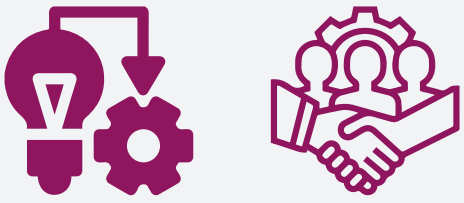
Chapter II
Implementation & Management of DBT



Chapter 2
Implementation and Management of DBT

2.1 Status of onboarding of identified schemes

The State Government ordered (August 2018) the establishment of Integrated DBT platform (Core DBT portal) for all departments to transfer the benefits to the citizens. The departments were required to use the centralised Core DBT Portal compulsorily for all fund transfers by the end of 2018-19. Further, the treasury shall not accept any other bills of any Drawing and Disbursing Officers (DDOs) of such departments for concerned Schemes/programmes other than those generated through the centralised Integrated Core DBT portal.

The user departments were still in the process of identifying the schemes to be onboarded onto the Core DBT Portal. As of April 2021, 83 out of 239 schemes (35 *per cent*) implemented by 15 departments were onboarded onto the Core DBT Portal. The year-wise progress of onboarding of schemes is detailed in **Table 2.1**.

Table 2.1: Status of onboarding of the schemes on to Core DBT Portal

Sl. No.	Year	Number of schemes implemented
1.	2018-19	15
2.	2019-20	39
3.	2020-21	83

Source: DBT data furnished by DBT Cell

The poor progress resulted in disbursements of benefits outside the DBT portal during the period 2018-20. Audit called for information from 42 departments to assess the quantum of the benefits outside Core DBT Portal. Information furnished by 22 departments showed that total benefits of ₹2,829.02 crore was paid outside Core DBT Portal under 168 schemes.

Audit observed that the slow progress in onboarding the schemes by the user departments was due to lack of ICT applications and digitisation of the beneficiaries' data. Though the Operations Group was responsible for identifying departments/schemes that come under the purview of DBT and ensuring timely onboarding of schemes and Technical Group for developing scheme specific ICT applications where such applications were not available, it was not done. Consequently, the DBT Cell did not have the information on

- the number of schemes which were required to be identified for onboarding;
- availability of the ICT infrastructure in the departments for the identified schemes; and

- the status of beneficiary database digitisation, seeding of beneficiary database with validated Aadhaar number *etc*., that are necessary for onboarding.

The State Government stated (December 2021) that the delay in onboarding of the schemes was due to the non-availability of IT systems in many of the departments. It further stated that the user departments could not develop their own IT systems due to lack of IT skills. Therefore, the centre for e-Governance has developed a configurable IT system called 'Suvidha[4]' using which multiple departmental schemes can be onboarded. The fact remains that the Operations and Technical Groups of the DBT Cell failed to handhold the departments for timely onboarding of the schemes onto the DBT Portal.

2.2 Efficiency of implementation of DBT

The efficiency of DBT is measured with reference to the extent of successful transactions and timely delivery of services.

2.2.1 Successful transactions

Analysis of the transactions of Core DBT data (as of 20 October 2020) for the period 2018-20[5] showed that the overall success rate was 83 *per cent* (detailed in **Appendix 2.1**) and it ranged between 57 to 97 *per cent* under the test-checked schemes as detailed in **Table 2.2.**

Table 2.2.: Status of transactions for the period 2018-20

Sl. No.	Scheme	Core DBT Portal	Milk incentives	Raithasiri (State)	Raithasiri (Central)	NFSM	PMKSN
1	**Total Transactions**	2,90,49,520	1,01,33,244	52,054	62,037	1,78,535	78,85,464
2	**Amount**	5,883.57	1,198.97	16.08	27.8	60.13	1,577.09
3	**Successful Transactions**	2,40,51,851 (83)	97,88,078 (97)	35,862 (69)	45,309 (73)	1,46,455 (82)	45,28,808 (57)
4	**Amount**	4,679.78	1,164.44	10.99	20.47	51.88	905.76
5	**Failed Transactions**	1,28,705 (<1)	49,419 (<1)	235 (<1)	107 (<1)	410 (<1)	10,083 (<1)
6	**Amount**	235.94	6.33	0.05	0.048	0.13	2.01
7	**Pending Transactions**	6,66,949 (2)	1,21,452 (1)	406 (<1)	109 (<1)	389 (<1)	39,491 (<1)
8	**Amount**	153.30	10.92	0.12	0.05	0.13	7.89
9	**Rejected Transactions**	42,02,015 (14)	1,74,295 (2)	15,551 (30)	16,512 (27)	31,281 (18)	33,07,082 (42)
10	**Amount**	814.55	17.26	4.9	7.23	7.98	661.41

Transactions are in numbers, Amount in crore and figures in parentheses indicate percentage.

