Chapter I
Introduction

Direct Benefit Transfer (DBT) is a major reform initiative of the Government of India to ensure better and timely delivery of benefits from Government to the people. This marks a paradigm shift in the process of delivering benefits like wage payments, fuel subsidies, food grain subsidies etc. directly into the bank accounts of the beneficiaries, removing leakages and enhancing financial inclusion[2]. DBT envisions a governance regime which ensures a simple and user-friendly Government to People interface and directly delivers entitlements to eligible individuals and households in a fair, transparent, efficient and reliable manner.

1.1   DBT in the State

Rajasthan, being the largest state of the country in terms of area and having a large population, has its unique challenges in delivering government services to the residents living in far-flung areas. Hence, robust electronic mode of service delivery was needed, to do away with the deficiencies of physical delivery, so that the benefits of public welfare can be delivered at the door-step to the residents in a transparent and leak proof manner. In Rajasthan, different departments are running schemes for the electronic delivery of benefits and government services directly to the beneficiaries. A State DBT cell in the Planning Department was established, under *Bhamashah* scheme, in 2016.

The State Government launched *Bhamashah* scheme in 2008 for financial inclusion, which was restructured in 2014 and in 2017. Bhamashah Act[3] was passed for direct transfer of public welfare benefits and services by capturing the demographic information of individuals residing in the State and providing them with a unique ID linked with Aadhaar. Under the scheme, 164 social welfare schemes of the state were notified[4] for delivering benefits in cash and kind through *Bhamashah* platform. The *Bhamashah* Act was replaced by the Jan-Aadhaar Act[5] in 2020. The role of the *Bhamashah* scheme (now Jan-Aadhaar scheme) was to capture the demographic information of the beneficiaries such as gender, date of birth, name of family members, bank account details and to serve as a proof of identity.

1.2   Selection of Department and schemes

The selection of the Department was done on the basis of highest expenditure on DBT payments incurred in the State during the period 2017-18 to 2019-20. The details are given in table 1 below:

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[2] Guidelines for State DBT Cell by DBT Mission under Cabinet Secretariat.
[3] Rajasthan Bhamashah (Direct Transfer of Public Welfare Benefits and Delivery of Services) Act, 2017
[4] 161 schemes vide notification dated 6th February 2017 and 03 schemes vide notification dated 5thDecember 2017.
[5] Rajasthan Jan-Aadhaar Authority Act, 2020

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Table 1: DBT Expenditure incurred by various departments during 2017-18 to 2019-20

(₹ in crore)

S. No.	Name of Department	Cumulative DBT Expenditure
1	Social Justice and Empowerment	18,753.57
2	Medical, Health and Family Welfare	759.14
3	Labour	713.89
4	School Education and Language	606.13
5	Skill, Employment and Entrepreneurship	402.96
6	Higher and Technical Education	20.53
7	Information and Public Relation	0.06

Source: DBT Bharat portal and information provided by the Departments

Thus, the Social Justice and Empowerment Department (SJED) of the Government of Rajasthan (GoR) was selected for the Performance Audit (PA). SJED acts as the nodal department primarily focussing on educational and socio-economic development. It implements the upliftment programmes for the Scheduled Caste, Scheduled Tribes, Economical Backward Classes, Other Backward Classes, Special Backward Classes, along with welfare of specially abled, destitute and economically weaker children, women and aged citizens. The Department is entrusted with the following tasks:

- Socio-economic development of the targeted groups of society.
- Educational enhancement of targeted groups by way of scholarships and hostel facilities.
- Schemes for social security to old, specially abled and widow/destitute etc.
- Programs for rehabilitation of drug addicted persons, bootleggers, unclaimed women etc.

