Chapter III

Implementation of DBT

in selected schemes

Chapter 3
Implementation of DBT in selected schemes

The PA focussed on implementation of DBT under the Milk Incentive, Raithasiri, National Food Security Mission (NFSM) and PMKSN (State component) schemes. This chapter deals with the audit findings observed in these test-checked schemes.

3.1 Milk Incentive Scheme

The State Government accorded (September 2008) approval for implementation of the Milk incentive scheme[10], to be implemented by Department of AH&VS, which aimed to provide incentives to milk pourers for the milk poured to the Milk Cooperative Societies under the Milk Unions. Milk societies used to pay cash to beneficiaries till 31 December 2014. From 1 January 2015, incentives were transferred from Unions to beneficiary accounts through NEFT/RTGS. From 1 August 2016, incentive was transferred by Unions to Aadhaar based bank accounts of the beneficiaries and from 1 April 2019 onwards the incentive is being paid through "Ksheerasiri Application" (a native portal) and Core DBT Application (State DBT dedicated Portal)" to the Aadhaar seeded bank account of the milk pourers.

The data for DBT payments is generated, processed and validated by the Karnataka Milk Federation (KMF) through its societies, camp offices and Unions and then submitted to Ksheerasiri application for further processing. The application was operationalized as pilot project for Bengaluru and Mysuru Unions during the year 2017-18.

At present, the State Government pays an incentive amount of ₹5 per litre of milk poured by milk pourers provided the quality of milk poured meets the prescribed standards of 3.5 FAT and 8.5 SNF[11]. This incentive amount is over and above the prescribed milk rate paid to the milk pourers per litre of milk which varies across the Unions (milk dairies) as per the rates notified by each Union to the Milk Societies under their purview.

3.1.1 Release and utilisation of funds

The status of release and utilisation of funds under the scheme during the period 2018-19 and 2019-20 is given in **Table 3.1**.

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[10] GoK: order AHF 53 – 2008 KMF Bangalore dated 08.09.2008
[11] Solid Not Fat

**Table 3.1: Status of release and utilisation of funds**

(₹ in crore)

Year	Amount released	Expenditure incurred	Balance
2018-19	1,486.22	1,460.19	26.03
2019-20	1,336.77	1,260.82	75.94

Source: Information furnished by AH&VS department.

The non-utilisation of funds can be attributed to the pending and rejected transactions that occurred each year. Audit observed that the unutilised funds were surrendered by the Department.

3.1.2   Ksheerasiri application

Ksheerasiri is a native portal of AH&VS Department developed to transfer the incentives to the milk pourers. The application aimed to include registration of beneficiaries, Aadhaar seeding of beneficiaries, validation of beneficiaries, prevent/reduce data duplication and re-entry at different stages, process beneficiary payment annexure files, monitoring, management and implementation of the schemes *etc*. The process flow of this application is shown in **Chart 3.1**.