Source: Data dump provided by DBT Cell.

[4] Suvidha was implemented from 25 November 2021.

[5] Analysis in respect of selected schemes- Milk incentive, Raithasiri (State & Central) and PMKSN conducted for the year 2019-20 and NFSM for the period 2018-20 depending upon the implementation of the selected schemes through DBT during the audit period of 2018-20

While the extent of failed transactions was less than one *per cent* in all the schemes, the rejected transactions ranged between two to 42 *per cent* in the test-checked schemes.

The State Government replied (December 2021) that large number of PMKSN transactions were rejected due to technical issues in the department application. However, the action taken to set right these issues were not furnished. Therefore, Audit is unable to comment on the remedial action taken to resolve such issues.

2.2.1.1 Timely delivery of services

Timely delivery of services is paramount for the success of the DBT scheme. Delivery of services involve different stages for processing the transactions within the overall timeframe as prescribed from time to time. To ensure that the services are delivered on time, best practices require that timelines be prescribed and adhered to at each stage. The various transaction points involved in DBT process is shown below. The detailed DBT process flow is given in **Appendix 2.2**.

The Department generates the payment annexure files (transaction date) which is submitted to the Core DBT portal for de-duplication, ID validation and passed on to NPCI for checking the status of Aadhaar seeding. The transaction is then approved by DDO and submitted to K2 or Bank for payment processing depending on the mode[6] of the payment for the scheme.

Audit observed that the State Government had not prescribed any time frame within which a particular transaction was required to be completed. Hence, Audit analysed the time taken at different stages for seeking assurance on the timely delivery of services, which is the benchmark for the success of DBT payments as per the Government orders and instructions. Audit adopted the Government of India benchmark of T+4 days set for PFMS payments to analyse the time taken from the date of scroll/final approval till the date of receipt of response in K2/DBT. Accordingly, the transaction points were classified into two stages-Transaction date to Scroll/final approval (Stage 1) and Scroll/final approval to Receipt of bank payment response (Stage 2).

[6] There are two payment modes in DBT – K2 mode and Sponsoring Bank mode (SBI). Both K2 and Bank Payment mode is for Aadhaar seeded bank account of the beneficiaries.

Audit analysis of the successful transactions showed that while the average time taken for the entire process was 45 days, it was 41 days and four days under Stage 1 and Stage 2 respectively. The extent of time taken at each transaction point is given in **Table 2.3**. The details of actual time taken is given in **Appendix 2.3.**

Table 2.3: Statement showing the extent of time taken at each transaction point

Sl. No.	Stage	Transaction point	Average Time taken (days)	Actual time taken range in days	Audit Remarks
1	Stage 1	NPCI check	1	0-61	60 *per cent* transactions were processed on the same day.
2		DDO approval	25	0-274	17 *per cent* transactions could be processed on the same day.
3		Scroll/Final Approval[7]			
		- K2 mode	23	1-187	Only 0.01 *per cent* of the transactions could be processed on the same day and 18 *per cent* of the transactions within seven days.
		- Bank mode	12	0-268	28 *per cent* transactions were processed on the same day
4	Stage 2 T+4 days Of PFMS	K2/Bank payment	3	0-248	As per PFMS-(T+3) 83 *per cent* transactions could be processed within 3 days.
5		Movement of response from SBI to K2	1	0-361	As per PFMS 1 day. 61 *per cent* transactions could be processed on the same day.

Source: Data dump provided by DBT Cell

Detailed analysis showed that delays were more at the stage of Scroll/final approval in K2 (75 *per cent*) followed by DDO approval stage (13 *per cent*). In both cases the responsibility lies with the departments for giving approval to the processed payment files. Failure of the State Government to prescribe specific timelines and not initiating timely action by the user departments resulted in delayed delivery of services and defeated the very purpose of implementation of DBT.

The State Government stated (December 2021) that there were issues with NPCI checks initially which were subsequently resolved. The reasons for the delay at other transaction points were not furnished.

