

Audit Findings

Chapter II

Implementation of Direct Benefit Transfer in Social Security Pension Schemes

Audit Objective 1: 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

2.1 Constitution of committees for approval of sanctions

As per Rule 2 (*sub rule vii* - for rural areas and *sub rule viii* - for urban areas) of Pension Rules, committees are required to be constituted for sanction of applications as given in the **Table 4** below:

Table 4: Composition of Committee for approval of sanctions

| S. No. | Area | Designation | Post |
|--------|-------|---|----------|
| 1. | Rural | Sub-Division Officer (SDO)/ Sub-Division Magistrate (SDM) | Chairman |
| | | Concerned Block Development Officer (BDO) | Member |
| | | Pradhan/Deputy Pradhan/Member of concerned Panchayat Samiti | Member |
| 2. | Urban | SDO/SDM | Chairman |
| | | Chief Executive Officer (CEO)/Commissioner/Executive Officer (EO) of concerned local body | Member |
| | | Mayor/Deputy Mayor /Chairman/Deputy Chairman/President/Vice-president/Ward Member | Member |

Further, these provisions were amended on 04.04.2013 and following were inserted below rules 2 (vii) and 2 (viii) *ibid*:

- **Rural Areas:** For sanction of applications, the minutes of sanctioning committee will be signed by the chairman and all the members. On receiving the approval, the BDOs will sign on the sanction order for applicants. Records related to the sanctions of pension shall be maintained by BDO.
- **Urban Areas:** For sanction of applications, the minutes of sanctioning committee will be signed by the chairman and all the members. On receiving the approval, the SDOs will sign on the sanction order for applicants. Records related to the sanction of pension shall be maintained by SDO.

During review of records of 12 blocks¹⁷ of the six selected districts¹⁸, it was noticed that in nine blocks¹⁹, the Pension Payment Orders (PPOs) were being

¹⁷ SDO/SDM Ajmer, Alwar, Dausa, Sambhar, Sikar, Tonk and BDO Bansur, Dantaramgarh, Dudu, Kishangarh, Lalsot, Malpura,

¹⁸ Ajmer, Alwar, Dausa, Jaipur, Sikar and Tonk.

¹⁹ SDO Ajmer, Dausa, Sambhar, Sikar, Tonk and BDO Bansur, Dudu, Kishangarh, Lalsot,

issued by the concerned BDOs/SDOs without the constitution of such committees. In the three remaining blocks²⁰, audit noticed that the committees had been constituted and the concerned BDOs/SDOs were issuing PPOs with their signatures based on the approvals received from the committees.

Audit is of the view that in the absence of the committee, the procedure prescribed by the Pension rules to ensure necessary rigour in the pension sanctioning process was compromised.

The State Government accepted the facts and replied (August 2021) that the sanction process on RajSSP portal is completely online w.e.f. 02 October 2017. Currently, the applicant is compulsorily registered with Bhamashah/Jan-Aadhaar. The Bhamashah/Jan-Aadhaar details, which are fetched from Jan-Aadhaar database to RajSSP for processing applications, are duly verified and there is no relevance and utility of these committees and therefore suitable amendment would be proposed in the rules. This was reiterated by the State Government during the Exit Conference (September 2021).

Audit is of the view that though the Government has proposed removing the committees, which have the participation of both government officials and people's representatives, they could provide an additional layer of scrutiny before sanction of the pension. These committees may also be useful in monitoring the overall functioning of pension verification and sanctioning processes.

2.2 Sanction of applications

According to the Rule 5(v) of Pension Rules, the verification of pension application is required to be completed within 30 days from the date of receipt of application. Further, rule 5 (vii) *ibid* prescribes that the sanctioning authority has to complete the sanction process within 15 days from the date of verification. Hence, every application is required to be disposed of within 45 days of its receipt. The above rules were amended²¹ in July 2019 and provision for auto-escalation of application to the next stage was introduced in RajSSP if the concerned authorities failed to take necessary action within the prescribed time limit (30 and 15 days at verification and sanctioning stages respectively).

During analysis of RajSSP data, it was noticed that during the audit period, 6,11,794 (27.13 *per cent*) out of total 22,54,725 applications received under CMOASPS and 1,00,365 (31.02 *per cent*) out of total 3,23,578 applications received under CMENSPS were not sanctioned within 45 days as prescribed. In the 12 selected blocks, 27,768 cases (33.96 *per cent*) out of 81,773 sanctioned applications of the two selected schemes were delayed during the audit period.

²⁰ SDO Alwar, and BDO, Dantaramgarh and Malpura

²¹ Effective from 01 July 2019

Audit also observed that 60,778 of these applications were delayed even after the provision for auto-escalation had been introduced in RajSSP.

The State Government informed (September 2021) that now there is no pendency of applications beyond the prescribed time limits due to the feature of auto-verification and auto-sanction. This was verified by Audit (September 2021) on the basis of relevant RajSSP report²². The State government further informed (September 2021) that feature of auto-approval based on data-based verification for sanctions would be implemented for which suitable amendment in the Pension rules is being proposed. Further progress in this regard is awaited (December 2021).

2.3 Sanction of *Ekal Nari* pension

As per Rule 4 of Pension Rules, Widowed/ Separated /Divorced women of age 18 years and above, who are *bonafide* residents of Rajasthan and are residing in Rajasthan are eligible to get pension if they fulfil the conditions as described in pension rules. For above purpose “Separated” means:

- i. All legally separated marriage women holding decree of marriage separation;
- ii. All legally separated women who hold court order;
- iii. All such women, whose cases were pending in courts since 5 year for want of marriage separation or substitution of marital rights and they hold court documents;
- iv. All such Muslim divorced women whose divorces are issued by the *Kazi* or Religious authority on the basis of self-affidavit and two independent witnesses.