Further, within SJED, the schemes with highest expenditure were as under: -

Table 2: SJED schemes with highest expenditure

(₹ in crore)

S. No.	Name of scheme	Amount of DBT transfers in the scheme			Total
		2017-18	2018-19	2019-20	
1	CM Old Age Samman Pension Scheme	2,908.52	2,905.81	4,423.84	10,238.17
2	CM Ekal Nari Samman Pension Scheme	550.19	1,469.40	1,793.66	3,813.25
3	CM Vishesh Yogyajan Samman Pension Scheme	298.48	388.47	448.76	1,135.71

Source: Information provided by SJED

The two schemes[6] with the highest expenditure under SJED i.e. *Chief Minister Old Age Samman Pension Scheme* (CMOASPS) and *Chief Minister Ekal Nari Samman Pension Scheme* (CMENSPS) were selected for the PA.

The year-wise position of beneficiaries in these two social security pension schemes in the State was as under:

Table 3: Position of Beneficiaries

S. No.	Name of Scheme	No. of Beneficiaries			
		2017-18	**2018-19**	**2019-20**	**2020-21**
1	CMOASPS	31,59,187	36,99,340	42,56,407	44,39,776
2	CMENSPS	13,60,484	14,48,304	15,56,442	15,79,061

Source: Information provided by SJED

1.2.1   Brief details of the selected Schemes

CMOASPS and CMENSPS have been implemented by the SJED, Government of Rajasthan since 1974 to fulfill the mandate given to states under article 41 of the Constitution of India to provide public assistance to its citizens in case of destitution, old age, sickness and disablement[7] etc. Both these pension schemes are now governed by the Rajasthan Social Security Old age, Widow, Separated and Divorced Pension Rules, 2013 (Pension Rules).

(i)   **Chief Minister Old Age Samman Pension Scheme**

The scheme envisages payment of pension to residents of Rajasthan who have attained 58 (men)/ 55 (women) years of age with the following eligibility criteria:

(a)   They and their spouse do not have a regular source of income or
(b)   The annual income of applicant and his/ her spouse from all sources is below ₹ 48000 per annum or
(c)   Is a member of a BPL or *Antyodaya* family or
(d)   Belongs to *Sahariya/Kathodi/Kherwa* caste or is a member of *Astha*[8]card holding family.

Further, if the applicant himself/herself or husband or wife or son are serving in the Central Government, other State Government, State Government, State Undertaking, or are a pensioner of Central Government, other State

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[6] The schemes were renamed from Chief Minister Old Age Pension Scheme (CMOAPS) and Chief Minister Widow Pension Scheme (CMWPS) to CMOASPS and CMENSPS respectively vide letter dated 04-06-2013. However, in data dump their names were still reflected as per the old nomenclature.

[7] https://ssp.rajasthan.gov.in/LoginContent/MidLogin.aspx

[8] *Astha* is a Government of Rajasthan scheme in which families with at least two members having more than 40 *per cent* disability and annual family income below ₹1.20 lakh are provided benefits such as free medical treatment, ration etc. at par with BPL families.

Government, State Government, State Undertaking, they will not be eligible to receive pension under this scheme.

Under the scheme, a pension of ₹750 is paid for age below 75 years and ₹1000 for age 75 years and above per month to eligible beneficiaries directly in their bank accounts.

(ii)   **Chief Minister Ekal Nari Samman Pension Scheme**

The scheme envisages payment of pension to Widowed/ Separated/ Divorced women of 18 years and above who are residents of Rajasthan with the following eligibility criteria:

(a)   Is a member of a BPL or *Antyodaya* family or
(b)   Belongs to *Sahariya/Kathodi/Kherwa* caste or is a member of *Astha* card holding family or
(c)   HIV / AIDS positive and registered with State AIDS Control Society or
(d)   Do not have a regular source of her annual income or the income from all sources is below ₹48,000 per annum.

Further, if the applicant herself or son are serving in the Central Government, other State Government, State Government, State Undertaking, or are a pensioner of Central Government, other State Government, State Government, State Undertaking, they will not be eligible to receive pension under this scheme.