2.2.1.2 Credit to incorrect accounts

The beneficiaries are entitled to receive benefits through DBT only when their bank accounts are linked/seeded with Aadhaar. Credits to incorrect

[7] Scroll approval in respect of K2 payment mode and Final approval for Bank Mode of Payment

accounts can occur when the Aadhaar number is mapped to a wrong account. The incorrect mapping occurs at the bank level and hence, banks need to take utmost care while linking/seeding the Aadhaar with the bank accounts of the beneficiaries. Further the banks are liable to make good such wrong credits to the originating departments. NPCI provides a web service which just discloses whether a particular Aadhaar is seeded to a bank account or not. However, the bank name is masked in this output. As a result, the DBT system cannot ascertain whether Aadhaar was seeded to the bank account as indicated by the Department. The seeding error would be known only when beneficiaries complain of not having received the benefits.

Audit noticed that 21 complaints were received (February to October 2020) by DBT Cell from beneficiaries through the departments wherein a total of ₹12.95 lakh was not credited to them. These were credited to incorrect accounts. Action taken in these cases were not forthcoming. There was no validation check both at the DBT portal and bank level to highlight such errors and this resulted in failed payments. There however, exists a system wherein DBT undertakes a check known as 'name match score' after receipt of payment file from K2/Bank. Name match score is the score assigned to a transaction (ranges from 0 to 100) on comparing the name of the beneficiary as per Aadhaar with the name of the person whose account is actually credited. This score is based on the algorithm formulated by C-DAC, Bengaluru. The deficiencies in this scoring process are detailed in paragraph 2.3.4.

Audit analysed transactions where the score was between 0 to 20, as the chance of the benefit accruing to a wrong beneficiary was higher in such cases. Details are as below:

- Forty-five *per cent* of the total 1,22,653 transactions (valuing ₹14.52 crore) under Milk incentive scheme were analysed as the matching was to be performed manually. It was observed that in 2,499 cases a total amount of ₹30.59 lakh was credited to persons other than the actual beneficiary.
- Out of 50,000 random cases analysed under Core DBT Portal, incorrect credits were observed in 523 cases amounting to ₹97.14 lakh.

It is pertinent to state that these incorrect credits are reflected in DBT Portal as successful transactions which complicates their rectification and grievance redressal. The possibility of withdrawing the money by the incorrect beneficiaries before the rectification of the transactions also cannot be ruled out.

The State Government stated (December 2021) that consequent to repeated efforts, NPCI has now provided a web-service where the bank name is shared and the same is being sent to the departmental application as response. It further stated that DBT Cell as part of the payment file response shares the name match score with the department which is to be used by the department to verify whether payments were made to the correct beneficiary account. As the departmental applications were not using this information, DBT is

now publishing a report called 'After Payment Name Match Score Report' which is available to the department officer in DBT login. The user department should view the report and take corrective action.

The reply highlights the lapse of the Department in taking corrective action. Further the reply does not indicate the action taken to rectify the wrong credits and ensure that the benefits are given to the correct beneficiaries.

2.2.2 Failed transactions

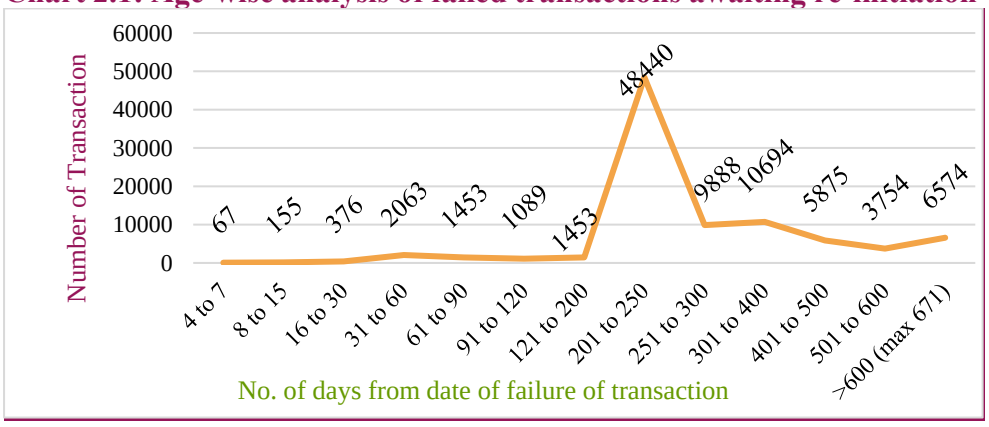
As could be seen from Table 2.2, payments could not be made to beneficiaries in respect of 1,28,705 transactions valuing ₹235.94 crore. The recorded reasons for failure is shown in **Appendix 2.4.**