Analysis of RajSSP data dump of CMENSPS revealed that pension of 42,995 women beneficiaries (557-Divorced, 42,143-Widow and 295-Separated) was sanctioned under the scheme during the audit period. Scrutiny of the sanctioned cases revealed that in the field/column of “*Husband Divorce Issuing Authority*”, required information was not provided in 9,602 cases²³ (22.33 per cent).

Thus, audit could not ascertain whether pension to these beneficiaries was sanctioned on the basis of valid documents/certificates issued by competent authority as required under the rules. The possibility of pension payment in these cases in the absence of prescribed documents or on the basis of invalid documents/certificates cannot be ruled out. One such case observed during field study is discussed below as **Case Study 1**.

The State Government replied (August 2021) that all the details of the applicant, including the marital status, are fetched from the Jan-Aadhaar database on RajSSP portal at the time of online application for CMENSPS. Since the

²² ‘District wise kiosk Pensioner application status’ report for the duration 01.08.2021 to 15.09.2021.

²³ Field left blank in 2550 cases and numerical value/special character filled in 7052 cases

information being fetched from Jan-Aadhaar has already been verified, there is no need to verify the information again.

The reply of the Government is not acceptable as section 7(3) of Jan-Aadhaar Act 2020 specifies that Jan-Aadhaar card can be used as a proof of address and identity for receipt of public welfare benefit/services. Therefore, basic demographic details, including marital status, of the beneficiaries are fetched from the Jan-Aadhaar database at the time of application for social security pensions. However, it is the responsibility of the Department to ensure that other requirements for sanctioning of pension, such as documents prescribed by Pension rules in support of the marital status, are fulfilled and the relevant information is provided on RajSSP.

During the Exit Conference, the State Government (September 2021) accepted the recommendation that pension rules may be harmonised with Jan-Aadhaar as it is being utilised as a single source of truth for social security pension schemes. Further progress is awaited (December 2021).

Case Study 1

During beneficiary survey of urban block of Tonk district (January 2021), it was noticed that pension was sanctioned to a divorced beneficiary (PPO No. RJ-S-05112457) under CMENSPS on the basis of a notarized *Talaknama* on ₹100 stamp paper instead of certificate issued by *Kazi* on the basis of two independent witnesses as required under the Pension Rules. The matter was further analyzed and it was found that pension in this case was being paid since July 2013. The case highlights the erroneous verification by the concerned Municipal council as it failed to detect the lack of prescribed document.

While accepting the facts, State Government replied (August 2021) that suitable action would be taken against erring officers/officials and the progress would be intimated. Further progress in this regard is awaited (December 2021).

2.4 Sanction of Old Age Pension

Rules 2 and 3 of Pension Rules provide the age eligibility criteria (Males of age of 58 years and above and females of age of 55 years and above) for social security pension under CMOASPS. Further, rule 5(iii) (e) *ibid* provides the process of determining date of birth in cases where only age is mentioned in the documents according to which, the date of birth of each pensioner will be determined by the verifying authority from the following documents in order of precedence given below:

- a) School Certificate

- b) Birth register/Birth certificate maintained by Municipal Board/Nagar palika/Nagar nigam, Panchayat or
- c) Latest Voter List of Lok Sabha/ Vidhansabha/Urban Body, having the name of applicant or Age Certificate given by Sub-Divisional Officer or Tehsildar.
- d) Age certificate given by the Block Deputy Chief Medical and Health Officer for Rural Area and the Medical Jurist for the urban area.

(i) Analysis of RajSSP data of CMOASPS revealed that during the audit period, in 818²⁴ cases out of the total 18,15,692 applications received during audit period and subsequently sanctioned, the pensioners had not attained the minimum age on the date of application for the pension. It was further noticed that in 43 cases²⁵ (5.26 per cent) cases out of these 818 cases, the applicants had not attained the minimum age even on the date of sanction.

The State Government replied (August 2021) that at the time of application the details of the applicant are fetched from the Jan-Aadhaar portal on the basis of which eligibility/ineligibility of the applicant is displayed on RajSSP. The applications are rejected by the portal in case the eligibility criteria are not met. So the age of the applicant at the time of application was as per the eligibility criteria, however, the pensioner amended his age on Jan-Aadhaar portal after sanction of pension and the sanctioning authority modified the age accordingly.

While the Department did not provide details/information in support of the claim regarding subsequent modification of age by the beneficiaries after sanction of applications, cases involving modification of details relevant to eligibility should have been flagged by the RajSSP portal, with a relevant report for all such cases, for further examination by the Department. The modification of Jan-Aadhaar details require two levels of verifications (*Chart 8*) with the second level of verification being carried out by the same authorities functioning as sanctioning authorities for social security pensions. In the scenario where the applicants modified their age after sanction of Pension application, the failure of sanctioning authorities to examine these cases points to systemic weakness and lapses on their part.

(ii) The lack of due diligence in verification/sanction also led to eligible beneficiaries being denied due benefits. During scrutiny of records at Nagar Palika Jobner, Jaipur (October 2020), it was noticed that in five cases (details in *Annexure D*), pension was not sanctioned due to the reason that the applicants had not attained the minimum required age as noted on the application by the Patwari. However, during scrutiny of the records, it was observed that these beneficiaries had attained the minimum prescribed age as per the documents attached with the application.

²⁴ 426 males and 392 females

²⁵ 26 males and 17 females

Thus, eligible beneficiaries were deprived of benefits of the pension as the documents provided by them were disregarded. It is worth mentioning that in these cases, the verification was carried out by the Patwari instead of Executive officer in contravention of the rules.