Under the scheme, eligible beneficiaries get a monthly pension of ₹500 from age 18 years to less than 55, ₹ 750 from age 55 to less than 60, ₹1,000 from age 60 to less than 75 and ₹ 1,500 for 75 years and above.

1.2.2   Audit scope, Selection of Districts and lower-level units and Audit Methodology

A.   Audit Scope

The period covered under the audit was from April 2017 to July 2020. The IT platform being used for DBT/in-cash transfer to the beneficiaries was examined. Additionally, Audit also focused on transfer of benefits to the beneficiaries to examine whether and to what extent beneficiaries actually received the benefits and the related issues in the scheme implementation such as delays, grievance redressal, etc.

B.   Selection of Districts, lower-level units and Beneficiaries

Keeping in view the spread of Covid-19, the field audits had been limited to Jaipur and the adjoining districts only. Therefore, six districts viz. Jaipur, Dausa, Tonk, Sikar, Ajmer and Alwar and two blocks from each of these six districts were selected. The details of selection of districts, lower-level units and beneficiaries for survey are given in *Annexure -A.*

C.   Audit Methodology

Following activities were carried out as part of the PA:

- Digital and Physical records, data and reports of SJED and Planning Department were examined.
- Beneficiary survey of 240 beneficiaries for each scheme receiving pension in their bank accounts and 72 beneficiaries of both schemes receiving pension through Money Orders (total 552 beneficiaries).
- Treasury level checks at the concerned treasuries of the selected Gram Panchayats and Wards.
- Examination of information available in various reports of RajSSP portal through Login ID based access provided by the Department.
- Joint physical verification of the State Data Center.

In addition, data analysis of RajSSP data dump[9] (containing the information related to the two schemes) was also carried out. SJED provided (13 January 2021) the data dump of the Social security pension schemes for the period April 2017 to July 2020 being implemented by the department.

The main objectives of data dump analysis were to assess whether:
(i)   The data provided is reliable, accurate and complete.
(ii)   Data of all beneficiaries was digitized;
(iii)   There is process/work flow for approval and modification of beneficiary data;
(iv)   The mandatory fields have been specified and filled in the database;
(v)   Separate authorities are prescribed for processing and approval of data as part of the IT System;
(vi)   Controls exist to prevent errors in beneficiary data; and

(vii)   Failed transactions are tracked, monitored and reconciled.

The details of the checks carried out during data analysis of the data dump are provided in *Annexure B.*

An Entry conference explaining the objectives, scope and methodology of the Performance Audit was held with officers/officials of SJED, State DBT Cell, DoITC[10], National Informatics Centre (NIC), Directorate of Treasury and Accounts (DTA) and Jan-Aadhaar authority[11] on 19 November 2020. A virtual meeting of the officers of the O/o Chief Technology Officer, Indian Audit and Accounts Department and Accountant General (Audit-I) Rajasthan with officers/officials of SJED and NIC was organized on 25 November 2020 to discuss the functioning of RajSSP portal including different aspects of the online process of pension sanctioning and payment. The draft report was

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[9] A **data dump** is large amount of **data** transferred between two systems. For example, a **database** can be **dumped** to another network server, where it could be utilized by other software applications or analyzed by a person

[10] Department of Information Technology and Communication, GoR

[11] Under Directorate of Economics and Statistics, Planning Department, GoR

forwarded to the State Government on 16 August 2021, replies to which was received on 31 August 2021. Subsequently, an Exit conference was held with the Secretary, SJED, and officers of NIC, State DBT cell, DTA and DoITC on 03 September 2021 in which audit findings, replies of the government and audit recommendations were discussed. The responses of the State Government during and after the exit conference have been suitably incorporated in the relevant paragraphs.

