

Chapter-II

Audit Framework

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2.1 Selection of Department

The Government of Punjab (GoP) had transferred an amount of ₹ 14,432.79 crore under 94 different schemes across 13 departments through DBT (cash transfer) during the period from April 2017 to July 2020. Of this, 60 *per cent* of the amount (i.e. ₹ 8,674.43 crore) was transferred under 18 schemes through DBT being implemented by the Department of Social Security and Women and Child Development (DSSWCD), of which ₹ 7,672.62 crore (i.e. 88 *per cent* of ₹ 8,674.43 crore) was transferred by the Department under three schemes *viz.* (i) Old Age Pension (OAP); (ii) Financial Assistance to Widows and Destitute Women (FAWDW); and (iii) Financial Assistance to Dependent Children (FADC) during the same period (*Appendix 2.1*).

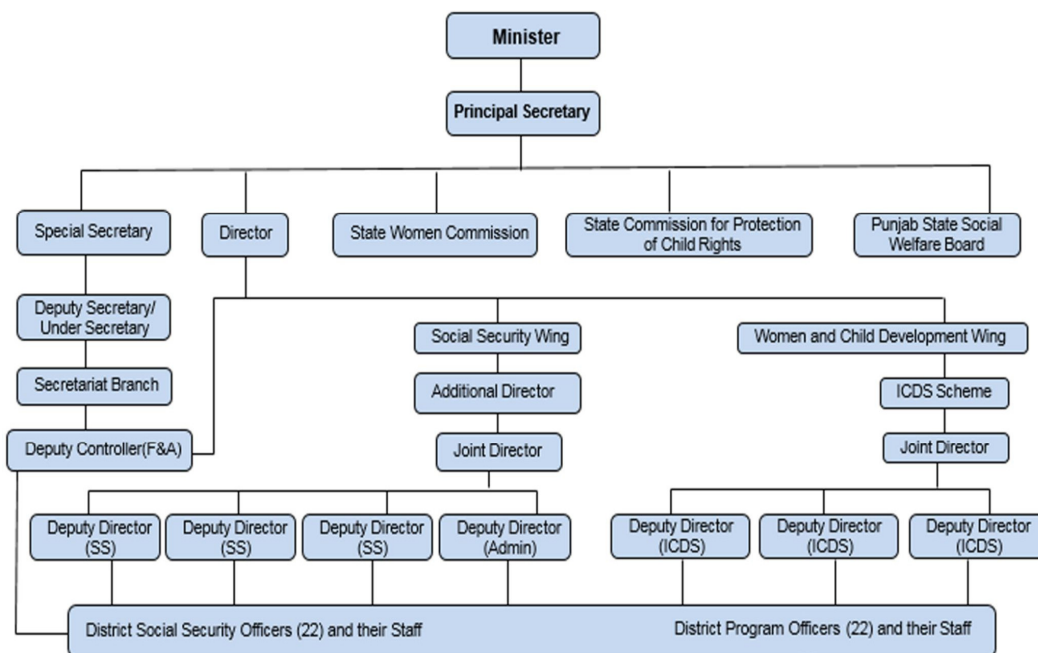
Considering the criticality of achieving its intended outcomes, escalating financial outlays and relative impact of social security schemes, which aim to provide monthly financial support to alleviate economic deprivation, three schemes *viz.* OAP, FAWDW and FADC being implemented by DSSWCD were selected taking into account highest expenditure incurred thereunder for conducting the performance audit of DBT (cash transfer).

2.2 Organisational set-up

The Department of Social Security and Women and Child Development (DSSWCD), Punjab works for the welfare of widows and destitute women; the elderly; persons with disabilities¹; and orphaned and dependent children including Integrated Child Development Services and nutrition and health services to the pregnant and lactating mothers. The organisational structure of DSSWCD is given in **Chart 2.1**.

¹ As specified in the Rights of Persons with Disabilities Act, 2016.

Chart 2.1: Organisational chart of Department of Social Security and Women and Child Development



Source: Website of Department (<http://sswcd.punjab.gov.in>)

2.3 Brief description of selected schemes

As per the prevalent rules² for three selected social security schemes viz. OAP, FAWDW and FADC being implemented in DSSWCD, financial assistance of ₹ 500/- per month (up to June 2017) and ₹ 750/- per month (from July 2017 onwards) was to be provided to the eligible beneficiaries. The eligibility criteria prescribed for each of three schemes is depicted in **Table 2.1**.