The State Government while accepting the facts intimated (August 2021) that suitable action would be taken against erring officers/officials and the progress would be intimated. The reply of the State government is silent about the verification being carried out by Patwari instead of Executive officer as prescribed by the Pension rules.

2.5 System of physical verification of beneficiaries

In order to establish the eligibility of the applicant for starting the pension and to verify the demographic information, Rule 5 (iii) of Pension Rules prescribes verification of pension applications before sanctioning of Pension.

In addition, as per Rule 12 of Pension Rules, verification of the pensioners is required to be carried out every year for continuing the pension. If the pension is withheld for an eligible pensioner due to lack of physical verification, the concerned officer will be held responsible. Further, in July 2019²⁶, facility for the beneficiaries to get annual verification done through One Time Password on mobile number registered with Aadhaar was added. The verification process was further modified²⁷ through which the beneficiaries could get their annual verification done through multiple procedures such as biometric authentication through E-Mitra Kiosk/Rajiv Gandhi Seva Kendra, authentication through biometrics or One Time Password while receiving the benefit of any other Government scheme linked with Jan-Aadhaar by the pensioner every year in month of November-December, etc.

Audit observed certain irregularities in the system of physical verifications as follows:

(i) Pension rules prescribe that the verification of the pension applications is to be done by Tehsildar in rural areas and Executive Officer/Commissioner in urban areas. However, audit observed that the verifications were actually being carried out by the Patwaris in rural areas and subordinate staff of Executive Officer/Commissioner in urban areas who provide the verification remarks after examining the beneficiary documents. These applications are then forwarded by the Tehsildar/Executive officer with their recommendation (eligible/ineligible) to the sanctioning authority.

²⁶ Vide order F09(05) (12-II) / SSPR/SJED/ 2014-15 / 7478-7598 dated 24 July 2019

²⁷ Vide notification F09(05)(12-II) / SSPR/SJED/ 2014-15 / 13679 dated 18 December 2019

The State Government accepted the fact (August 2021) of verifications being carried out by subordinate staff of the prescribed officials with the justification that the lower staff is well familiar with the people of the area.

(ii) During field study and beneficiary survey, audit noticed that in 32 cases²⁸ pertaining to seven SDO/BDO offices and TO Alwar (October 2020 to February 2021) the beneficiaries had already died but the department erroneously verified them as 'alive' in annual verification and continued to pay the pension. This resulted in undue payment of ₹ 6,25,250 in these cases. Further it was also seen that in 19 cases²⁹ out of these 32 cases, the beneficiary was declared as 'alive' consecutively for four years in six cases, three years in eight cases and for two years in five cases (Details given in *Annexure E*).

The State Government accepted the facts and intimated (August 2021) that concerned SDO/BDO and TO have been asked to cancel the sanction and recover the excess amount paid along with interest, and that suitable action would be taken against erring officers/officials for erroneous annual verification.

The State government further informed (September 2021) that RajSSP has been linked with *Pehchan*³⁰ through Jan-Aadhaar portal due to which the information regarding death of beneficiaries is now being received on RajSSP. Audit examination (September 2021) revealed that this feature is in test phase.

(iii) During the review of records of SDO Alwar, five cases³¹ were noticed (October 2020) wherein the beneficiaries had been declared dead on the basis of physical verification even when they were alive and their pensions had been stopped. SDO Alwar informed (October 2020) that the pension payments in these cases had been started. However, audit scrutiny of the information available on RajSSP revealed that arrears amounting to ₹ 18,000 had not been paid to these beneficiaries (August 2021). One similar case of SDO, Ajmer has been described in **Case Study 2**.

The State Government accepted the facts and intimated (August 2021) that SDO Alwar has been asked to examine the matter and propose disciplinary action against the responsible officers/employees. The Government reply was silent about the payment of arrears to the beneficiaries. Further progress is awaited (December 2021).

²⁸ 15 field study and 17 beneficiary survey

²⁹ 8 field study and 11 beneficiary survey

³⁰ Civil Registration system of the Government of Rajasthan for facilitating the citizens of Rajasthan to register birth, death and marriage.

³¹ PPO No. RJ-S-8707117, RJ-S-7822990, RJ-S-8639625, RJ-S-3465240, RJ-S-2958223

Case study 2

During review of records at SDO Ajmer, (October 2020) it was noticed that a CMOASPS beneficiary³² was declared as dead during annual physical verification and his pension was stopped in April 2018. However, the pensioner was alive and made repeated requests for restoration of his pension which was finally restored by the Department in Nov 2020 with effect from April 2020. However, arrear of pension amounting to ₹11,500 for the period May 2018 to March 2020 was not paid to the beneficiary (July 2021).

The State Government accepted the facts and intimated (August 2021) that the outstanding amount would be paid in August 2021. Audit verified (September 2021) that the arrear payment had been made in August 2021.

(iv) During audit scrutiny of records at Nagar Parishad, Dausa, it was noticed that in 14 cases³³, the beneficiaries had been marked as 'ineligible' by the verification authority during annual verification. However, the status of these beneficiaries on RajSSP revealed (July 2021) that these pensioners have been marked as verified and regular pension was being paid to these beneficiaries disregarding the verification remarks.

The State Government intimated (August 2021) that due to Covid-19, the timeline for verification of pensioners was initially extended to 31st March 2021 and was later further extended till October 2021.

The reply of the Government is not acceptable as these cases had been verified before the timeline for verification was extended due to which the status of these cases was displayed on RajSSP as verified.

(v) During scrutiny of records of block *Dantaramgarh*, it was noticed (January 2021) that in the applications of two beneficiaries³⁴, the verification remarks by the Patwari were 'Son in Government Job'. Therefore, as per rules, these applications were required to be rejected by the sanctioning authority. However, the sanctioning authority failed to take the verification remarks into account and pension was sanctioned in violation of norms due to which an amount of ₹ 35,500 was paid for the period May 2018 to July 2020.