1.3 Audit Objectives

The PA, covering the period April 2017 to July 2020, was carried out to ascertain:

i. Whether necessary process re-engineering was done for implementation of DBT to minimize:
    - intermediary levels,
    - delay in payments to intended beneficiaries and
    - pilferage and duplication.
ii. Whether the infrastructure, organization and management of DBT were adequate and effective
iii. Whether beneficiaries actually received the benefits

iv. Whether effective grievance redressal was ensured for proper implementation of the schemes

1.4 Audit Criteria

The main source of audit criteria was derived from the following documents:

i. Rajasthan Social Security Old age, Widow, Separated and Divorced Pension Rules 2013
ii. Rajasthan Treasury Rules, 2012
iii. General Financial and Accounting Rules (GoR)
iv. Rajasthan E-Governance IT and ITES policy, 2015
v. Rajasthan Jan-Aadhaar Authority Act 2020
vi. Rajasthan Bhamashah (Direct Transfer of Public Welfare Benefits and Delivery of Services) Act, 2017
vii. Rajasthan Bhamashah (Direct Transfer of Public Welfare Benefits and Delivery of Services) Rules, 2018
viii. Documents, circulars, orders, instructions and notifications issued by Central Government and State Government
ix. Standard Operating Procedure (SOP), Handbook on DBT and Guidelines for State DBT Cell issued by DBT Mission under Cabinet Secretariat
x. Instructions regarding maintenance of database, generation of various reports and IT controls

1.5   RajSSP portal of Integrated Financial Management System

RajSSP portal is the Social Security Pension Module of Integrated Financial Management System (IFMS) introduced in November 2011. Details of beneficiaries of various social security pension schemes being implemented by SJED are available on this portal. Sanctions for eligible applicants are issued by respective Sub Divisional Officers/ Block Development Officers (SDOs/BDOs) and submitted to respective Treasuries/Sub-Treasuries[12] through RajSSP for pension disbursement.

1.6   DBT process in social security pensions

Procedure for application, verification, issuing of sanction, pension payment and appeal

Previously the entire process from application and processing to the payment of the social security pensions in the state was offline. The Department undertook Business Process Re-engineering (BPR) over the years to bring the entire process online with the introduction of RajSSP, streamlined the process through measures such as leveraging Bhamashah/Jan-Aadhaar demographic data, introduction of single-DDO single-Treasury system, etc. and introduced DBT for direct payment of social security pensions into the bank accounts of the beneficiaries. The process of disbursement of social security pensions (including CMOASPS and CMENSPS) has been described below.

Application process: Applicant can apply online[13] through any e-Mitra kiosk/ or Single Sign On (SSO) ID on RajSSP portal in prescribed format providing Bhamashah/Jan-Aadhaar number and Aadhaar number. The personal/ demographic details of the applicants available in the Bhamashah/Jan-Aadhaar and Aadhaar database will be automatically populated in the pension application form after biometric/One Time Password (OTP) authentication. The application will then be forwarded to the concerned Verification Officer, online notice of which will be sent by SMS to the registered mobile number of the applicant.

Verification: On receiving the application form, the Verification Officer checks the details like date of birth, age, domicile, place of residency, source of income and other eligibility criteria provided by the applicant in the application. After checking and verifying the application form, the Verification Officer will send the verified application online to the sanctioning authority through the web portal with his recommendation.

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[12] From 30 April 2020 Additional Director/Pension of SJED has been made the single Drawing and Disbursing Officer (DDO) and Jaipur rural treasury has been made the single treasury for all social security schemes of SJED. It means that bills of all the social security pensions of SJED, including CMOASPS and CMENSPS, are prepared by Additional Director (Pension)/SJED and all such bills are passed by Jaipur rural treasury.

[13] Vide Order dated 07.06.2017

Sanction: After receiving the online application form, the Sanctioning Officer either accepts or rejects the application and in either case, the orders are given online through the portal and again the information is sent to the applicant by SMS on his registered mobile number. In case of acceptance of application, an online pension sanction order is issued by the sanctioning officer.