Chart 3.1: Process flow of Ksheerasiri application
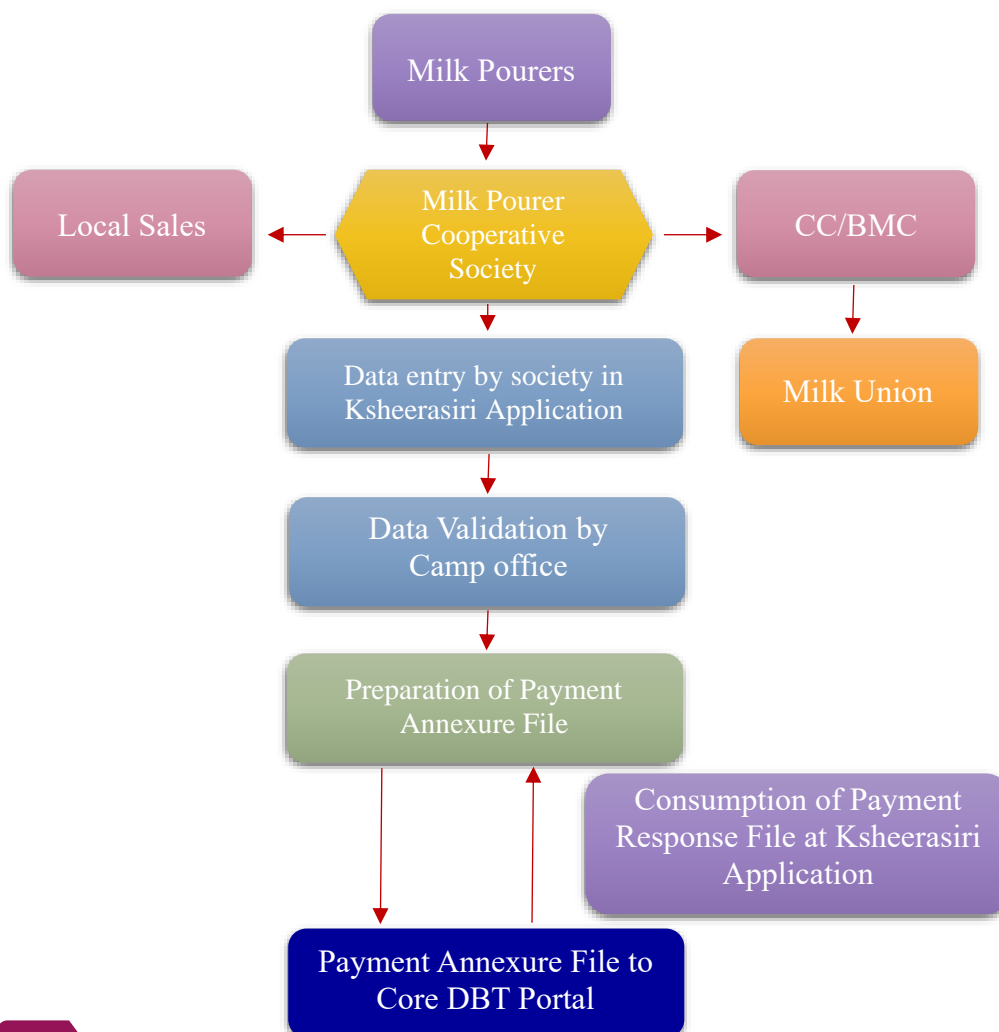
3.1.2.1 Management of Ksheerasiri application

The Ksheerasiri application consists of 11 modules[12] for efficient and effective management of the various functionalities attached to each module. The status of implementation of the modules is as shown in **Table 3.2**.

Table 3.2: Status of modules of Ksheerasiri application

Sl.no.	Module	Functionality	Status
1	Master Data Creation module	Administrator functions	Implemented
2	Milk pourer Registration	Registration of the beneficiary at the Society level and seeding the database with Aadhaar	
3	Milk pourer collection and local sales data update	Monthly update of milk pourers records with eligible quality and quantity	Implemented
4	Local sales proof upload	Proof upload for local sales of milk	Not implemented
5	Chilling Centre (CC) / Bulk Milk Cooler (BMC) data upload	Reconciliation of data on milk collected from the society	Not implemented
6	Union processing facility data upload	Reconciliation of data on milk collected from the CC/BMC	Not implemented
7	Data validation	Validation of the data of Society, CC/BMC and Union level	Validations are being done manually. Automated data validation at various stages is absent.
8	Exception Reporting	To detect and report abnormal trend	Not implemented
9	Audit	Handle audit request raised both automated and manually covering discrepancies, mismatch, exception reporting *etc*., at the camp and union level	Not implemented
10	Payment Annexure processing	Preparation of payment annexure file to be sent to Core DBT Portal	Implemented
11	Payment Reconciliation	Reconciliation between file sent to DBT and response received from DBT	Implemented. Audit noticed difference of 33.96 lakh transactions valuing ₹444.13 crore as detailed in **Appendix 3.1**.