Table 2.1: Eligibility criteria for providing financial assistance under the selected social security schemes

Sr. No.	Description	OAP	FAWDW	FADC
1.	Age	65 years or above for male and 58 years or more for female.	Widow or destitute women (including women whose husband is mentally or physically disabled) of age below 58 years or unmarried women above the age of 30 years	Maximum two children having age less than 21 years whose parents have died/are disabled/ unable to earn their livelihood
	Verification	Date of Birth Proof	In case of widow, death certificate of husband, affidavit for unmarried women, disability certificate from Government Medical Officer and Date of Birth Proof	Death certificate of parents, Disability certificate from Government Medical Officer and Date of Birth Proof

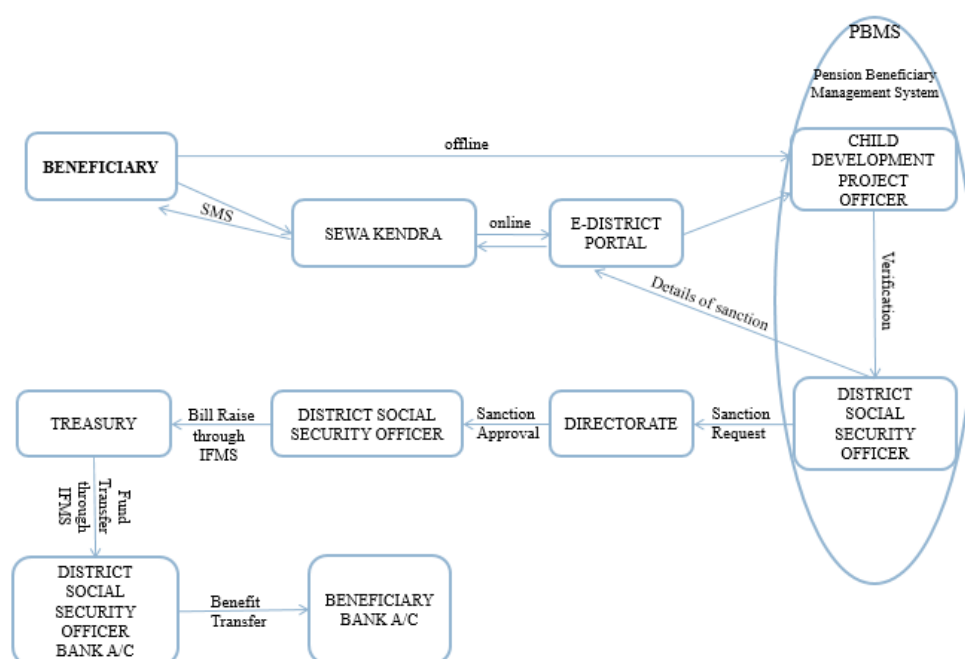
² (i) Punjab Old Age Pension Rules, 1996; (ii) Financial Assistance to Widows and Destitute Women in Punjab Rules, 1996; and (iii) Financial Assistance to Dependent Children in Punjab Rules, 1996, amended from time to time.

Sr. No.	Description	OAP	FAWDW	FADC
2.	Annual income ceiling	Less than ₹ 60,000/- per annum (Self declaration)		
3.	Period of residence	Resident of Punjab since last three years immediately before applying for benefits (self-declaration)		Not applicable
4.	Land			
	For Rural beneficiaries	Having not more than 2.5 acre agriculture land or not more than 5 acre of non-agriculture land	Not applicable	Not applicable
	For Urban beneficiaries	Residential house less than 200 sq mtr		
	Verification	Verification report from Patwari/EO, MC		

Source: Social Security Schemes Rules

The procedure for sanction of financial assistance to beneficiaries under the social security schemes in DSSWCD is given in **Chart 2.2**.