The State Government accepted the facts and intimated (August 2021) that BDO *Dantaramgarh* has been asked to recover the amount from the beneficiaries along with interest and suitable action would be taken against erring officers/officials and the progress would be intimated. The State Government further informed (September 2021) that database of State

³² PPO No. RJ-S-07223785

³³ PPO NO. RJ-S-09124340, 09124408, 09354188, 09529022, 09529173, 09617517, 09617610, 09622848, 09921609, 09274761, 09275253, 08576211, 08576226 and 09352817.

³⁴ PPO No. RJ-S-08350782, 08512471

Government employees has been linked with Jan-Aadhaar portal through which ineligible beneficiaries would be identified. However, reports/ information in support of this claim have not been provided to audit (December 2021).

These instances point to the lack of necessary rigour in the system of physical verification of the beneficiaries being carried out by the Department.

Further, the system of annual verification only provides a proof of the beneficiary being alive for continuation of pension. The Department lacks a mechanism for periodical review of beneficiaries to ascertain their eligibility as there may be certain cases where after the sanction of pension, the beneficiary may no longer qualify under the eligibility criteria of the schemes due to factors such as employment of beneficiaries' son/spouse, increased annual income, remarriage etc. In the absence of such a mechanism, the Department cannot ascertain whether the pension is being paid to eligible beneficiaries only. Two relevant instances noticed during the Audit are discussed below:

(vi) During beneficiary survey at SDO, Dausa, Audit noticed that the son of a beneficiary³⁵ was employed with a Government of Rajasthan undertaking. Hence, the beneficiary was ineligible to get the pension as per the Pension Rules.

The State Government accepted the facts and intimated (August 2021) that SDO Dausa has been asked to recover the amount along with interest from the beneficiary and suitable action would be taken against erring officers/officials.

(vii) During beneficiary survey at SDO, Tonk (January 2021), it was noticed that a widow pensioner³⁶ re-married in December 2015. However, she continued to receive the widow pension for four years even after remarriage.

The State Government accepted the facts and intimated (August 2021) that SDO Tonk has been asked to recover the amount along with interest from the beneficiary and suitable action would be taken against erring officers/officials.

In both these cases, annual verification failed to detect that the beneficiaries were no longer eligible to receive the pension. Since the beneficiary survey by Audit was carried out on a limited scale, wider occurrence of such instances across the state can not be ruled out.

Periodical review of the eligibility of beneficiaries would help the Department in weeding out such cases where the beneficiaries are no longer eligible subsequent to the sanction of pension and would also enable the Department to identify cases of erroneous verification and sanction of pensions (as highlighted in the instances listed above). Additionally, this system may also enable the Department to get information regarding problems being faced by the

³⁵ PPO No. RJ-S-07596693

³⁶ PPO No. RJ-S-02439480

beneficiaries like delays in payment (highlighted in para 4.1), stoppage of pension (highlighted in para 4.3), etc. and take prompt action to mitigate the issues being faced by the beneficiaries.

2.6 Post audit of auto-escalated applications

According to Rule 5 of chapter-IV of Pension Rules as amended on 2 July 2019, if an application was not disposed of by the verification/sanctioning authority within the stipulated time of 30/15 days respectively, it would be auto-escalated and forwarded to the next stage in the pension process. Auto-sanctioned applications forwarded to the TO/STOs for payment are displayed to TO/STOs in a separate report of RajSSP. The sanctioning authority is granted 60 days for post audit of cases at the level of sanctioning authority in which pension was paid on the basis of auto verified/sanctioned applications. During post-audit, if any application which was auto sanctioned/verified is found to be wrong/irregular, responsibility of the official may be fixed and action may be initiated to recover the wrong/ irregular payments from such beneficiaries.

Review of RajSSP reports³⁷ provided by TO of SDO Sikar (December 2020) revealed that in 35 cases (10.26 per cent) out of 341 auto-escalated cases, pensions were sanctioned automatically but post audit was not carried out within 60 days as prescribed in the rules. (*Annexure F*)

The State Government accepted the facts and intimated (August 2021) that SDO Sikar has been asked to recover the amount along with interest from the beneficiaries found ineligible during post audit and suitable action would be taken against erring officers/officials. The State Government also informed that across Rajasthan, 10,046 auto-sanctioned cases were pending for post audit for which the District Collectors had been instructed.

Further, scrutiny of RajSSP reports provided by TO of the selected blocks (October to December 2020) revealed that during post audit of automatically sanctioned cases, the department identified an amount of ₹ 4,00,500 pertaining to 178 cases³⁸ (details in *Annexure G*) where pension was paid wrongly to the beneficiaries due to automatic verification and sanction and recovery was still pending. However, the department did not fix the responsibility for irregular/wrongful payment of pension to the ineligible applicants as required by the Pension rules.

The State Government while accepting the facts intimated (August 2021) that the concerned sanctioning authorities have been asked to recover the excess amount along with interest from the ineligible beneficiaries. The State Government also informed (September 2021) that all the District collectors have

³⁷ 'Status of auto verify or sanctioned application' report of RajSSP

³⁸ SDO, Alwar (64), Dausa (10), Sambhar (7), Sikar (32), Tonk (5) and BDO, Bansur (20), Dantaramgarh (2), Kishangarh (11), Lalsot (27)

been instructed to ensure post-audit by sanctioning authorities within 60 days. Further progress is awaited (December 2021).

