

CHAPTER – IV
CONTROL MECHANISM AND
INFORMATION TECHNOLOGY
SYSTEM

Brief Snapshot

Audit identified several deficiencies in the IT system. Audit analysis for the period 2017-21 revealed a number of duplicate Pension Accounts across three Pension components of NSAP within the State and in nine selected districts. The NFBS claim form lacked a section for the deceased individual's age, a crucial determinant of eligibility. None of the 27 designated Implementing Agencies maintained any documentation or reports regarding the annual verification of beneficiaries' eligibility status. Furthermore, no Life Certificates from beneficiaries were found to have been uploaded onto the NSAP portal.

One of the primary objectives of DBT is to eliminate leakages and fraud in the distribution of subsidies, Pension payments, financial assistance, *etc.* to the targeted beneficiaries. Effective control mechanisms, such as, robust authentication processes, data validation and regular audits, can help prevent unauthorised access and misuse of funds. Complementing these control mechanisms, Information Technology (IT) systems provide real-time monitoring and reporting capabilities, allowing Government agencies to track the status of transactions, identify irregularities and respond promptly to any issues that may arise. Together, these control mechanisms and IT systems collaboratively ensure the precise, streamlined and secure distribution of benefits, all while mitigating the risks of leakages and fraudulent activities.

The NSAP Management Information System (MIS) Reports spanning from 2017 to 2021 revealed that out of a total of 24.32 lakh beneficiaries registered across nine²³ Schemes operated by both the GoI and the Government of Gujarat, approximately 24.02 lakh beneficiaries received payments through the DBT mode. The NSAP Portal played a pivotal role in beneficiary verification and validation online. Payment files were generated through this portal using a unified approach, with the Director, Social Defence overseeing seven²⁴ Schemes and the Commissioner, Women and Child Development overseeing two²⁵ Schemes. Automated payment processing was facilitated through the DBT module of the PFMS, with a reverse feedback loop that ensured payment

²³ Four components of NSAP plus five State Government Schemes, viz. Financial Assistance to Destitute Older Persons; Destitute Widow Pension Scheme; Gujarat Mentally Disabled Pension Scheme; Gujarat State *Sant Surdas* Pension Scheme; and Gujarat *Palak Mata-Pita Yojana*.

²⁴ Three components of NSAP plus four State Government Schemes, viz. Financial Assistance to Destitute Older Persons; Gujarat Mentally Disabled Pension Scheme; Gujarat State *Sant Surdas* Pension Scheme; and Gujarat *Palak Mata-Pita Yojana*.

²⁵ Indira Gandhi National Widow Pension Scheme; and Destitute Widow Pension Scheme.

status updates. Beneficiaries were also notified of payments through SMS via the PFMS.

The extent of coverage achieved, encompassing nearly all beneficiaries at 98.76 per cent through the DBT payment mode, is commendable.

However, despite a generally effective IT system, Audit identified several shortcomings in the IT system of the NSAP Portal. These deficiencies are elaborated upon in the subsequent paragraphs, necessitating improvements in the system.

4.1 Duplicate Pension Accounts

Audit conducted an analysis of the data dump of NSAP to identify duplicate Pension Accounts across three Pension components of NSAP (IGNDPS, IGNOAPS and IGNWPS). The duplicates were identified using three different combinations of parameters viz. (i) First Name, Date of Birth and Bank Account with IFSC, (ii) First Name, Father/Husband Name and Bank Account with IFSC and (iii) First Name, Date of Birth, Father/Husband Name and Bank Account with IFSC. The analysis for the period 2017-21 revealed a number of duplicate Pension Accounts across these three parameters within the State and in nine selected districts. These are summarised in the **Table 4.1** below:

Table 4.1: Duplicate Pension Accounts in the State and nine selected districts

Parameter-combination	Component of NSAP	No. of duplicate Pension Accounts in the State	No. of duplicate Pension Accounts in nine selected districts
(i) First Name, Date of Birth and Bank Account with IFSC.	IGNDPS	18	04
	IGNOAPS	418	52
	IGNWPS	170	76
	Total	606	132
(ii) First Name, Father/Husband Name and Bank Account with IFSC.	IGNDPS	14	04
	IGNOAPS	435	52
	IGNWPS	251	110
	Total	700	166
(iii) First Name, Date of Birth, Father/Husband Name and Bank Account with IFSC.	IGNDPS	14	04
	IGNOAPS	380	44
	IGNWPS	127	62
	Total	521	110

(Source: Data dump of NSAP)

The State Government stated (April 2023) that since December 2020, only those applications had been accepted that were applied through Aadhaar-based ‘Digital Gujarat Portal’, in order to avoid the instances of duplications.

4.2 Crucial field of ‘Age of Deceased’ under NFBS not available in NSAP Portal

The eligibility criteria for the NFBS stipulate a lump-sum assistance of ₹ 20,000 to be provided to a household in the unfortunate event of the breadwinner’s demise. The breadwinner’s passing must have occurred whilst the age of the deceased breadwinner was more than 18 years and less than 60 years.

Audit observed that despite the age of the deceased being a crucial determinant of eligibility, the online claim form for NFBS did not include a dedicated section to input the age of the deceased individual. Conversely, substantive checks at the unit level revealed a number of cases, such as one from *Mamlatdar*, Gandhinagar (Gandhinagar district), two from *Mamlatdar*, Mundra (Katchchh district) and three from *Mamlatdar*, Bavla (Ahmedabad district), where the age of the deceased was documented (in the records made available to Audit by the *Mamlatdars* concerned) as exceeding 60 years. This oversight could have been averted, had the age field for the deceased been incorporated within the NSAP Portal.

