

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT II)

PRESS BRIEF

The Report of the Comptroller and Auditor General of India on Performance Audit on 'Direct Benefit Transfer of Social Security Pension Schemes' under the Government of Kerala from 2017-18 to 2020-21 has been laid on the table of the Kerala Legislature on 14 September 2023 in accordance with Article 151(2) of the Constitution of India.

The Performance Audit on Direct Benefit Transfer of 'Social Security Pension Schemes' under the Government of Kerala was conducted to examine whether the DBT programme has been effective in providing pensionary benefits directly to the beneficiaries and the Sevana Pension software has been effective in bringing accuracy, transparency and effectiveness.

Following are the major audit findings in the Report.

- Ineligible/ rejected applicants were subsequently admitted as new beneficiaries by accepting fresh applications, which resulted in irregular payment of pension to 513 beneficiaries upto April 2021.

(paragraph 2.2)

- The cross-verification of the data with Aadhaar number showed that 3,990 individuals are receiving ineligible second pension.

(paragraph 2.5.1)

- In 278 cases, SSPs were sanctioned without production of mandatory certificates which resulted irregular payment of pension of **₹0.68 crore** to ineligible beneficiaries till April 2021.

(paragraph 2.5.3)

- Lack of control in verifying the financial condition/ status of the beneficiaries led to disbursement of SSPs to ineligible cases. A Beneficiary Survey conducted showed that about 19.69 *per cent* beneficiaries are ineligible.

(paragraph 2.5.6)

- Lack of proper verification of the eligibility conditions of the applicants resulted in irregular expenditure of **₹39.27 crore** on account of disbursement of SSPs to 9,201 Service Pensioners and Government employees.

(paragraph 2.6.1)

- KSSPL had availed excess loan to the tune of **₹19,472.14 crore** for the years 2018-19, 2019-20 and 2020-21 in excess of its requirements. An amount of **₹1,388.61 crore** transfer credited by KSSPL to the Directorate of *Panchayats* remains unreconciled.

(paragraph 2.7)

- Irregular payment of Indira Gandhi National Widow Pension of **₹1.80 crore** was made to 585 legally divorced persons or persons deserted by their husbands.

(paragraph 2.11.1)

- Audit noticed on test check that irregular pension payment of **₹3.83 crore** made to beneficiaries due to disbursement of same pension more than once to the same beneficiaries.

(paragraph 2.11.2)

- Audit noticed on test check that irregular payment of SSPs amounting **₹2.63 crore** was made on account of payment of pension to 1,698 (42 *per cent*) deceased beneficiaries due to non-removal of deceased cases from the database even after registration of deaths with the LSGIs.

(paragraph 2.11.3)

- Due to the transfer of funds of ₹118.16 crore to PACS in the name of 96,285 beneficiaries who were deceased, the Government incurred a loss of **₹0.87 crore** towards payment of interest.

(paragraph 2.12)

- Irregular payment of **₹10.11 crore** was made by disbursing SSPs at enhanced rate of 1,500 per month to beneficiaries without ascertaining the eligibility of the beneficiaries.

(paragraph 2.14)

- Security Audit has not been conducted to get 'Safe to Host' certificate before hosting the Sevana Pension Software. The Software was hosted without addressing the vulnerabilities identified in the first phase of security audit performed by CERT-K.

(paragraph 3.6)

- There is control lapse in Sevana Pension software from beneficiary addition to disbursement of SSPs. The Directorate of *Panchayats* is not able to perform the functions which are entrusted to them and are completely dependent on the Developer for all essential activities. IKM, the Developer of the Sevana Pension software, continues to run it rather than the User Department

(paragraph 3.6 and paragraph 3.7)

- The User Department is not able to monitor either the user activities at LSGIs or the activities performed by IKM. Further, there is no effective mechanism for ensuring the receipt of the SSP by the intended recipient.

(paragraph 3.9)