Chart 2.2: Work flow showing procedure for sanction of financial assistance to beneficiaries



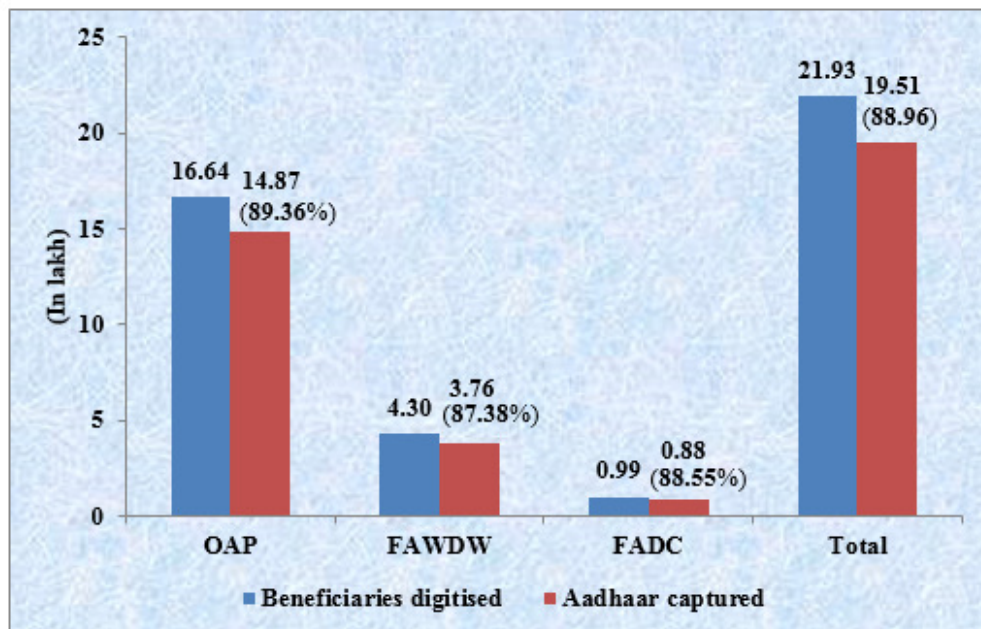
Source: Departmental information

Digitisation of beneficiaries

It has been observed from the data supplied by DSSWCD in respect of selected social security schemes that as of July 2020, details of 21.93 lakh beneficiaries had been digitised, of which Aadhaar numbers of

19.51 lakh (88.96 per cent) beneficiaries were captured in the Pension Beneficiary Management System³ (PBMS), as detailed in **Chart 2.3**.

Chart 2.3: Details of beneficiaries digitised vis-à-vis Aadhaar numbers captured under the selected social security schemes in the State



Source: Departmental data

2.4 Audit objectives

The audit objectives for carrying out the performance audit of selected social security schemes under DBT (cash transfer) were to ascertain:

- Whether necessary process re-engineering was done for implementation of DBT so as to minimise -
 - a) intermediary levels,
 - b) delay in payments to intended beneficiaries and
 - c) pilferage and duplication; and
- Whether the infrastructure, organisation and management of DBT were adequate and effective.