Source: Information furnished by AH&VS department

It could be seen from the above that five modules were not implemented. Audit also observed that the modules implemented were also deficient. The impact thereof in implementation of the scheme was as below:

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[12] As detailed in the Functional Requirement Specification of the Ksheerasiri application.

❑ **Inadequate digitisation and consequent absence of data validation**:

There are 14,658 milk societies of which 10,275 were adopting 26 different software applications for capturing the data of milk poured, name of the pourer, quality of milk *etc*. These standalone applications were not integrated with Ksheerasiri application. Consequently, the data was not being captured on real time basis.

The remaining 4,383 societies were still preparing and managing beneficiary data manually resulting in absence of automated validation checks at various levels and payments were based on the only manual validation checks carried out at the Camp office by the Extension Officers and at the Union level. Manual validation carries the risk of erroneous or fraudulent processing and unreliable outputs. It is pertinent to mention here that 522 Extension Officers have to certify the collection details of 14,658 societies twice daily which is practically difficult and the increases the possibility of errors/ fraudulent practices remaining unnoticed.

Audit also noticed that the department merely accepts the data furnished by KMF without further checks. Further, different types of applications complicates the monitoring of those applications in terms of IT security and processing of the transactions.

The State Government stated (December 2021) that KMF has sent a proposal to Government of India for sanctioning of around 2,858 Automated Milk Collection Units within two years' time frame (2021-2023). It further stated that National Dairy Development Board is planning to provide a common software to all societies which would be integrated and implemented to overcome manual entry of data in future.

❑ **Absence of input validation controls:**

Analysis of the master database showed that various fields such as Aadhar consent, number of cattle, cattle type, milk pourer type, mobile number, account number *etc*., were either blank or '0' as shown below indicating the absence of input validation controls.

Field	Number of records			Audit Remark
	Blank	**Zero (0)**	**Others**	
Aadhaar consent	66,749			
Number of cattle		10,29,049		For *ex*., there were 658 records with cattle owned as '0' though these pourers had supplied milk more than 25,000 litres. Unrealistic numbers such as 1708101000, 1332080, 111950, 133020 were also indicated.
Type of cattle		10,23,229		Impacts the projection of quantity of milk a particular type of cattle might yield. The data was inconsistent as the cattle type captured was undefined.
Milk pourer type		1,02,732		Absence of assurance on fulfilment of eligibility criteria

Field	Number of records			Audit Remark
	Blank	**Zero (0)**	**Others**	
Mobile number	4,49,360	4,25,825		Any SMS or information cannot be communicated.
Account number	1,04,478	345		
Caste	176	14		Affects the utilisation of Special Component Plan (SCP)/Tribal Sub Plan (TSP) funds.
Aadhaar verified	66,473		Shown as 'No' in 21,959 records	Due to non-verification of Aadhaar, the department cannot push the data for payment to these milk pourers

Source: Data dump of Ksheerasiri Portal provided by AH&VS.

Audit observed that many fields in the portal were made optional instead of mandatory. Consequently, the various fields cannot be related for validations. For *ex.*, the quantity of milk supplied by a particular pourer is commensurate with the number of cattle owned cannot be ascertained. Such data raises concern on the integrity, reliability and quality of the database.

> *Case A*
>
> *Though the number of cattle was recorded as three for a milk pourer, payment of ₹2.17 lakh was made for 43,364 litres during October 2020 which amounts to each cattle giving 480 litres per day.*

Source: Ksheerasiri portal data

The State Government stated (December 2021 and January 2022) that various fields in the database would be made mandatory instead optional to fetch all the necessary data for validations from April 2022 onwards.

❑ **Non-identification of deviations**:

Non-implementation of exceptional reporting and audit modules though provided for in the Functional Requirement Specification resulted in absence of mechanism to identify and examine deviations in the implementation of the scheme. Audit observed that the milk poured by a particular pourer varied significantly between two consequent months / during a period of six months as detailed in **Appendix 3.2**.