2.7 Rates of pension paid to beneficiaries

Rule 2(iv) of Pension Rules as amended on 28 February 2019 prescribed the rates of pension for different age categories as given below:

Table 5: Rates of pension under CMOASPS and CMENSPPS

| (Amount in ₹) | | | |
|---------------|-------------------------------|---------|----------|
| S. No. | Category of beneficiary (Age) | CMOASPS | CMENSPPS |
| 1 | 18 to 55 years | - | 500 |
| 2 | 55 to 60 years | 750 | 750 |
| 3 | 60 to 74 years | 750 | 1000 |
| 4 | 75 years and above | 1000 | 1500 |

As can be seen from the table above, the comparative rates of pensions for the categories of '60 to 74 years' and '75 years and above' are lower in CMOASPS than CMENSPPS. According to the Department order dated 21 May 2018, the eligible beneficiaries CMOASPS having marital status as 'Widow' would be automatically transferred to CMENSPPS to receive pension at enhanced rates.

Analysis of RajSSP data revealed that during the audit period, the marital status of 13,367 female beneficiaries (8,722 pertaining to age group '60-74 years' and 4,645 pertaining to the category of '75 years and above') who were receiving pension under CMOASPS was shown as 'Widow'. However, the department did not transfer these beneficiaries to CMENSPPS due to which these beneficiaries were receiving pension at lower rates.

Further, data analysis also revealed that there were 491 female beneficiaries of CMOASPS with marital status as 'separated' and 'divorced' who could also have been transferred to CMENSPPS like the beneficiaries with marital status 'widow' to receive pension at enhanced rates.

The State Government accepted the facts and intimated (August 2021) that necessary action is being taken to change the category of the beneficiaries.

During the Exit Conference, the State government stated (September 2021) that necessary action would be taken in the cases of 'Widow' beneficiaries and that 'Separated' and 'Divorced' beneficiaries would also be covered. The State Government further informed (September 2021) that the Department has written³⁹ to NIC regarding transfer of 'widow' pensioners of CMOASPS to CMENSPPS. However, the letter from SJED to NIC mentions the shifting of 'widow' pensioners of CMOASPS to CMENSPPS and does not cover the 'separated' and 'divorced' beneficiaries of CMOASPS. Further progress in this regard is awaited (December 2021).

³⁹ Letter dated 13.09.2021

2.8 Details of Bhamashah/Jan-Aadhaar/Aadhaar number

According to Rule 5 (i) of Pension Rules as amended on 7 June 2017, the applicants were required to provide Bhamashah number/enrolment number and Aadhaar number/enrolment number for availing the benefits of pension schemes. Amendment of rules on 10 June 2020 replaced Bhamashah number/enrolment number with Jan-Aadhaar number/ enrolment number.

Analysis of RajSSP data revealed that during audit period, out of the 20,81,656 applications sanctioned by the Department for CMOASPS and CMENSPS, 1016 pension cases (0.05 per cent) were sanctioned in the absence of unique IDs. Further, in 513 out of these 1016 cases, the pension applications were processed and sanctioned during 7 June 2017 to 10 January 2018. All pension applications processed and sanctioned after 10 January 2018 had unique IDs.

Audit scrutiny revealed that out of these 1016 cases, there were four cases in which two PPOs had been issued for the same beneficiary and thus these beneficiaries were receiving double pension. These beneficiaries had one PPO linked with unique ID and another PPO without unique ID. The details are given in *Annexure H*.

Three such instances of double payment of pension due to absence of unique IDs noticed during the beneficiary survey are described in **Case Study 3**.

Case study 3

During beneficiary survey of pensioners receiving pension through Money Order at Gram Panchayat *Roopangarh* of *Kishangarh* Block (Ajmer), it was noticed (February 2021) that in three cases, double pension payment⁴⁰ amounting to ₹1,89,000 had been made to the beneficiaries (*Annexure I*). These beneficiaries were receiving one pension in their bank account and the other pension through Money Order. Further scrutiny revealed that in these cases, the department had issued double PPOs to the beneficiaries, one PPO having Jan-Aadhaar/Aadhaar number and another PPO without Jan-Aadhaar/Aadhaar number.

The State Government accepted the facts and intimated (August 2021) that the concerned BDO has been instructed to stop the duplicate payments being made through Money Orders and recover the amount paid along with interest from the concerned beneficiaries. The reply also stated that suitable action would be taken against erring officers/officials and the progress would be intimated. Further progress in this regard is awaited (December 2021).

Thus, it is evident that if the Department had ensured mandatory linkage of all the PPOs with Jan-Aadhaar/Aadhaar, these cases could have been prevented.

⁴⁰ Calculated from April 2016 to July 2020 as the payment information in the pension payment report, OAP 7, of these beneficiaries was not available for the period before April 2016. Based on the sanction dates mentioned in the PPOs (*Annexure I*), there is a strong possibility of double pension payment to these beneficiaries even before April 2016.

Further, during scrutiny of RajSSP reports of the 12 selected blocks, it was noticed that out of the 2,66,119 beneficiaries receiving pensions under both the schemes, there were 607 cases where pension payments were being made even in the absence of Bhamashah/Jan-Aadhaar/Aadhaar numbers (details in *Annexure J*).

Absence of unique IDs linked to the PPOs makes it difficult to prevent instances of duplication of beneficiaries and double payment of pension. Even though report⁴¹ regarding list of beneficiaries without Bhamashah/Aadhaar number is available on RajSSP, the Department failed to utilise the information to undertake focussed intervention so that these beneficiaries are assisted in getting the unique IDs on priority as well as linking all the PPOs with the unique IDs.

