



REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

PERFORMANCE AUDIT OF DIRECT BENEFIT TRANSFER





GOVERNMENT OF KARNATAKA
REPORT NO. 2 OF THE YEAR 2022



**Report of the Comptroller and Auditor
General of India**


**Performance audit
of
Direct Benefit Transfer**

Government of Karnataka
Report No.2 of the year 2022

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Preface

- 1. This Report of the Comptroller and Auditor General of India for the year ended 31 March 2021 has been prepared for submission to the Governor of Karnataka under Article 151 (2) of the Constitution to be tabled in the State Legislature.*
- 2. The Report covering the period 2018-20 contains the results of performance audit of 'Direct Benefit Transfer'.*
- 3. Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.*

Executive Summary

 The State Government introduced Direct Benefit Transfer (DBT) as the disbursement mechanism across the departments and established a DBT Cell consisting of an Advisory Council and a Steering Committee for implementation and monitoring of DBT in the State and coordinating with the user departments. The DBT aimed to disburse payments through an Aadhaar linked bank account of the beneficiary. The Government implemented a centralised Core DBT Portal for de-duplication, identity and financial address validation of the beneficiaries. It envisaged to bring all DBT schemes of different departments in an integrated environment to enable direct system-to-system exchange of DBT data from native applications without manual interactions for the payment to the identified beneficiaries.

The Performance Audit (PA) attempted to ascertain whether necessary process re-engineering was done for implementation of DBT so as to minimise intermediary levels, delay in payment to intended beneficiaries, pilferage and duplication and whether the infrastructure, organization and management of DBT was adequate and effective. The PA involved data analysis and IT audit of Core DBT Portal and Ksheerasiri application along with data analysis of Pradhan Mantri Kisan Samman Nidhi (State Share), National Food Security Mission (DBT component) and Raithasiri schemes of the Department of Agriculture.



Core DBT Portal and DBT Cell

The process of onboarding of the schemes onto the Core DBT Portal was slow as only 83 out of 239 identified schemes could be onboarded as of April 2021. This slow process resulted in disbursement of benefits worth ₹2,829.02 crore outside Core DBT under 168 schemes by 22 departments.

(Paragraph 2.1)

While 83 *per cent* of the overall transactions were successful, 14 *per cent* of the transactions were rejected. The successful transactions ranged between 57 to 97 *per cent* under the test-checked schemes.

(Paragraph 2.2.1)

The timeline for delivery of DBT services across the various transaction points was not fixed resulting in belated delivery of services. The delays were more at two stages – Scroll/final approval in K2 (75 per cent) and DDO approval (13 per cent).

(Paragraph 2.2.1.1)

Analysis of ‘name match score’ data showed instances of credits to accounts of persons other than the actual beneficiaries. Though 21 complaints were received for non-credit of benefits during February to October 2020, corrective action was yet to be initiated.

(Paragraph 2.2.1.2)

The user departments failed to rectify and reinitiate the failed transactions. There were 91,283 transactions awaiting re-initiation despite a lapse of 30 days from the date of failure and the date of transaction was not captured in the Core DBT portal for 36,824 transactions (29 per cent).

(Paragraph 2.2.2)

The pendency of transactions ranged from three to 673 days. Failure to initiate necessary action resulted in 6.67 lakh beneficiaries being deprived of financial benefits of ₹153.30 crore during the period 2018-19 and 2019-20.

(Paragraph 2.2.3)

There was no mechanism to monitor rejected transactions for further processing. Corrective action initiated to deliver ₹814.55 crore in respect of 42.02 lakh transactions could not be ensured.

(Paragraph 2.2.4)

There were delays in movement on response files, shortcomings in efficiency of processing the payment files from native application to Core DBT and Core DBT to K2 hampering timely rectification and reinitiation of pending and rejected transactions.

(Paragraphs 2.2.5 and 2.2.6)

Integration with native applications and K2 for reconciliation was absent resulting in mismatch in data.

(Paragraph 2.3.2)

The payment annexure files were sent for data validation without the Server certificate/digital signature. The departments were storing Aadhaar details in local databases in contravention to the Aadhaar Act and related circulars and guidelines. Security audit undertaken was insufficient as it did not include vulnerability assessment and penetration testing.