The State Government accepted (December 2021) that the rules for exception reporting is not framed and mapped and agreed to take corrective measures.

❑ **Absence of assurance on the quality and quantity of milk poured**:

Non-implementation of local sales proof upload, CC/BMC data upload, Union processing data upload and audit module indicate the absence of assurance on the quality and quantity of milk poured and the veracity of the claims made by the societies.

Data analysis showed that in 5,504 cases out of 2,48,065 cases, the total local sales per month was greater than the total milk collected in the month. There

were 3,178 and 1,027 such cases during April 2019 and May 2019 months respectively.

Audit also observed that the 'substandard milk quantity' and 'total milk poured' fields were optional. Further, the quantity of good quality and sub-standard quality of milk supplied by an individual pourer are not entered in the Ksheerasiri directly. It is entered manually in the register or the native application used by the society and is updated on a monthly basis in Ksheerasiri at the camp office. As the milk collected in the societies are transferred to a common container and the milk with averaged fat content would be reaching the CC/BMC/Union, the possibility of extending incentives to the ineligible beneficiaries cannot be ruled out.

Audit further observed that in respect of one society (Alipura/ Gowribidanur), the Dairy register had recorded local sales of 1975.7 litres during August 2019 whereas the DBT figure was 16,404 litres. In respect of other society (Parandahalli/Bangarpet), the total quantity of milk collected in the society was 72,076 for the month of March 2020 whereas subsidy was reimbursed for 1,34,319.8 litres as seen from Ksheerasiri data.

The State Government stated (January 2022) that automated validation of the data at Camp Office and the Union level is not available. It however, stated that when Union validates before e-signing for a month, the total good quantity plus the local sales of all the milk societies should be equal or less than the quantity supplied to the Union and hence there is no scope for claiming more quantity in a month. The reply does not address the action taken to verify and rectify the discrepancies pointed out by audit. Moreover, the existing manual checks are inadequate to prohibit such discrepancies.

❑　　**Overpayments and processing of more quantity than prescribed**:

Under the milk incentive scheme, a milk pourer was eligible for incentive for a maximum of 40,000 litres per month which amounts to ₹2 lakh. This rule was incorrectly mapped and the input field was accepting values up to 60,000 litres (screen shot shown below).
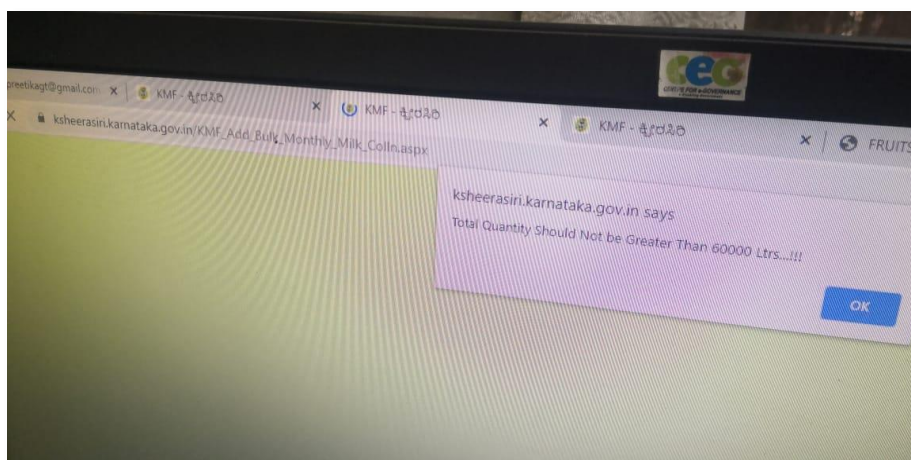
Analysis of the data showed that payment in excess of ₹2 lakh was paid during the period March to September 2021 for the milk poured during June 2020 to June 2021 in 10 instances as detailed in **Appendix 3.3**. In nine other

instances, claims of 1.28 lakh litres over and above the prescribed limits and amounting to ₹6.38 lakh was processed by the department for payment. The Department was yet to confirm whether the payments were actually made. Audit also noticed few instances where the amount paid for milk poured ranged between ₹6.4 lakh to ₹9.55 lakh per month during the period April 2019 to August 2020. Providing incentives to such beneficiaries defeats the very purpose of the incentive scheme.