Invalid bank identifier, Inactive Aadhaar seeding, Account blocked or frozen and Aadhaar number not mapped to account number were the major reasons for failed transactions under the test-checked schemes. Though the departments were responsible to ensure and facilitate seeding of Aadhaar with bank accounts, failure to ensure necessary seeding by them resulted in non-delivery of the benefits and consequent loss to the eligible beneficiaries.

Audit observed that the failed transactions for the period 2018-19 and 2019-20 could not be re-initiated. However, the reasons for not re-initiating the transactions were not furnished.

Age-wise analysis showed that as many as 91,283 transactions were awaiting re-initiation despite a lapse of 30 days from the date of failure and in respect of 36,824 transactions (29 *per cent*) amounting to ₹211.30 crore, the date of transaction was not captured in the Core DBT portal as indicated in **Chart 2.1**.

Chart 2.1: Age-wise analysis of failed transactions awaiting re-initiation



Audit further noticed that in 66,494 transactions (52 *per cent*), the bank particulars were not captured. Of the balance 48 *per cent*, 32 *per cent* of the failed transactions related to Cooperative Banks. This highlights the need for putting in place a well-defined mechanism to capture all necessary details and ensure proper seeding of Aadhaar.

The State Government stated (December 2021) that DBT platform had provided the facility to re-push the failed payments and the departmental applications were to send the data to DBT for payment after rectifying the issue due to which the payment had failed. The reply, however, does not indicate the corrective action taken to reinitiate the failed transactions and the present status of these transactions.

2.2.3 Pending transactions

As per Table 2.2, two *per cent* of the total transactions were shown as pending transactions. Analysis showed that many of the transactions were pending at DDO level and K2 level transaction points in the selected schemes as shown in **Appendix 2.5**. The pendency ranged from three days to 673 days as detailed in **Table 2.4.**

Table 2.4: Statement showing pendency of transactions

Number of days	Number of Transactions	Amount (₹ in crore)
0-4 days	4,436	5.14
5-7 days	5,071	4.24
8-15 days	13,515	11.86
16-90 days	1,78,118	74.29
91-180 days	64,364	12.10
181-365 days	2,33,553	27.73
>365 days (max. 673)	1,67,892	17.94
Total	**6,66,949**	**153.30**

Source: DBT data furnished by DBT Cell

The DBT Cell which is responsible to monitor the progress of each department and focus on last mile delivery benefits, failed to monitor the transactions pending at various levels and initiate necessary action to address the reasons for pendency. As a result, 6.67 lakh beneficiaries were deprived of the financial benefit of ₹153.30 crore during the period 2018-19 and 2019-20.

The State Government stated (December 2021) that it is the responsibility of the user department to monitor this activity for which the required MIS has already been published in the DBT portal. It further stated that DBT Cell role is to maintain the DBT portal and provide technical help to the department in using the portal. The reply cannot be accepted as the Operations Group of the DBT Cell was entrusted with the responsibility of monitoring the progress of each department and ensuring last mile delivery benefits.

2.2.4 Rejected transactions

Fourteen *per cent* of the total transactions under Core DBT were rejected at various transaction levels. Analysis showed that the rejections *inter se* were more at DDO level (60 *per cent*) and K2 level (38 *per cent*). It was observed that "Files pushed back to department" as per their request (57 *per cent*) was the major reason for the rejected transactions followed by "K2_BMSER-01:

Mapping of given budget line and DDO not available" (20 *per cent*) and "Sanction Order has already been generated for some beneficiaries" (eight *per cent*) as indicated in **Appendix 2.6**.

This indicates that the departments concerned were not ascertaining the availability of the budget provision and the correctness of the payment files before sending for payment. Further, there exists no mechanism to monitor these rejected transactions for further processing of those transactions as a result of which Audit could not ensure whether corrective action was initiated to deliver ₹814.55 crore in respect of 42.02 lakh transactions.

The State Government stated (January 2022) that the transactions were rejected due to various reasons like validation failures at DBT and K2 level, failure at NPCI level and that DDOs can also reject the records in DBT and K2. Further it stated that some cases might have been rejected due to non-availability of funds and such cases might not be reinitiated. However, it agreed to create a mechanism to monitor the rejected transactions and stated that it would issue directives to the concerned departments to take corrective measure for reinitiating the rejected transactions.

