

Executive Summary

Purpose to undertake this audit

DBT is a major government reform initiative envisaging simpler and faster flow of funds to the right beneficiaries. With the outbreak of the COVID-19 pandemic and the imposition of lockdown and social distancing norms, DBT emerged as a boon in providing succour and relief to people. This performance audit covered two schemes under the Social Justice and Empowerment Department i.e. Chief Minister Old Age Samman Pension Scheme and Chief Minister Ekal Nari Samman Pension Scheme. Audit focused on coverage, identification of beneficiaries, efficiency and design of payment process. The objective of Audit was to assess and evaluate the State's performance in implementation of DBT to minimize intermediary levels, delay in payments to intended beneficiaries and pilferage and duplication.

Audit also checked whether the infrastructure, organization and management of DBT were adequate and effective and beneficiaries actually received the benefits.

Further, analysis of the data dump of RajSSP¹ was carried out to ensure whether the scheme data was reliable, accurate and complete, data of all beneficiaries was digitized, controls existed to prevent errors in beneficiary data and failed transactions were tracked, monitored and reconciled.

Results in brief

There were delays in sanction and payment of pensions due to which the beneficiaries were deprived of the scheme benefits for the delay period. Pensions were sanctioned to applicants who had not attained the minimum age of eligibility on the date of application whereas in certain cases applications of eligible applicants were rejected, indicating monitoring failures.

Process of Physical verification was not found to be robust. The Department lacked a system to periodically review eligibility of beneficiaries to weed out ineligible cases and identify cases of erroneous physical verification.

Mandatory post-audit of the auto-escalated applications was not conducted and recovery was pending in instances of payment of pension in ineligible auto-sanctioned applications. Double pensions were paid to beneficiaries who did not have unique IDs.

Systemic issues of RajSSP such as lack of multi-factor authentication, lack of updates to system requirement specifications and lack of implementation of

¹ RajSSP portal has been developed by NIC for SJED and is utilised by SJED for the implementation of social security pension schemes.

business continuity plan / disaster recovery plan were noticed, along with deficiencies in the input, processing and output controls.

The State DBT portal did not contain important scheme details of the State DBT schemes such as number of beneficiaries in a scheme, amount transferred to the beneficiaries, month-wise/year-wise DBT transfers, savings due to DBT, etc.

Significant pendency was noticed in the disposal of grievances/queries pertaining to CMOASPS and CMENSPS.

Principal findings and recommendations of the Performance Audit

The chapter wise audit findings that led to audit conclusions and recommendations are as follows.

Chapter II: Implementation of DBT in Social Security Pension Schemes

- Irregularities like dead beneficiaries being verified as ‘alive’, pension of beneficiaries who were alive stopped on being erroneously verified as ‘dead’ and applicants found ineligible during verification being marked as ‘verified’ for subsequent payments were found in the system of physical verification of beneficiaries.

(Paragraph 2.5)

- Cases of auto verification/sanction were not being post-audited by the sanctioning authorities and responsibility of the concerned officers was not being fixed in cases where auto verification/sanction led to wrongful payment of pension.

(Paragraph 2.6)

- Unique IDs were not linked to the Pension Payment Orders (PPOs) which led to duplication of beneficiaries and instances of double payment of pension. The Department failed to undertake focussed intervention in getting unique IDs for all the beneficiaries and linking their PPOs with these unique IDs.

(Paragraph 2.8)

- Information Technology related issues such as lack of multi-factor authentication, lack of updates to system requirement specifications and lack of implementation of business continuity plan / disaster recovery plan were noticed.

(Paragraph 2.10)

Recommendations:

- *Harmonise Pension Rules with Jan-Aadhaar as the information pertaining to eligibility of the beneficiaries is being fetched from Jan-Aadhaar for all the social security pension schemes.*

- *Incorporate a feature in RajSSP which highlights the cases involving modification of those beneficiary details in Jan-Aadhaar database which are relevant to the eligibility for pension schemes for further scrutiny by the Department.*
- *Take steps to make the process of physical verification robust while ensuring accountability for the instances of erroneous verification and sanction.*
- *Incorporate in the system of annual physical verification a comprehensive evaluation of the eligibility and validation of basic details such as bank account numbers of beneficiaries every year.*
- *Implement the feature of automatic transfer of eligible beneficiaries from CMOASPS to CMENSPS on RajSSP and also extend this facility to 'Separated' and 'Divorced' beneficiaries in addition to 'Widows'. An MIS report on RajSSP regarding beneficiaries of CMOASPS eligible for transfer to CMENSPS may be helpful to monitor any pendency in such transfers.*
- *Ensure that Jan-Aadhaar IDs of the remaining beneficiaries are updated on RajSSP and all the PPOs are linked to the Jan-Aadhaar IDs in a time-bound manner so that the RajSSP system is able to detect and prevent cases of duplicate beneficiaries and double payments.*
- *Make efforts to plug the loopholes in the application controls of RajSSP to ensure data security, accuracy, validity and enhance the capability of RajSSP in efficient and effective implementation of the schemes.*
- *A nodal officer may be nominated by the State Government to monitor and manage aspects such as validity, integrity and security of the data in the IT systems of the Department in a dedicated and focused manner.*

Chapter III: Infrastructure, Organization and Management of DBT in State

- The State DBT Portal (Jan-Aadhaar portal) was not integrated with DBT Bharat portal. Important details of DBT schemes such as number of beneficiaries, amount of benefit transfer per beneficiary, month-wise/year-wise DBT transfers, and savings due to DBT etc. were not available on the portal. It was also noticed that the limited scheme data available on the state DBT Portal was not updated in real time.

(Paragraph 3.1)

- State DBT cell was not involved in development of scheme/department-specific ICT applications and the development of such applications was being handled by the concerned Departments. Training/seminar/workshop for capacity building of State officials have not been organized.

(Paragraphs 3.2 and 3.3)

Recommendations

The State Government may:

- *ensure the availability of scheme-wise information of all DBT schemes in the state on the State DBT portal and its proper linking with the DBT Bharat portal;*
- *make provision of expert technical support to enable State DBT cell to effectively function as nodal point for DBT related matters of the state as envisaged.*

Chapter IV: Delivery of benefits to the intended beneficiaries and the grievance redressal mechanism

- The payments of pension were made with significant delays as against the timeline prescribed by the Pension rules.

(Paragraph 4.1)
- Recoveries pertaining to excess/irregular pension payments were pending.

(Paragraph 4.2)
- Shortcomings were noticed in the procedure to address pension payment failures with no provision to inform beneficiaries about such failures and the beneficiaries being subjected to a protracted process with redundant steps for rectification of details.

(Paragraph 4.3)
- A dedicated body to deal with DBT related complaints and grievances of beneficiaries was not set up by DBT cell/ SJED. Significant pendency was noticed in the disposal of grievances/queries pertaining to CMOASPS and CMENSPS registered on RajSSP.

(Paragraphs 4.4 and 4.5)

Recommendations

The State government may:

- *analyse the reasons for delayed payments and ensure pension payments are done within the timelines as prescribed by Pension rules;*
- *provide the necessary information through means such as SMS and facilitate the beneficiaries in cases of Pension payment failure;*
- *take steps to streamline the procedure for rectification of beneficiary details such that the Jan-Aadhaar details, on being updated after due verification, are automatically approved for all the pension payments linked with Jan-Aadhaar;*
- *constitute a dedicated Grievance Redressal Cell to provide speedy and effective resolution of complaints/grievances.*