The State Government stated (January 2022) that the Department had fixed the upper limit initially at 40,000 litres per month so that the files are not rejected at K2. Further, the Government stated that upper limit was enhanced to 75,000 litres per month in Ksheerasiri and K2 Portal to make the payment for those milk pourers who poured the milk exceeding 40,000 litres after verification.

The reply does not address the vital issue of how the input validation was changed to 60,000 litres per month when upper limit fixed was 40,000 litres per month at that time. This shows the lack of internal controls and proper monitoring existing within the department. Further, the *post facto* enhancement of the upper limit was carried out by the Department without the approval the Finance department and the Government.

3.1.2.2 Delay in processing of payment files

The payment annexure files in XML format are generated by the Department and pushed to the Core DBT portal through the Ksheerasiri application for financial and Aadhaar validations, de-duplication check and further processing and payments. Analysis of the data furnished by the department pertaining to 11 Milk Unions for the period 2019-20 showed instances of time gaps in generation of payment annexure files after the date of milk collection as indicated in **Table 3.3**.

Table 3.3: Time lag in preparation of payment annexure files

From (days)	To (days)	Number of records	Amount (₹ in crore)
10	15	4,54,825 (11)	53.32
16	30	4,55,621 (11)	58.22
31	365	32,67,471 (78)	375.14
Total		**41,77,918**	**486.68**

Source: Ksheerasiri data provided by AH&VS department
(Percentage to total number of records shown in parenthesis)

The delay in generation of payment files delays the entire process leading to delayed delivery of benefits.

> *Case B*
> *Payment of ₹56.08 lakh to 8,464 milk pourers for the month of January 2018 was generated on 22 January 2020 and pushed to Core DBT Portal. However, this payment was rejected by K2 system as it pertained to the previous financial year. This payment was still pending resulting in depriving the benefits to the eligible beneficiaries. The State Government stated (December 2021) that it would initiate corrective action.*

Source: Ksheerasiri portal data

Further analysis of the data furnished by the department pertaining to 11 Milk Unions for the period 2019-20 showed significant time lag between the date on which the payment annexure files were generated and the date on which the DDO had accorded the approval as indicated in **Table 3.4**.

Table 3.4: Time lag in approving the payment annexure files

From (days)	To (days)	Number of records	Amount (₹ in crore)
0	0	3,08,668 (7)	34.42
1	3	18,68,101 (45)	210.04
4	7	9,44,577 (23)	109.78
8	15	6,31,520 (15)	78.19
16	27	4,25,052 (10)	54.25
Total		**41,77,918**	**486.68**

Source: Ksheerasiri data provided by AH&VS department
(Percentage to total number of records shown in parenthesis)

Audit also observed that the 34 *per cent* of the files generated and processed during 2019-20 and 2020-21 failed at Core DBT portal. The reason in 92 *per cent* of the cases was 'input XML file already processed' indicating the absence of validation.

The State Government stated (January 2022) that payment files for the initial claims (April 2019 to July 2019) were processed only from August 2019 due to technical issues and as the personnel were to be trained in use of the application. As a result, there was some backlog. The reply is not acceptable as audit observed delays beyond July 2019 in preparation of payment files for 19.23 lakh transactions (46 *per cent*) amounting to ₹232.17 crore and such delay ranged up to 360 days.