Audit does not accept the reply that the rejected transactions due to non-availability of funds might not be reinitiated. While the reply highlights the absence of necessary budget validation checks before processing the transactions for payments, not initiating the rejected transactions indicate the failure of the existing mechanism to track and process such transactions for timely delivery of services to the eligible beneficiaries.

2.2.5 Timely movement of response files

On receipt of the response file from the bank in K2, it is then pushed to Core DBT and further to the native applications. Audit observed that the average time taken for movement of response files from K2 to Core DBT portal was 38 days (ranged between 0-270 days) and from Core DBT to native application was 21 days (ranged between 0-367 days). Only 29 and 18 *per cent* of the responses could be shared on the same day respectively. The belated receipt of response file by the departments hampers timely rectification and reinitiation of the failed/pending/rejected transactions.

The State Government stated (December 2021) that initially DBT platform was sharing file-wise response to the department and due to any delay of one record at any stage the entire file's response could not be sent. Therefore, it has now started sharing the record wise response *i.e.*, as and when a payment is done to a beneficiary, the details are sent to the department.

The reply does not address the delay in movement of response files from K2 to Core DBT Portal and the fact remains that there was delay in movement of files across various stages during the audit period.

2.2.6 Processing efficiency of Core DBT portal

The Core DBT Portal pushes the payment files to K2 after identity and financial address validations. Audit analysis of 43,340[8] payment files pushed by Core DBT Portal to K2 showed that 30,315 files were cleared in initial file level verification in K2, the processing efficiency being 70 *per cent*. Of the 30,315 files, 28,164 files were in active state, 405 files (310 of 2019-20, 7 of 2020-21 and 88 of 2021-22) were under process and the balance 1,746 files were inactive (this includes files relating to 2018-19 also). Effectively, the processing efficiency was 65 *per cent*. Thus, the Core DBT portal was deficient to that extent.

2.2.7 Absence of validation checks in native applications

The native applications prepare the payment annexure files and send it to DBT for further processing. Analysis of the related data showed that 17 *per cent* of the files failed the preliminary check at DBT portal during 2019-20. This increased to 29 *per cent* during 2021-22. The major reasons for failure were 'Input XML file already processed', 'Input XML file failed XSD validation' and 'duplicate payment record found'. The increase in failure occurred with the increase in onboarding of the schemes to Core DBT portal. Evidently, there was inadequate check and valiations on the part of the users of the native applications.

2.3 Management of Core DBT portal

The Core DBT portal integrates various layers of financial transactions of the benefits to streamline workflow, effective fund management, monitoring tools and seamless intake from multiple channels. It enhances the collaboration and integrations by empowering officials and departments, allowing transparent collaboration, better monitoring and fast track of fund flows. This requires efficient management of the portal and its seamless integration with the various stake holders applications. The detailed workflow is shown in **Appendix 2.7**.

2.3.1 Status of implementation of modules of Core DBT Portal

The portal has nine modules. The status of implementation of the modules is given below:

Implemented	Under pilot implementation	Under testing
Identity validation	Simple Beneficiary Management system	Financial Address Verification (Bank Account Verification)
Payment module - • **K2 mode** • **K2 failed payment**	Payment to institution on behalf of the beneficiary	Aadhaar as Service

[8] Data as of 22 October 2021.

Implemented	Under pilot implementation	Under testing
• **Bank mode**		
Integration Module – • **Integration with Native Application** • **Integration with K2** • **Integration with SBI (Bank mode payment)**		Handling of wrong credits
Mobile App for beneficiaries to know their payment, seeding status		

The State Government stated (December 2021) that all the modules are now live but did not furnish the evidence in this regard.

2.3.2 Status of integration

The integration module of Core DBT Portal envisaged integrating the DBT platform with native applications on one side and K2 systems/banks for payment on the other side. This facilitates DBT file movement using XML[9] from Native application to DBT platform (ID Validation file/FAV File, Payment file) and pushing of XML from DBT platform to K2/Bank. Once the files are successfully processed in K2/bank, the response is shared back to the native application. The Core DBT Portal is also integrated to UIDAI and NPCI for the purpose of Identity and Financial Address validations respectively.