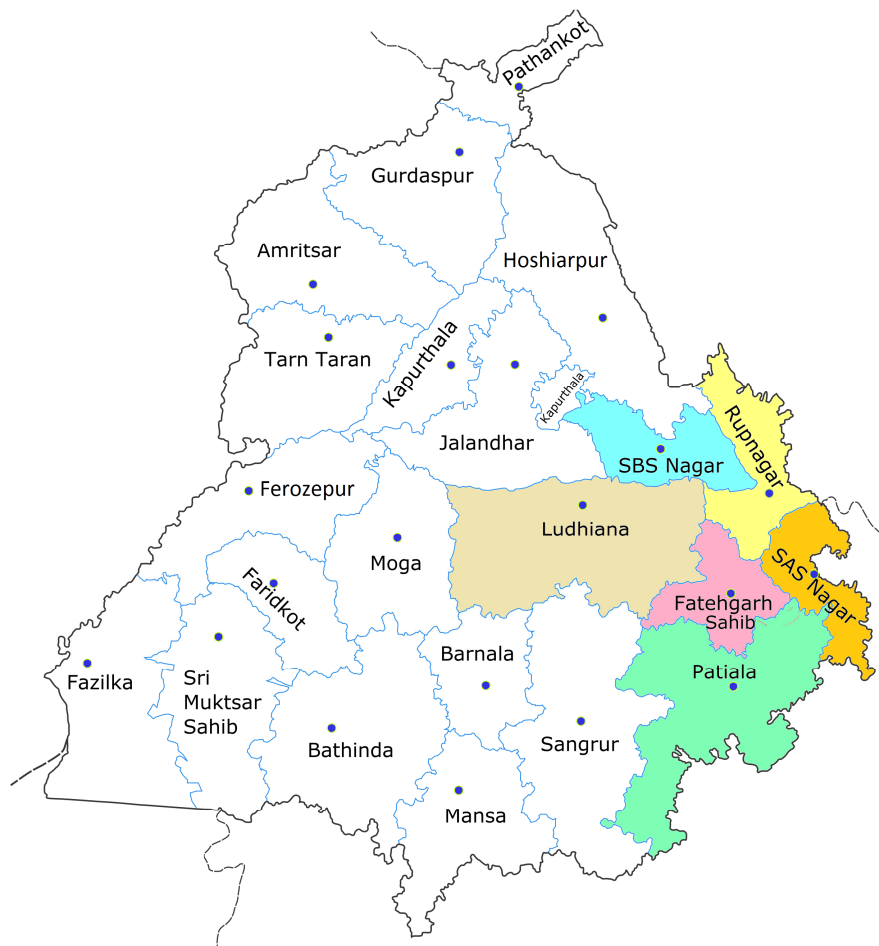
2.5 Audit scope and methodology

The performance audit of three selected social security schemes viz. OAP, FAWDW and FADC being implemented in DSSWCD under DBT (cash transfer) covering the period from April 2017 to July 2020 was

³ PBMS is a web-based software developed by DSSWCD to capture the details of the beneficiary in respect of social security schemes being implemented in the State of Punjab.

conducted (October 2020 - March 2021) in six (out of 22) selected districts, as shown in the map of the State of Punjab, below:

Map of State of Punjab showing six districts selected for the performance audit



Further, two blocks in each of the six districts were selected⁴ for test-check of records. Besides, records/data being maintained by the Department of Governance Reforms and Public Grievances (DGRPG) were also test-checked.

An entry conference in respect of the performance audit was held (December 2020) with the Principal Secretary to Government of Punjab, DSSWCD and Special Secretary, DGRPG, wherein the audit methodology, scope, objectives and criteria were discussed. The audit findings were discussed with the Departments concerned in the exit conference held in July 2021 and the replies furnished by them have been suitably incorporated in the Report.

⁴ (i) Fatehgarh Sahib (Amlah and Bassi Pathana); (ii) Ludhiana (Doraha and Khanna); (iii) Patiala (Rajpura and Patiala-Urban); (iv) Rupnagar (Morinda and Chamkaur Sahib); (v) SBS Nagar (Aur and Balachaur); and (vi) SAS Nagar (Majri and Kharar), selected on judgemental basis due to COVID-19 pandemic scenario.

2.6 Audit criteria

The audit criteria were derived from the following sources:

- Standard Operating Procedures, Protocol Document on DBT in States, Handbook on DBT, Guidelines for State DBT Cell, etc. issued by DBT Mission, Government of India (GoI);
- Guidelines for Indian Government Websites and various instructions regarding maintenance of database, generation of various reports and IT controls;
- Guidelines, rules and orders related to selected schemes *viz.* 'Old Age Pension', 'Financial Assistance to Widows and Destitute Women' and 'Financial Assistance to Dependent Children', issued by the State Government from time to time; and
- Punjab Budget Manual and other circulars, orders, instructions and notifications issued by DBT Mission, GoI and the State Government.

2.7 Organisation of audit findings

The audit findings, conclusions and recommendations relating to each of the two audit objectives have been reported in two distinct chapters *viz.* Chapters III and IV to facilitate easy comprehension and follow up.

2.8 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the State Government, Department of Social Security and Women and Child Development, Department of Governance Reforms and Public Grievances, and all the test-checked District Social Security Officers and Child Development Project Officers in conducting the performance audit.