3.1.2.3 Non-existence of budget module and tracking of budget under Special Component Plan/Tribal Sub Plan

The budget for the milk incentive scheme is released under three subheads *viz.,* 100, 422 (SCP) and 423 (TSP) of Major Head 2404. The funds released under 422 and 423 are meant for payment of incentives to milk pourers under Scheduled Caste (SC) and Scheduled Tribe (ST) categories respectively. Though the registration of beneficiary module includes the category column (SC/ST/Others), there was no mechanism to trace the budget flow under these subheads in the Ksheerasiri application. This was important to identify the extent of failed, rejected and pending transactions under SC/ST category of beneficiaries. Further, in the absence of input validation controls, there was every possibility of the funds under SCP/TSP remaining unutilised.

As discussed in paragraph 3.1.1, the Department surrendered the unutilised amount under the scheme including the unspent amount under SCP/TSP. The surrender of funds under SCP/TSP was against the provisions of the Karnataka Scheduled Caste Sub-Allocation and Tribal Sub-Allocation (Planning, Allocation and Utilisation of Financial Resources) Act, 2013 and Rules, 2017 which stipulates that 'in case of unspent amount out of allocation in a particular financial year, the same may be added to the next year allocation but shall not be carried further beyond that year'.

The State Government stated (December 2021) that steps would be taken to incorporate the budget module.

3.1.2.4   System Requirement Specification and User Acceptance Test

The User Acceptance Testing (UAT) determines whether the application meets all the requirements of the user groups. The essence of UAT is to validate the software to find out whether it meets the business requirements of the client as specified in the Functional Requirement Specifications (FRS) and System Requirement Specifications (SRS) documents. UAT is the final testing that is carried out before the software is brought on live. The FRS clearly describes the details of the architecture of the system for implementation.

Audit observed that there were no documents to suggest that the SRS was duly prepared/scrutinised and UAT was conducted to ascertain that the Ksheerasiri application fulfilled the user requirements before it was live from April 2019 onwards. This carried the risk of possibility of errors in the software going unnoticed and timely rectification of deficiencies/ inconsistencies in application behaviour.

The State Government furnished the SRS, SDD and User Manual documents in respect of Ksheerasiri to Audit on 3 January 2022. Review of the documents showed that these were prepared much later after the Ksheerasiri system went Go-live and after being pointed out by audit. The department had accepted (September 2019) that these documents were not prepared and documented. Further, the documents furnished were not approved by the competent authority and the documents relating to User Acceptance Test were not furnished.

3.1.2.5   Change Management

Any unapproved or accidental changes made in an IT system could have severe risks and financial consequences for the organisation. Departments should follow a defined change management procedure that requires approval from an authority before changes are being implemented into the operational environment. These changes should be recorded, evaluated, authorized, prioritized, planned, tested, implemented, documented and reviewed in accordance with the documented and approved change management procedures. This would help the systems to continue supporting business operations in the manner planned, and there should be adequate audit trail to track the changes effected in the system.

Audit observed from the information, data and records furnished that there was no change management procedure in place. In the absence of such a procedure, changes could be made in the system without proper authorisations and approval and is fraught with the risk of deviating from the prescribed stipulations and conditions that can affect the integrity of the existing system.

> *Case C*
> *The ceiling for eligibility of subsidy which was initially fixed at 40,000 litres was changed to 60,000 litres and then to 75,000 litres without following any change management procedure. Audit could not ensure whether the changes adopted were duly authorised by the competent authority.*

Source: Ksheerasiri portal data

The State Government stated (December 2021) measures would be taken to implement the change management procedure.

3.1.2.6   Risk Assessment not carried out

As Ksheerasiri application is also an IT system, it was necessary for the department to undertake periodic risk assessment of this application to ensure its operational efficiency. Audit observed that this was not done.

The State Government stated (December 2021) that steps would be taken to carry out periodic risk assessment.

3.1.2.7   Third party security audit not done

The manual for Central Government websites which also needs to be adopted by the State Government websites, stipulate that "Each website/application must undergo a security audit from empanelled agencies prior to hosting and after addition of new modules". The third party security audit of Ksheerasiri application was not carried out till date. As a result, the department could not identify risks, if any, and evaluate the impact of such risks on the application. Consequently, Audit was not in a position to derive assurance on the robustness of the security controls over the Ksheerasiri application.