Pension Payment Order: Online pension sanction order is to be treated as the pension payment order. On receipt of the online pension sanction order through RajSSP, the concerned Treasury officer/ Pension Payment officer functions as the DDO and initiates the process for payment of pension in the bank account of the beneficiary through IFMS.

Appeal: Appeal against the order regarding the rejection of pension claim by the sanctioning authority can be made to the District Collector within two months. SJED would have the right to review the decision of the District Collector if it is considered necessary based on merit.

This procedure has been illustrated through the work flow and process flow diagrams provided below.

Chart 1

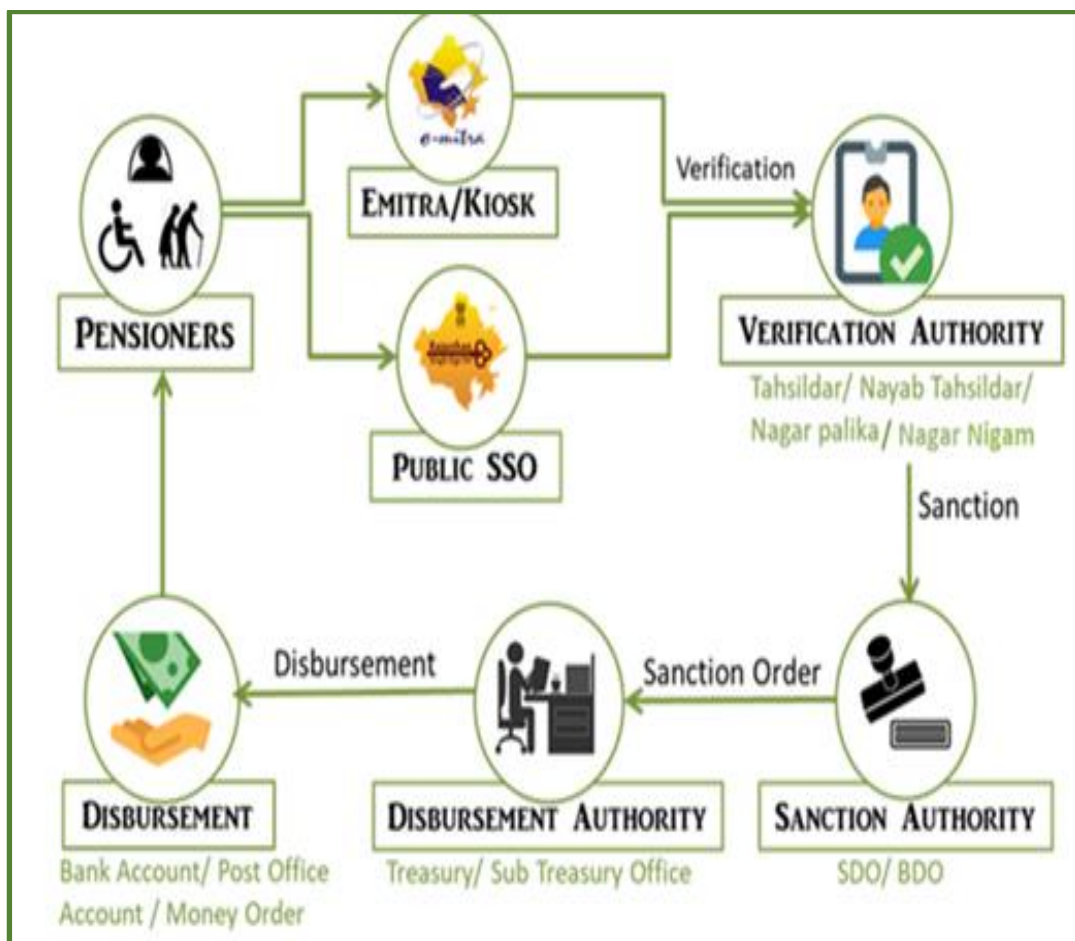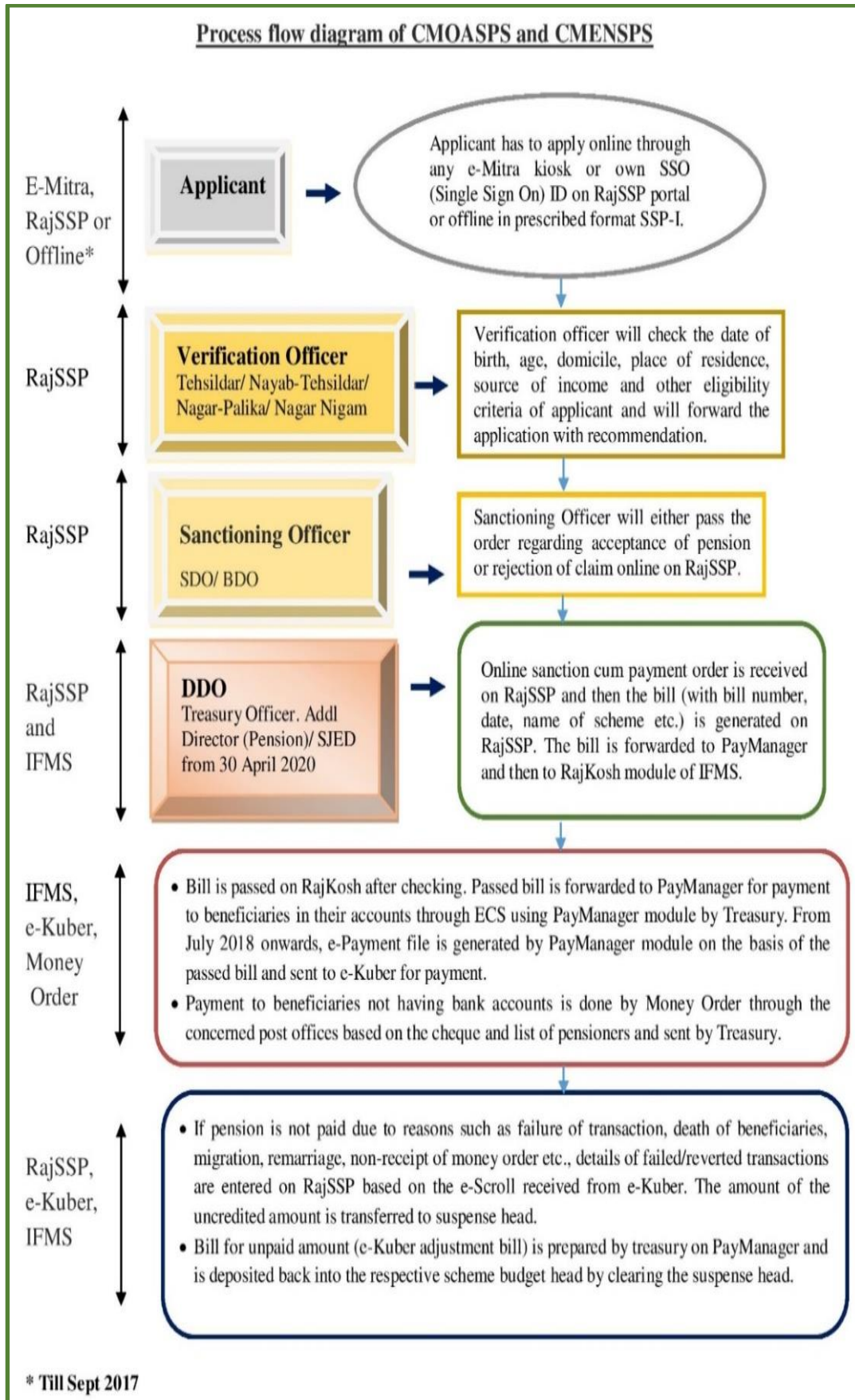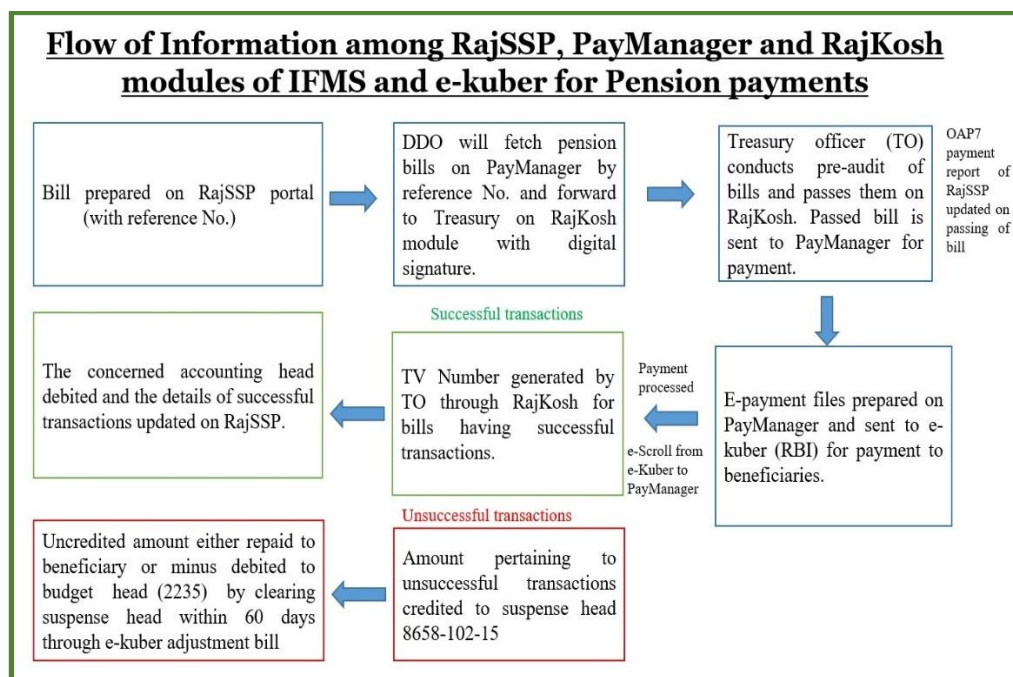**Work Flow Diagram of CMOASPS and CMENSPS**