(Paragraphs 2.4.1 – 2.4.3)



Ksheerasiri application and Milk Incentive scheme

Inadequate digitisation and lack of uniformity among various standalone applications resulted in absence of automated validation checks. Absence of input validation controls, non-implementation of exceptional reporting and audit modules coupled with absence of assurance on quality and quantity of milk poured resulted in unauthorised changes and consequent overpayments rendering the quality of data unreliable.

(Paragraph 3.1.2.1)

Delay in generation of payment annexure files and DDO approvals resulted in delayed delivery of services to the beneficiaries. An amount of ₹56.08 lakh in respect of 8,464 milk pourers pending since January 2020 has not been paid.

(Paragraph 3.1.2.2)



Schemes of Agriculture department

DBT payments of ₹5.94 crore was not routed through Core DBT Portal for National Food Security Mission and Raithasiri schemes despite having onboarded onto the Core DBT portal.

(Paragraphs 3.2.1.1 and 3.2.2.2)

DBT payment of ₹91.99 crore under Pradhan Mantri Kisan Samman Nidhi scheme was pending processing since 2019-20 resulting in depriving the beneficiaries of their benefits. Inadequate validations and controls resulted in delivery of benefits to ineligible beneficiaries.

(Paragraphs 3.2.3.1 and 3.2.3.2)

Inadequacy in monitoring mechanism such as timeline not fixed for processing of payment files and rectification of those files, post evaluation not done, absence of effective beneficiary grievance redressal mechanism and inadequate IT policies noticed in the implementation of the agriculture schemes.

(Paragraph 4.4.3)



Monitoring and Evaluation

Centralised public grievance mechanism was not established at DBT Cell to aid the beneficiaries in addressing their grievances across various schemes.

(Paragraph 4.1.4)

Timelines for carrying out rectifications in respect of failed/rejected/pending transactions were not fixed by the departments resulting in either belated delivery of services or non-delivery of services.

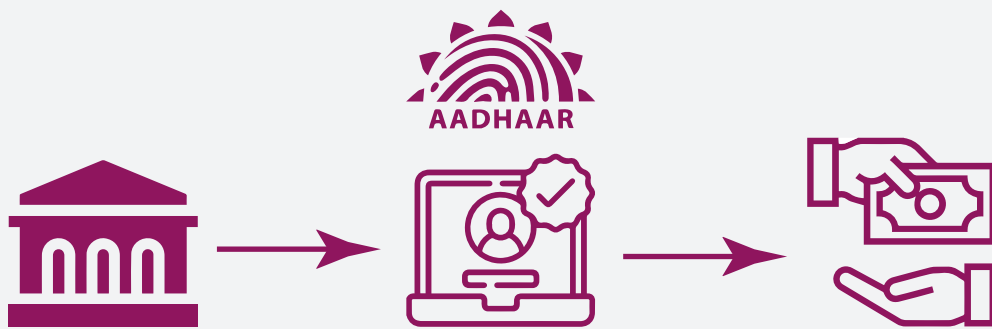
(Paragraphs 4.3.2 and 4.4.3)

Evaluation and impact assessment of Core DBT portal, Ksheerasiri application and test-checked schemes were not conducted to assess the effectiveness of implementation of DBT.

(Paragraphs 4.2, 4.3.4 and 4.4.3)

Chapter I

Introduction



Chapter 1

Introduction

1.1 Direct Benefit Transfer

Direct Benefit Transfer (DBT) is a major reform initiative to re-engineer the existing delivery processes of Government benefits using modern Information and Communication Technology (ICT). This program aims to transfer benefits directly into the Aadhaar seeded bank accounts of accurately targeted beneficiaries.

The State Government¹ accorded (November 2016) in principle sanction to introduce DBT as the disbursal mechanism across departments and to establish a DBT Cell. It stipulated that Aadhaar card identification would be mandatory for all Central and State Government subsidies and benefits which require funding from the Central/State exchequer. The transfer of benefits will take place through an Aadhaar linked bank account of the beneficiary. Subsequently, the State Government prescribed (December 2017) the detailed procedure/protocol to be followed by all the Heads of department concerned and scheme administrators wherever DBT is used for transfer of benefits.