The State Government stated (December 2021) that it would consider carrying out the third party audit of Ksheerasiri application.

3.1.2.8   Absence of agreement

Software development project should include the detailed scope of the work, deliverables, timelines (for development, testing, acceptance, roll out, maintenance, handholding, *etc*.), final testing and signing-off/certification, list of services, project review and management, processes for approval of deliverables, change control procedures, governance schedule, non-functional requirements, service levels, creation of internal capacity building, exit management *etc*. Audit ascertained that no Memorandum of Understanding (MOU) exists between AH&VS department (the Intellectual property rights holder of the Ksheerasiri data/software), KMF (the Administrative federation under which all the milk Unions in the State function) and National Information Centre (technological partner).

The absence of an MoU with clear demarcation of the roles and responsibilities of each stakeholder can give rise to inadequacies in the software / life cycle of the information system arising from the inadequate understanding of the roles and responsibilities. This also resulted in failure to take appropriate and timely action on failed transactions, wrong credits and pending payments as there is no agreed mechanism available to handle or rectify such responses whether by the department or by the unions set under KMF.

The State Government stated (December 2021) that action would be initiated to prepare the MOU between AH&VS, KMF and NIC.

3.2 Test-checked DBT schemes of Agriculture department

3.2.1 Raithasiri scheme

The State Government launched (2019-20) the Raithasiri scheme[13] for providing financial assistance of ₹10,000 per hectare to millet farmers with the objective of elevating the State's agricultural sector.

3.2.1.1 Payments not routed through DBT

The Raithasiri scheme was onboarded onto the DBT Portal with effect from 10 December 2019 and accordingly all payments were to be routed through the Core DBT portal as per the Government directions. Audit observed that benefits amounting to ₹2.04 crores for 5,513 beneficiaries was pushed directly to the treasury for making payment through Beneficiary Management System (BMS) module of K2 and not through DBT application during the period 10 December 2019 to 31 March 2020.

3.2.2 National Food Security Mission – Frontline Demonstration (DBT component)

National Food Security Mission, a Centrally Sponsored Scheme[14] was launched in October 2007 to increase annual production of certain crops such as rice, pulses, coarse cereals, nutri-cereals, cotton, sugarcane, TRFA-Pulses, TRFA-Oil seeds, NFSM-Oil seeds. Frontline Demonstration (FLD), a component under NFSM involves demonstration of improved package of practices on farmers' fields. The demonstrations should be conducted in cluster approach of at least 10 hectares and one demonstration at individual farmer should never be less than 0.4 hectare and not exceeding one hectare. The assistance of demonstration will be decided upon the area. The rate of assistance is ₹7500 for Rice, ₹5000 for Wheat and ₹5000 for Pulses per demonstration of one hectare respectively.

3.2.2.1 Shortfall in payment to identified beneficiaries

The department identified total 1,62,375 beneficiaries for payment of benefits amounting to ₹57.78 crore but final payment was made for 1,46,865 beneficiaries amounting to ₹51.89 crore. Audit noticed that bills were not created by DDOs for 10,775 beneficiaries and payment in respect of remaining 4,735 beneficiaries were rejected due to technical issues. This has deprived 15,510 beneficiaries of the eligible benefits of ₹5.74 crore.

The State Government agreed (December 2021) with the audit findings and attributed the reasons for rejections to creation of duplicate sanction orders due to server issues. It further stated that bills could not be created by DDOs as the beneficiaries did not produce the required documents. The reply highlights the absence of proper process controls.

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[13] GoK order No. AD 45 APP 2019 Bangalore dated 17.07.2019
[14] GoK order No. AHD 466 AMS 2007 Bangalore dated 05.10.2007

3.2.2.2   Payments not routed through DBT

The NFSM scheme was onboarded onto the DBT Portal with effect from 11 December 2019. Audit observed that benefits amounting to ₹3.90 crore for 13,132 beneficiaries was pushed directly to the treasury for making payment through Beneficiary Management System (BMS) module of K2 and not through DBT application during the period 11 December 2019 to 31 March 2020.