Chart 2

Process flow diagram of CMOASPS and CMENSPS

E-Mitra, RajSSP or Offline*	**Applicant**	Applicant has to apply online through any e-Mitra kiosk or own SSO (Single Sign On) ID on RajSSP portal or offline in prescribed format SSP-I.
RajSSP	**Verification Officer** Tehsildar/ Nayab-Tehsildar/ Nagar-Palika/ Nagar Nigam	Verification officer will check the date of birth, age, domicile, place of residence, source of income and other eligibility criteria of applicant and will forward the application with recommendation.
RajSSP	**Sanctioning Officer** SDO/ BDO	Sanctioning Officer will either pass the order regarding acceptance of pension or rejection of claim online on RajSSP.
RajSSP and IFMS	**DDO** Treasury Officer. Addl Director (Pension)/ SJED from 30 April 2020	Online sanction cum payment order is received on RajSSP and then the bill (with bill number, date, name of scheme etc.) is generated on RajSSP. The bill is forwarded to PayManager and then to RajKosh module of IFMS.
IFMS, e-Kuber, Money Order		• Bill is passed on RajKosh after checking. Passed bill is forwarded to PayManager for payment to beneficiaries in their accounts through ECS using PayManager module by Treasury. From July 2018 onwards, e-Payment file is generated by PayManager module on the basis of the passed bill and sent to e-Kuber for payment. • Payment to beneficiaries not having bank accounts is done by Money Order through the concerned post offices based on the cheque and list of pensioners and sent by Treasury.
RajSSP, e-Kuber, IFMS		• If pension is not paid due to reasons such as failure of transaction, death of beneficiaries, migration, remarriage, non-receipt of money order etc., details of failed/reverted transactions are entered on RajSSP based on the e-Scroll received from e-Kuber. The amount of the uncredited amount is transferred to suspense head. • Bill for unpaid amount (e-Kuber adjustment bill) is prepared by treasury on PayManager and is deposited back into the respective scheme budget head by clearing the suspense head.