The State Government accepted the facts and intimated (July 2021) that as per Section 7 of Aadhaar Act 2016, the Central/State Government cannot deny any service/benefit to a person due to lack of Aadhaar. The reply is not appropriate as Rule 5 of Pension rules⁴² clearly prescribes that the applicant has to mandatorily provide his Bhamashah/Jan-Aadhaar/Aadhaar number⁴³ at the time of application in the absence of which the application would not be accepted. Lack of such prescribed unique IDs has caused instances of double pension payments. The government further stated (August 2021) that in cases of double pension payments, concerned sanctioning authorities have been directed to recover the excess amount paid along with interest and suitable action would also be taken against the responsible officers/officials.

During the Exit Conference, the State government informed (September 2021) that there were approximately 5 *per cent* beneficiaries whose unique IDs were not linked with their PPOs and that necessary action would be taken in this regard. The State Government further intimated (September 2021) that the Department is issuing directions to District collectors to ensure necessary action regarding beneficiaries without Jan-Aadhaar and beneficiaries availing double pensions during the annual physical verification.

2.9 Updating of data in case of death of a beneficiary

According to rule 9 (1) of Pension Rules, pension ends on the day of death of pensioner. Rule 13 *ibid* stipulated that in case of death of a beneficiary, Patwari/Gram Sevak/designated authority of local body or post office/Bank would send intimation to Pension sanctioning authority⁴⁴. On receipt of the intimation, the sanctioning authority would send the information regarding death to the DDO through RajSSP for stoppage of pension.

⁴¹ “Block wise blank Bhamashah or Aadhaar number” report of RajSSP

⁴² As amended on 07 June 2017

⁴³ Or the enrolment number of Bhamashah/Jan Aadhaar/Aadhaar

⁴⁴ Up to 10.06.2020, the report was required to be sent to the concerned T.Os/S.T.Os

The analysis of RajSSP data revealed that in 2447 (67.88 per cent) out of 3605 cases of recovery as on 13 January 2021, reason was mentioned as “Death”. Audit observed that in practice the Department stops pension only after the family members of the beneficiaries intimate the concerned sanctioning authority about death in writing along with death certificate or after the annual verification after which the Department initiates the recovery of excess payment from the bank account in which pension was being paid.

Department informed (April 2021) that there is no mechanism to obtain information about death of pensioners from Registrar General of India/Local Bodies/Hospitals/Crematorium etc. and such pensions after the death of the beneficiary are stopped on getting such information during annual physical verification of pensioners or on being informed by pensioners’ relatives.

While the mechanism envisaged by the Pension rules is non-functional, it is also pertinent to mention that Pension rules do not prescribe any time limit for the flow of information regarding the death of beneficiary from such institutions to the sanctioning authority and from the sanctioning authority to the DDO for stoppage of pension. Moreover, no mechanism has been prescribed for the flow of such information from the hospitals/crematoriums/shamshans etc. to the sanctioning authority so that such information is made available to the Department in a regular and systematic manner.

The State Government accepted the facts and intimated (August 2021) that RajSSP is being linked with Jan-Aadhaar and *Pehchan* portal in a manner that information regarding death of beneficiary is promptly updated on RajSSP and pension payments to such beneficiaries is stopped. The State government further informed (September 2021) that RajSSP has been linked with *Pehchan* through Jan-Aadhaar portal due to which the information regarding death of beneficiaries is now being received on RajSSP. Audit examination (September 2021) revealed that the linking with RajSSP is in test phase. Further progress in this regard has not been intimated though asked for (December 2021).

2.10 Systemic issues with RajSSP

2.10.1 Multi-factor authentication

Ministry of Electronics & Information Technology vide circular no. 20(7)/2017-CLES dated 11/4/2018 issued the best practices for safe and secure cyber environment for Chief Information Security Officers. One of the practices suggested to ensure cyber security was Multi-factor authentication (MFA). MFA ensures cyber security by requiring a combination of two or more types of information from the user which can be a password or personal identification number (PIN) or a code sent to the user's smartphone, or fingerprint before whatever is being secured can be accessed.

Audit observed that in the entire process of the pension processing and payment through RajSSP, two-factor authentication (2FA) was being used only at the level of sanctioning authorities. It was found that in case of verification authorities and payment authorities (DDOs⁴⁵), single factor authentication (only user ID and password) was being used.

The State Government replied (August 2021) that the sanctioning of application is the most important stage in the entire process and 2FA is available at sanctioning stage. The State Government also stated that after the implementation of single DDO system⁴⁶ for centralised payment processing, 2FA is no longer necessary. The State Government again emphasized (September 2021) lack of necessity for 2FA in view of the provisions for auto-verification, auto-checking and auto-sanction in the proposed amended Pension rules.

Implementation of multi factor authentication is an important measure from the point of view of cyber security and assumes increased importance in the current scenario where all the government systems are being brought online and the instances of cyber-attacks are on the rise. While MFA is crucial at all levels of pension processing, it becomes even more important at the stage of single DDO due to huge ramifications of any security loophole at this level.

2.10.2 Sharing of passwords

As per provisions of para 6.6 (B) (b) and (E) of IT Policy 2015 of GoR, unique user ID shall be provided to each employee so that they will be responsible for their work. During the audit, it was noticed that the authorities at all three levels i.e. verification, sanction and payment of pension, were sharing their RajSSP user ID/ Password with their subordinates for disposal of work related to processing of social security pensions in contravention of IT policy. This is also a violation of the Pension rules which prescribe specific authority for each stage of pension processing.

The State Government replied (August 2021) that concerned officers are responsible for their RajSSP portal passwords and directions for not sharing passwords have been issued from time to time.

2.10.3 Updates to Software Requirement Specification (SRS)

SRS is a comprehensive description of the software/system based on a rigorous assessment of the different requirements associated with the software/system to be developed. It contains the details regarding the development, operations, quality assurance and maintenance of the software and thus provides a

⁴⁵ Drawing and Disbursement Officers. For social security pensions of SJED, till March 2020 DDOs were Treasury/Sub-Treasury officers. From April 2020, Additional Director, Pension (SJED) has been made the DDO.