Audit observed that though integration with native applications in respect of XML file movement and sharing of response exists, integration for reconciliation between the two applications was inconsistent as there was no automated process for the consumption of the response files by the native applications which resulted in a mismatch between the transactional data of native application and DBT application as observed in the case of Ksheerasiri as detailed in **Table 3.2**.

Similarly, integration for reconciliation with K2 was also absent. The successful transactions as per K2 was 1,97,44,251 whereas it was 2,40,51,851 as per Core DBT portal. As per the information furnished by K2, Core DBT Portal had pushed 35,518 payment files to K2 during the period January 2018 to December 2020. However, only 31,113 files could be traced in Core DBT Portal and 4,405 files remained untraced. This could result in issues relating to reconciliation, de-duplication and matching and rectification of response files. This apart, there were inconsistences in K2 response data as the integration got disrupted during the year 2019-20 due to which the full responses could not be captured.

[9] Extensible Markup Language which is a markup language that defines a set of rules for encoding documents in a format that is both human-readable and machine-readable.

Further, the guidelines issued by Government of India required the integration of State DBT Portal with DBT Bharat Portal for seamless exchange of data. Based on the integration and data exchange, the States are awarded DBT performance ranking. Karnataka was ranked 25 out of 28 States since inception. This was due to non-integration and absence of data exchange framework from State portal to Bharat portal. The State DBT had obtained zero score for data reporting and saving reporting compliance parameters and 50 for portal compliance. The non-availability of information impacted decision making process and limited the scope of larger publicity of data. A screen shot indicating that "Integration with State DBT portal is in progress" is shown in **Appendix 2.8**.

The State Government agreed with the audit observation and stated (January 2022) that it would put in place a mechanism in DBT Cell to reconcile periodically with user departments and K2. It further stated that integration with DBT Bharat portal has been initiated and completed (December 2021) and working on the updating the status of the ranking. It is evident from the reply that integration was still in progress.

2.3.3 State DBT portal not accessible to citizens

The State DBT portal contains the features of providing anonymous and privilege access to data. As per the guidelines for State DBT portal, it was to have certain functionalities such as overview of DBT in the State, list of schemes onboarded and to be onboarded, the details of State DBT Cell and persons managing and monitoring the portal along with Standard Operating Procedure for various departments, the details of Right to Information for citizens/beneficiaries, details of Frequently Asked Questions and feedback mechanism. These functionalities were required to enable citizens/public to access the portal without using login.

Audit observed that the above functionalities were absent in the State Portal which deprived the citizens/beneficiaries of the required information. Access to information was possible only through login.

The State Government stated (January 2022) that the Core DBT portal is primarily for the departmental officers for the purpose of payment. However, it agreed to provide the facility in the DBT portal also for the public. Audit appreciates that the Government has agreed to provide facility for the public. However, the reply that the DBT portal is only for payment purpose is not tenable as State DBT portal was to provide the citizens the umbrella of various schemes and benefits which are available across various departments in the State.

2.3.4 Deficiencies in post payment name match scoring process

As discussed in paragraph 2.2.1.2, the post payment name match scoring process involves comparison of the name of the beneficiary as per Aadhaar with the name of the person whose account is actually credited for which a score is assigned. This process is carried out for each and every transaction. Scrutiny of post payment name match scoring process showed that different

scores were awarded for the same comparison results for different transactions indicating the inconsistency in the process. A few samples cases are detailed in **Appendix 2.9**.

Further, Audit analysed 22,91,829 transactions having score between 0-20 and noticed significant gaps in the post payment name matching data as detailed below:

- ✓ 77,148 records did not have beneficiary name;
- ✓ 3,210 records did not have Account Holder Name;
- ✓ 6,567 records did not have bank name;
- ✓ 3,211 records did not have bank account number; and
- ✓ 5,610 records did not have masked Aadhaar number

The above gaps indicate the lack of validation input controls and impacts the reliability and integrity of the name matching exercise.

The State Government stated (December 2021) that the mismatch could be due to software updates and issues. It further stated that DBT Cell is constantly reviewing the name match score and accordingly suggesting the required changes to C-DAC.

Software updates affecting a process indicates the lacunae in the application. Further, the reply does not address the reasons for gaps pointed out by audit and the corrective action taken thereon to avoid such omissions in future.