* Till Sept 2017

The process of payment of social security pensions involving RajSSP *portal*, *PayManager*[14] and *Rajkosh*[15] modules is illustrated **chart 3** below:

Chart 3

Flow of Information among RajSSP, PayManager and RajKosh modules of IFMS and e-kuber for Pension payments

*TV Number-Treasury voucher number

1.7   Good Practices

During the audit, following good practices were noticed in the implementation of the pension schemes:

i.   When the beneficiary applies for these social security pensions, the required demographic information is fetched from Jan-Aadhaar database and therefore the beneficiary is not required to provide documents at the time of application. Thus, application process for these schemes has been made simpler and convenient.

ii.   Earlier the beneficiary had to physically approach the designated officials for the annual verification for proof of life to continue receiving the pension. Since December 2019, the beneficiaries of the pension schemes can get annual verification done through E-Mitra kiosks or any biometric/OTP authentication for Jan-Aadhaar linked schemes during the months of November/December which serves as annual verification for the year for these pension schemes. This facilitates the beneficiaries, especially the old or

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[14] PayManager is a bill preparation module of IFMS.
[15] RajKosh (Online Treasury Accounting System) is an e-Governance initiative of Government of Rajasthan under Mission Mode Project category and is part of Integrated Financial Management System. Rajkosh facilitates the submission of Bills, Vouchers &Challans, effective Budget control, compilation of treasury accounts, preparation of reports, interface to external agencies and various MIS reports.

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widowed beneficiaries of these two schemes living in far flung areas of a geographically large state like Rajasthan.

iii. Certain IT related good practices were also observed:

- **Session Time out:** application control of automatic log out after 30 minutes of idle time was in place for RajSSP, which increases the security of the application by reducing exposure to session-based attacks that steal or reuse users' session identifiers[16].

- **Password Change Policy:** Users are required to change passwords within 90 days after which the password expires.

- **Rajasthan State Data Centre at Jaipur:** Adequate security measures such as guards, CCTV cameras, two level registration process, RFID based authentication etc. were in place for preventing unauthorised physical access to the data centre. Counter measures against fire and other hazards such as fire alarm systems, gas (Novec) based firefighting systems, fire extinguishers, lightening arresters etc. had also been put in place.

1.8	Action taken by State Government on interim audit recommendations

Based on the audit recommendations, the State Government took following corrective actions:

(i)   Limit on unsuccessful login attempts

Audit observed that the user account of RajSSP was not being locked out after five unsuccessful attempts as per para 6.6(D)(d) of IT Policy 2015 of GoR. In addition, the users did not receive any warning/message after unsuccessful login attempts. On the basis of audit recommendation, remedial action was taken by the State government and now the system does not allow more than three unsuccessful login attempts and appropriate message in case of unsuccessful login attempt is also displayed. These have been verified by Audit (September 2021).

(ii)   Invalid/garbage/vague values in the RajSSP database

Audit noticed invalid/garbage/vague values in various fields of RajSSP as detailed in *Annexure C*. In response, the State government standardised the entries of the relevant fields which have to be selected from drop down menu, thus avoiding absurd/invalid entries in those fields.

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[16] As per 'Open Web Application Security Project' which is a non-profit foundation working towards improving software security.

1.9   Acknowledgement

Audit acknowledges the co-operation and assistance extended by the officials of the Social Justice and Empowerment Department, Planning Department, Finance Department, Department of Information Technology and Communication, National Informatics Centre and the selected Gram Panchayats, Wards and other offices at various stages during conduct of the performance audit.