⁴⁶ Since 30 April 2020

structured framework of the software and its expected performance. As the technology landscape is dynamic and systemic modifications may be necessitated due to changes in policies/laws/rules, periodic assessment of the requirements and performance of the software/system is needed based on which the SRS should be updated to carry out software/system modifications.

During the audit, based on the information provided by the Department (October 2020), it was observed that the available SRS document of RajSSP was version 1.1 which was finalized in the year 2011. All the subsequent changes including many significant changes in pension processing and payment procedures to RajSSP had been carried without making changes to SRS.

Carrying out such changes without updating the SRS also points towards lack of periodic and systematic assessment of evolving requirements, outdated features and systemic changes needed to keep up with the changes in technology and digital security environment.

The State Government accepted (August 2021) the facts and stated that modifications to RajSSP are made from time to time depending upon the requirements.

During the Exit Conference, the State government informed (September 2021) that SRS has been updated. A copy of the latest SRS has been provided to Audit (September 2021).

While SRS has been updated after a period of ten years after being pointed out by Audit, the State Government may consider making updates to SRS an integral part of the change management process of RajSSP to ensure proper documentation of the changes which may prove useful in identifying and addressing any problems arising out of changes/updates to the portal.

2.10.4 Business Continuity Plan and Disaster Recovery Plan

The 'Guidelines for Technical and Financial support for State Data Centre' issued by Ministry of Electronics & Information Technology required the states to establish a Disaster Recovery and Business continuity plan for State Data Centre (SDC). A Business Continuity Plan (BCP) outlines how a system would continue operating at a pre-defined accepted level in the event of a disaster/emergency situation and the subsequent resumption of normal functions of the system. It includes a Disaster Recovery Plan (DRP) which is designed to assist the organisation in the recovery of systems/data after a disruption/disaster. Existence of these plans is a reflection of preparedness to threats faced by the organisation's systems and data such as fire incident, floods, cyber-attack etc.

During the physical verification of SDC, the Department informed that the BCP and DRP have been prepared for RajSSP and a Disaster Recovery data centre had been established in Jodhpur to take backup copies of the data. However, the

documents for these plans were not provided to audit though called for (December 2021).

The State Government while accepting the facts replied (August 2021) that the BCP/DRP are currently not active and necessary action would be initiated soon. During the Exit Conference, the State government informed (September 2021) that BCP/DRP would be made active shortly. Further progress in this regard is awaited (December 2021).

Lack of implementation of BCP/DRP makes the data of the beneficiaries and the systems being utilised for pension processing vulnerable to interruptions in services due to disasters.

2.10.5 Application Controls of RajSSP

Application controls are the measures incorporated in the IT system to ensure that the data input, processing and output is complete, accurate and valid. Application controls include completeness and validity checks, input controls, balancing of processing totals, error reporting etc.

a) Input Controls

(i) In an application, designating certain data fields as mandatory is an important input control which ensures that the information essential for processing by the application is available in the system. For RajSSP, the SSO login user manual⁴⁷ of NIC provides that fields such as *Annual Income*, *Religion*, *Pin code*, *Name*, *Father/Husband name* etc. are mandatory fields⁴⁸. These mandatory fields enable RajSSP to capture all those beneficiary data fields which are crucial for processing of pension applications in compliance with the Pension rules 2013.

Analysis of RajSSP data dump revealed that out of the 20,99,362 applications received during the audit period which were subsequently sanctioned, '*Annual Income*' field was left blank in 9,65,921 cases (46.01 per cent) and '*Pin Code*' field was left blank in 99,121 cases (4.72 per cent) even when both these fields were mandatory. This indicates that the system is unable to ensure that all the mandatory fields are captured.

The Department accepted the facts and replied (September 2021) that the '*Annual Income*' field in RajSSP has been removed and now only a self-declaration by the applicant is required and the '*Pin code*' field is only needed for applicants receiving pension through Money Order.

(ii) Out of 42,995 CMENSPS beneficiaries (557-Divorced, 42,143-Widowed and 295-Separated) whose pension was sanctioned during the audit

⁴⁷ Available at <https://ssp.rajasthan.gov.in/LoginContent/MidLogin.aspx>

⁴⁸ As these fields are marked with red asterisk indicative of compulsory information

period, it was found that in the field “*Husband Divorce Issuing Authority*”, required information was not provided in 9,602 cases⁴⁹ (22.33 per cent) as highlighted in paragraph 2.3. A screenshot of such cases is provided in **Annexure K**.

This shows that the system allowed application, processing and sanction of such pension applications in the absence of the documents/information prescribed by the Pension rules. This field may be made mandatory for application of pensions under the scheme.

The State Government replied (August 2021) that details such as the marital status of the applicant are fetched from Jan-Aadhaar database at the time of application and as the Jan-Aadhaar information is verified, there is no need for re-verifying it.

The reply of the Government is not acceptable as basic demographic details, including marital status, of the beneficiaries are fetched from the Jan-Aadhaar database at the time of application for social security pensions. However, it is the responsibility of the Department to ensure that other requirements for sanctioning of pension, such as documents prescribed by Pension rules in support of the marital status, are fulfilled and the relevant information is provided on RajSSP.

(iii) The data analysis also revealed that out of 17,921 complaints/queries/grievances filed by the beneficiaries during the audit period, in 575 cases (3.21 per cent) the complaint/grievance was filed without description. A screenshot of such complaints is shown in **Annexure L**.

Description may be made a mandatory field for filing of complaints such that the system does not allow filing of complaints/grievances without description as the absence of description makes it difficult for the Department to provide resolution or conduct an analysis of the trend and nature of the complaints being filed.