2.4 Security and Privacy

2.4.1 Server certificate/digital signature

Server Certificate/digital signature ensures the authenticity of the source of file and provides assurance that the files are not tampered with. The payment annexure files and the files sent for data validation from the native applications contain sensitive information like payment details, beneficiary details and Aadhaar details *etc*. Audit observed that these files did not contain Server Certificate/digital signature of the authorised personnel of the department responsible for uploading them onto the DBT portal.

The State Government stated (December 2021) that the DBT Cell was in the process of implementing server based digital signature.

2.4.2 Storing of Aadhaar numbers in departmental databases

The Aadhaar Act, 2016 and subsequent circulars and guidelines issued by the UIDAI from time to time stipulate that the details of Aadhaar number collected from the beneficiaries have to be stored in a secured environment called "Aadhaar Data Vault". The UIDAI further outlined (July 2017) that Aadhaar numbers either in encrypted form or masked form should not be stored in any other storage except Aadhaar Data vault. The Aadhaar Data Vault should ideally maintain the mapping of the Aadhaar Numbers and

corresponding Reference Numbers. Hence, any access to data vault should only be to refer this mapping.

Audit noticed that the departments were storing the Aadhaar details in their databases and interact with the DBT Portal for validation and authentication of the beneficiaries and payment details by providing the beneficiary Aadhaar details.

The State Government stated (December 2021) that Aadhaar as Service was implemented from June 2021 and the beneficiary Aadhaar details are stored in the Aadhaar vault using Hardware Security Module. It further stated (January 2022) that after implementation of Unique Vault Reference number, the departments were supposed to delete the Aadhaar in their local database and DBT Cell would take undertaking from the respective departments for deletion of Aadhaar from their local database.

2.4.3 Security audit

Section 43 A of Information Technology Act, 2000 and Rules thereunder require the conduct of security audit by an independent auditor duly approved by the Central Government at least once a year or as and when significant up-gradation of the infrastructure happens. Similarly, GoI guidelines stipulate that each website/application must undergo security audit.

Audit observed that third party security audit of DBT web application was done on 9 June 2019. However, it did not include vulnerability assessment and penetration testing, check of integration with other applications and detection of all weakness in controls under its scope. Since the periodicity and coverage of the security audit was insufficient, Audit was not in a position to derive assurance on the robustness of the security controls over the DBT application/portal which is on the public domain.

The State Government agreed (January 2022) to take up the penetration testing of the Core DBT Portal.

2.4.4 Risk Management

Information systems should be categorised based on the potential impact that loss of confidentiality, integrity or availability would have on the operations, assets, or individuals. Risks should be reassessed on a periodic basis or whenever systems, applications, facilities or other conditions change. Risk management documentation should include security plans, risk assessments, security test and evaluation results and appropriate management approvals. Changes to systems, facilities or other conditions and identified security vulnerabilities should be analysed to determine their impact on risk and the risk assessment should be performed or revised as necessary.

As per the State Government instructions (August 2018), all DBT schemes were required to be onboarded to Core DBT Portal. This required that the Core DBT portal undergo a risk analysis to ensure that its operating efficiency

is maintained in view of future demand of the application. In this connection, Audit noticed that:

- policies and procedures were yet to be defined and put in place for conducting periodic risk analysis for Core DBT portal.
- a formal risk assessment was not performed to identify and document information technology systems and resources, vulnerabilities and exposures, policies and control measures, and management's signed acceptance of unmitigated risks.
- the DBT Portal did not have a policy for the classification of data of the beneficiaries according to risk and importance to support decisions regarding the appropriate level of data protection to be employed during systems development and change activities.

The State Government agreed (January 2022) to take up a risk assessment of the Core DBT Portal.

2.4.5 Action taken on audit findings relating to DBT Portal

Audit observed certain issues that were communicated to DBT Cell for response. The State Government stated (December 2021) that corrective action has been taken. However, these need to be verified during subsequent audits. The issues noticed and corrective measures stated to have been taken are detailed below:

- The Unique Vault reference number for each beneficiary across the schemes was not implemented to enable the departments and the Government to collate the information of the total benefits reaching the individual across the scheme. The Government in its reply (December 2021) stated that the Unique Vault reference number for each beneficiary across the schemes was implemented during November 2021.
- Biometric authentication module not mapped in Core DBT Portal though stated in the Functional Requirement Specifications. The Government in its reply (January 2022) stated that Aadhaar as Service has been developed which contains one component Biometric eKYC. When any department seeks this information, the same would be enabled in Aadhaar as Service.