fixed in Aasara Pensions scheme.

Disbursement of pension to Aasara beneficiaries (both in Urban and Rural areas) is made in three modes viz., (1) by cash through Post Offices using the AEPS⁴ (by Department of Posts-DoP) for authentication, (2) by transfer using NPCI⁵'s Aadhaar Payment Bridge (APB) to transfer amount directly into Aadhaar seeded bank account through Core Banking Solution (CBS) and (3) by cash in manual mode by the concerned Gram Panchayat (GP) Secretary or Bill Collector by registering his/her own biometrics⁶.

¹ ‘Aasara’, translates to ‘support’

² Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS)

³ (i) For beneficiaries below the age of 80 years: ₹200 per month for Old Age Pension and ₹300 per month for the other two schemes; (ii) for beneficiaries of 80 years and above: ₹500 per month for all three schemes

⁴ Aadhaar Enabled Payment System

⁵ National Payments Corporation of India

⁶ In rare circumstances where beneficiaries are bed-ridden or their upper extremities are badly affected

1.1.1 Eligibility conditions and Exclusion Criteria

Eligibility criteria for sanction of pension under different categories of Aasara Pensions scheme are as shown in **Table-1.1**.

Table-1.1: Category-wise eligibility criteria for Aasara Pensions

Sl. No.	Category	Eligibility Criteria	
		Age	Other additional parameters
1.	Old Age	65 Years and above	---
2.	Widow	18 Years and above	---
3.	Differently Abled (persons with disabilities)	Irrespective of age	Minimum Disability for Hearing Impaired: 51 <i>per cent</i> ; other categories: 40 <i>per cent</i>
4.	Weavers	50 Years and above	---
5.	Toddy Tappers	50 Years and above	Registered member in the Cooperative Society of Toddy Tappers
6.	Persons with HIV-AIDS	---	Persons undergoing Anti-Retroviral Therapy (ART)
7.	Filaria Patients	---	Grade – II & III patients
8.	Beedi Workers	Above 18 Years	Poor Beedi workers who started the beedi rolling by taking raw material from contractor before 28 February 2014
9.	Single Women-Married	Above 18 Years	Separated from or deserted by husband and separation period shall be more than one year
	Single Women-Unmarried in Rural areas	Above 30 Years	---
	Single Women-Unmarried in Urban areas	Above 35 Years	---

Source: Government Orders on the scheme

The exclusion criteria stipulated for the scheme *inter alia* include households having (i) annual income of more than ₹1.50 lakh in Rural Areas and ₹2.00 lakh in Urban areas (ii) landholdings exceeding 3.0 Acres wet/ irrigated dry or 7.5 Acres dry (iii) children who are Government/Public Sector/Private Sector/Outsourced/Contract employees (iv) children who are Doctors, Contractors, Professionals and Self-employed (v) owners of four wheelers and big vehicles (vi) persons receiving freedom fighter pension or Government pension (vii) large business enterprises like rice/oil mills, petrol pumps, rig ownership or shop ownership, etc.

1.1.2 Organisational setup

The Aasara Pensions scheme is implemented by Society for Elimination of Rural Poverty (SERP), a registered body functioning under the administrative control of Secretary,

Panchayat Raj and Rural Development (PR&RD) Department who is assisted by Commissioner, Rural Development (CRD) and Chief Executive Officer (CEO), SERP. At the district level, the scheme is being implemented by the District Rural Development Agency (DRDA) and is headed by District Rural Development Officer (DRDO).

In Hyderabad, which is a 100 *per cent* urban district, the scheme is implemented by District Revenue Officer (DRO). District Collector accords administrative approval to new sanctions and monthly payment proceedings submitted by DRDO/DRO. Mandal Parishad Development Officers (MPDOs) in rural areas, Municipal Commissioners (MCs) in urban local bodies, Deputy Commissioners (DCs) in Greater Hyderabad Municipal Corporation - GHMC (other than Hyderabad District) and Tahsildars in Hyderabad District are responsible for beneficiary identification and sanction of pension. Concerned Panchayat Secretary (PS) and Bill Collector (BC) in rural and urban area respectively is responsible for receiving the applications from Aasara aspirants, verifying their antecedents and certifying the eligibility. The scheme is implemented since March 2015 through a web based application (Aasara Portal) developed and maintained by a private service provider (Tata Consultancy Services Limited-TCS).

Chart-1.1: Organisational setup



1.2 Audit Framework

1.2.1 Audit Objectives

Performance audit of the DBT scheme was carried out to assess whether:

1. Organisation and management of Aasara Pensions scheme was adequate and effective.
2. Implementation of 'Aasara Pensions' scheme (through Information Technology application) has achieved the intended objectives of providing social security in a transparent and effective manner.
3. The Information Technology (general and application) controls and information system security controls were adequate and effective.

1.2.2 Audit Criteria

Audit findings were benchmarked against criteria sourced from the following:

- i. Documents, circulars, orders, instructions, and notifications issued on DBT by DBT Mission, GoI.
- ii. Standard Operating Procedure, Handbook on DBT and Guidelines for State DBT Cell issued by DBT Mission.

- iii. Guidelines of Aasara Pension Scheme⁷ on process of identification and authentication of beneficiaries and payments issued by GoT from time to time.
- iv. Information Technology Act 2000, as amended, and instructions/guidelines issued thereunder.

1.2.3 Scope, Sample and Methodology of Audit

The Performance Audit was carried out during February 2021 – February 2022⁸ covering a three-year period from 2018-19 to 2020-21. Eight districts⁹ (25 per cent of 33) were selected by applying the Simple Random Sampling Without Replacement (SRSWOR) technique. Four mandals (blocks) and two municipalities from each sampled district were selected by the SRSWOR method. Entry Conference was held with Secretary, PR&RD in January 2021 wherein audit objectives, methodology, scope, criteria and audit sample were explained. Audit methodology involved the following:

1. Scrutiny of records relating to the scheme at the offices of Secretary, PR&RD, Commissioner of Rural Development, SERP, State DBT Cell and selected units. Audit Enquiries were issued and discussions were held with Departmental authorities at various levels.
2. From each Mandal/Municipality, 20 applications submitted by Aasara aspirants were selected for review. Beneficiary Survey was conducted in respect of 10 beneficiaries randomly selected therefrom, to elicit their opinion on the scheme and service delivery.
3. Analysis of the Aasara IT Application database (as furnished by the Department) for the period 2018-19 to 2020-21 was carried out. Further, data available from other Government Departments was utilised to cross-check the stipulated inclusion/exclusion criteria.

The audit observations are presented in the following chapters:

Chapter-II : Budget and Utilisation

Chapter-III: Implementation of Aasara Pensions as a DBT Scheme

Chapter IV- Evaluation of Controls in Aasara IT Application

Audit findings were discussed with the Secretary to Government, PR&RD in the Exit Conference conducted in June 2022. Replies of the Government have been incorporated in the Report at appropriate places.

1.2.4 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the State Government, staff of SERP and all the test-checked units during the execution of the Performance Audit.

⁷ vide G.O.Ms.No. 17, dated 5 November 2014 of Panchayat Raj & Rural development (RD. I) Department

⁸ Due to COVID-19 pandemic, Audit could not visit the sampled units during April-June 2021

⁹ Hyderabad, Mahbubnagar, Medak, Nizamabad, Rangareddy, Sangareddy, Siddipet, and Yadadri-Bhuvanagiri