The matter was pointed out to State Government (July 2021). The State Government while accepting the facts intimated (August 2021) that action would be taken to make description a mandatory field while filing of complaints/grievances/queries.

These instances reveal that there is scope for strengthening input controls for ensuring that the information entered in the system is valid, accurate and complete.

b) Processing Controls

Processing controls provide an automated means to ensure processing of data entered in the system is complete, accurate, and authorized. Analysis of RajSSP

⁴⁹ Field left blank in 2550 cases and numerical value/special character filled in 7052 cases

data and reports provided instances where deficiencies of the processing controls were revealed as mentioned below:

- (i) The system should calculate the age of the beneficiary from the date of birth available in the system and prevent processing of applications where the beneficiary does not fulfil the age criterion. However, cases of pension applications being processed and sanctioned even without the beneficiary attaining the minimum prescribed age were noticed as highlighted in paragraph **2.4**.
- (ii) Even when the system has the provision of auto-escalation of pension applications, the verification and sanctioning of pension applications were delayed as highlighted in paragraph **2.2**.

Adequate and effective processing controls would facilitate the Department to easily detect, address and reduce the irregularities in the implementation of the schemes.

c) Output Controls

Output controls ensure that the information provided by the system should be complete, valid and accurate. They also check that the information output from the system is the intended/claimed information and is substantiated by the other information available in the system. Following lacunae were observed in the Output controls of the system:

- (i) Analysis of RajSSP data revealed 2,73,653 cases pertaining to the audit period, where the payment information in the RajSSP payment report (OAP 7) did not contain TV numbers meaning that the bills for payment in these cases were rejected. However, the payment report was erroneously showing that the pension had been paid in these cases. An illustrative case is shown in the screenshot in *Annexure M*.

Therefore, the payment information provided by RajSSP was not accurate. The payment report of RajSSP shows the pension as being paid as soon as the bills are passed by the DDO. However, such bills may be rejected by *e-Kuber*⁵⁰ due to various reasons such as wrong IFSC⁵¹ in the e-Payment file. Therefore, payment report on RajSSP should be updated when the confirmation of successful/unsuccessful transactions is received from *e-Kuber* and not on passing of bills.

The State Government replied (July 2021) that RajSSP did not have a proper link with *Rajkosh* in the past due to which TV numbers were not available for some cases. At present TV numbers are being marked in all the pension payments.

⁵⁰ e-Kuber is the Core Banking Solution (CBS) of the Reserve Bank of India (RBI).

⁵¹ Indian Financial System Code

However, audit scrutiny (August 2021) revealed that even in July 2021, the pension payment report of RajSSP is showed pensions being paid to beneficiaries in certain cases where TV numbers are not available (*Annexure N*). This confirms that the deficiency in the output control of RajSSP persists. Further, the reply is silent about the payment report being updated on the passing of bills rather than on confirmation of transaction received from *e-Kuber*.

The State Government later replied (August 2021) that payment is done in cases where TV number is shown and in the cases where TV number is not available, no payment has been done.

The reply is not acceptable as test check (September 2021) of the payment report⁵² of a few beneficiaries revealed that pension payment was shown in cases where TV number was not available.

(ii) Cases of mismatch of information between two different reports of RajSSP were also noticed during the audit. For e.g. first payment dates in 'service guarantee report' of RajSSP was different from payment date of the first payment of pension for the same cases as shown in the RajSSP payment report 'OAP 7'. An illustrative case is shown in the screenshots as given in *Annexure O*.

Further examination revealed that the information of the 'service guarantee report' was shown in a manner so as to be compliant with the provisions of the Rajasthan Guaranteed delivery of public services Act whereas OAP-7 report of RajSSP showed the date of passing of bills for payment. The information provided in these reports was contradictory.

The State Government replied (August 2021) that the date available on public service guarantee report regarding first payment is actually the due date of first payment of pension which is the first day of the month whereas actual payment of first pension is made on any day of the succeeding month.

The reply is not acceptable as the Public Service Guarantee Report displays the information as the 'First payment date'. Further, based on the provisions of Rajasthan Guaranteed delivery of Public Services Act/Rules, the information in the Public Service Guarantee Report is required to be the date on which the service is provided to the beneficiary rather than the date on which the service becomes due.

The above-mentioned cases reflect that the output information being provided by RajSSP was inaccurate in certain cases.

⁵² OAP 7 of RajSSP

Summing up

There were significant delays in sanction of pension applications during the audit period for which corrective action was taken by the State Government after being pointed out by audit. The Department sanctioned pension under CMENSPS without ensuring availability of prescribed documents/ certificates issued by competent authority. Pensions were sanctioned to applicants who had not attained the minimum age of eligibility on the date of application and in some cases even by the date of sanction of pension and in certain cases applications of eligible applicants were rejected, indicating monitoring failures. Irregularities were noticed in the system of physical verification with verifications being carried out by subordinate staff of prescribed authorities, 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. Mandatory post-audit of the auto-escalated applications was not conducted and recovery was pending in instances of payment of pension to ineligible auto-sanctioned applications. All the eligible widowed beneficiaries were not transferred to CMENSPS from CMOASPS to receive pension at higher rates and similar facility was not provided for 'separated' and 'divorced' beneficiaries. The prescribed mechanism for information flow in the event of death of beneficiary was non-functional and time limits for the flow of such information were also not prescribed.

Systemic issues of RajSSP such as lack of multi-factor authentication, sharing of passwords, lack of updates to system requirement specifications and lack of implementation of Business Continuity Plan / Disaster Recovery plan were noticed. Deficiencies were found in the Input, Processing and Output controls of RajSSP.

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.*