In response to this concern, the State Government explained (April 2023) that the NSAP Portal indeed features a field for the date of birth of the deceased, with an age limit restriction set between 18 and 60 years. This limitation prevents the input of data for ineligible beneficiaries who fall below 18 years or exceed 60 years of age. However, the explanation is not acceptable, as the age criterion, as claimed by the Government, was erroneously applied to the applicants (dependents of the deceased) rather than to the deceased individuals themselves.

4.3 Non-seeding of *Aadhaar*

Aadhaar is a unique 12-digit identification number issued by the Unique Identification Authority of India (UIDAI) to residents of India based on their biometric and demographic data.

Aadhaar seeding, also known as *Aadhaar* linking or *Aadhaar* integration, refers to the process of linking an individual's *Aadhaar* number with various Government databases or services. *Aadhaar* seeding aims to connect an individual's *Aadhaar* number with his records in various Government and Financial Institutions to streamline and authenticate transactions, services and benefits.

Aadhaar seeding has several benefits, including minimizing the chances of duplication, fraud or errors in beneficiary lists, by ensuring that the correct individual is availing of the intended benefits or services. From the DBT perspective, *Aadhaar* seeding is used in conjunction with DBT Schemes to ensure that financial assistance, subsidies or Pensions are directly credited to the Bank Accounts of the eligible beneficiaries, reducing intermediaries and potential leakages.

The status²⁶ of *Aadhaar* seeding of the NSAP beneficiaries, except NFBS where one-time financial assistance is given, with their Bank Accounts in nine selected districts, is shown in **Table 4.2** below:

²⁶ Data extracted from the NSAP Portal on real-time basis by the Implementing Agencies during audit of nine selected districts (IGNWPS: 15/04/2021; IGNOAPS: 28/06/2021; and IGNDPS: 27/07/2021).

Table 4.2: Details of Aadhaar seeding in nine selected districts

Sr. No.	Selected districts	Total No. of beneficiaries	Aadhaar seeding completed	Percentage of Aadhaar seeding completed
1.	Rajkot	36,736	25,063	68
2.	Morbi	13,000	8,491	65
3.	Katchchh	28,954	14,403	50
4.	Dang	9,442	6,765	72
5.	Valsad	53,448	38,119	71
6.	Ahmedabad	1,14,964	47,258	41
7.	Bharuch	35,431	22,219	63
8.	Banaskantha	74,214	43,853	59
9.	Gandhinagar	28,146	12,635	45

(Source: Live data extracted by Implementing Agencies from NSAP Portal between April 2021 and July 2021)

As could be seen from the table above, Ahmedabad and Gandhinagar were trailing behind the other seven districts, with *Aadhaar* seeding rates of 41 *per cent* and 45 *per cent* respectively.

The State Government responded (April 2023) that substantial advancement has been achieved, reaching a level of 90.38 *per cent* in *Aadhaar* seeding. They further mentioned that efforts were ongoing to achieve full completion, although the achieved percentage may fluctuate periodically due to changes in beneficiary numbers.

4.4 Non-verification of beneficiaries’ status and submission of Life Certificates

According to a Resolution by the State Government on 01 June 2018, the responsibility for verifying beneficiaries’ status and submitting their Life Certificates annually on the NSAP Portal rests with the Sanctioning Authorities, namely the *Mamlatdars* or the District Social Defence Officers concerned.

An examination of records spanning the years 2017-21 revealed that none of the 27 selected Implementing Agencies (comprising 18 *Mamlatdar* offices and nine Social Defence Offices) maintained any documentation or reports regarding the yearly verification of beneficiaries’ status. Additionally, no Life Certificates from beneficiaries were discovered to have been uploaded onto the NSAP portal during the same period. This oversight potentially resulted in the continued disbursement of financial assistance to beneficiaries, even in cases where their eligibility status had changed, as elaborated in **Paragraph 2.2.1; Chapter – II**.

The State Government stated (April 2023) that beneficiaries’ verification was being done every year, during the months of April to June, with the available resources. However, considering its importance, an expedited initiative to verify the status of beneficiaries would be undertaken across all 272 taluka-level offices in the State. The State Government added that efforts were also being

made to digitise and upload the crucial documents and certificates onto the NSAP digital platform.

The efforts undertaken by the Government are commendable. However, the intended outcomes could be further enhanced by transitioning to biometric authentication for the beneficiaries, similar to the established practice for Defence Pensioners. Incorporating this feature into the IT systems would effectively eradicate the need for Life Certificate submissions, thus dispelling all ambiguities and uncertainties.

Recommendation 6: In order to ensure enhanced accuracy, transparency, and efficiency in the disbursement of financial assistance to the intended beneficiaries, the State Government may strengthen the DBT framework (i) through comprehensive digitisation of all the aspects of the NSAP, (ii) initiate a thorough data cleaning process to rectify any discrepancies or errors in beneficiary information and (iii) implement a system for periodic review and update of beneficiaries' details.



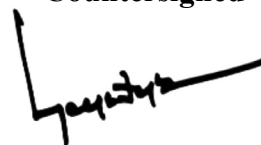
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The 01 November 2024

Countersigned



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Comptroller and Auditor General of India

New Delhi

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