3.2.2.3   Mismatch in data

Audit analysed a sample of 120 beneficiaries selected at random to ensure fulfilment of eligibility criteria and noticed that in 17 cases, there was a mismatch between the land details of the beneficiaries as per the Karnataka State Remote Sensing Applications Centre (KSRSAC) data and Bhoomi records for the year 2019-20. As a result, audit cannot provide assurance on the correctness of the payments made under the scheme.

The State Government stated (December 2021) that the department had verified the records and found to be as per the norms and the difference was in online matching. Audit verified the documents enclosed to the reply and noticed that the differences still existed in name or survey number as per FID/Aadhar and Bhoomi records (RTC) in 14 records.

3.2.3   Pradhan Mantri Kisan Samman Nidhi (State share)

Government of Karnataka[15] accorded (August 2019) sanction to extend additional financial benefit under State funds for purchase of various agriculture components to all those beneficiaries who are eligible for GoI PM Kisan scheme benefits. This involved payment of ₹4,000 payable in two instalments of ₹2,000 each to the eligible beneficiaries in the State through DBT. The beneficiaries can enrol for the scheme by registering on the FRUITS[16]-PM-KISAN portal of the State or directly on the PM-KISAN website of GoI.

3.2.3.1   Inadequate coverage

There were 49,48,039 beneficiaries as per the data obtained from GoI. During the year 2019-20, the State Government processed payment for 45,36,550 beneficiaries (excluding beneficiaries where there was Aadhaar name mismatch, NPCI not seeded *etc*.). Audit observed that out of 45,36,550 beneficiaries, payments could not be processed for 67,379 and 1,62,370 beneficiaries due to Aadhaar name mismatch and non-seeding of Aadhaar and Bank account respectively. Similarly, during 2020-21, payments could not be processed for 78,288 prospective beneficiaries as they were awaiting Aadhaar name mismatch correction and for 1,51,912 beneficiaries due to NPCI mapper issue.

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[15]   GoK order No. AD 3 BCF 2019 Bangalore Dated 13.08.2019
[16]   Farmer Registration and Unified Beneficiary Information System

The delay in taking corrective action to set right the deficiencies noticed resulted in depriving the eligible beneficiaries of benefits of ₹91.99 crore[17] during the period 2019-20 and 2020-21.

3.2.3.2 Extension of benefit to ineligible beneficiaries

As per the scheme guidelines, the State Government was to identify the beneficiaries after satisfying that all the conditions of eligibility are fulfilled by a farmer to be eligible for the benefits under the Central as well as State funds. Some of the important conditions were (i) the farmer should not have been a tax payer in the previous year, (ii) the farmer or his family member should not be a government employee and (iii) the farmer or his family member should be getting pension of less than ₹10,000 per month.

Audit observed that all the conditions as laid down by the GoI (except verification of Bhoomi land data validation) were not validated by the department either before forwarding the list to GoI or before extending the benefits under the State funds. GoI, after release of initial payments, undertook validation of data of beneficiaries with tax payers database and other eligibility criteria and identified 1,99,180 beneficiaries as ineligible under the scheme. It issued guidelines for recovering the amount of Central share of ₹122.95 crore from ineligible beneficiaries. As of 21 October 2021, ₹81.94 lakh was recovered and refunded to GoI.

Audit further observed that payment of ₹34.05 crore was made by the department under the State funds to 89,500 of these ineligible beneficiaries and action was yet to be initiated to recover the amount from such beneficiaries.

The State Government stated (December 2021) that the recovery was under progress.

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[17] (67,379+1,62,370 = 2,29,749*₹2,000) = ₹45.95 crore +
(78,288+1,51,912 = 2,30,200*₹2,000) = ₹46.04 crore