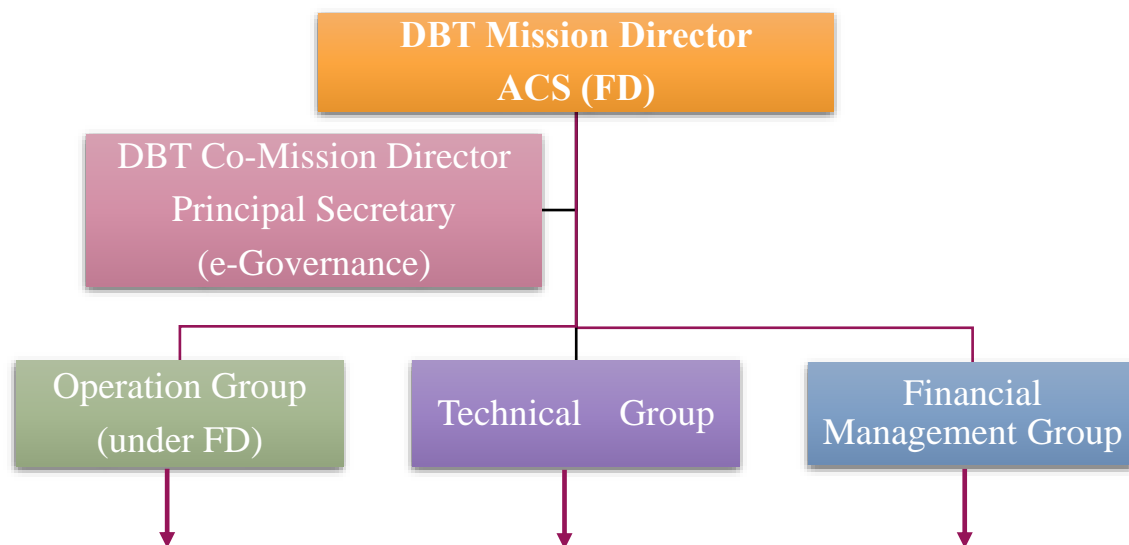
1.1.1 Organisation structure for implementation of DBT

The Finance Department is the Nodal Department for DBT in the State. The State DBT Cell established is responsible for implementing and monitoring DBT. It shall consist of an Advisory Council and a Steering Committee and coordinate all efforts related to DBT for bringing onboard and implementing schemes.

The Advisory Council under the Chairmanship of the Chief Secretary would be a high-powered guiding body of DBT Cell to provide intellectual leadership, introducing novel ideas for implementing DBT in a very efficient and effective way and giving strategic inputs. It consists of Additional Chief Secretary (ACS) and Development Commissioner, ACS (Finance Department (FD)), Principal Secretary (Revenue Department), Principal Secretary (Planning Department) and Principal Secretary (e-Governance) as its permanent members and ACS/Principal Secretary/Secretary of departments who implement benefit Schemes that fall under the purview of DBT as invitees.

¹ GoK order No. FD 06 CAM 2013 Dated 23.11.2016

The Steering Committee of the DBT Cell headed by the DBT Mission Director consists of three groups as shown below:



Group composition	<ul style="list-style-type: none"> • Director (AS(FR)) • Joint Director/Joint Controller/Deputy Secretary • Deputy Director/Audit Officer/Under Secretary • Section Officer • Senior/Junior Assistant 	<ul style="list-style-type: none"> • CeG - Karnataka Resident Data Hub (KRDH)) • National Informatics Centre (NIC) • Unique Identification Authority of India (UIDAI) 	<ul style="list-style-type: none"> • Treasury and Khajane 2 representatives • State Level Bankers Committee (SLBC) • Lead Bank representatives • Reserve Bank of India (RBI) • Telecom Provider
Responsibilities of Groups	<ul style="list-style-type: none"> • Identify departments/ Schemes which fall under purview of DBT. • Collect data from departments. • Set goals and deadlines for onboarding Schemes. • Implement customised ICT applications. • Monitor the progress of each department. • Focus on last mile delivery benefits. • Organise training and capacity building. • Conduct benchmark studies and • Coordinate with technical and financial management group 	<ul style="list-style-type: none"> • Facilitate IT support for implementing DBT. • Develop scheme specific ICT applications. • Interacting and liaising with all IT related stakeholders like NIC, telecom service provider <i>etc.</i> • Enable onboarding of all Schemes in the live MIS portal. • Capture mobile numbers in database as a part of JAM initiative. 	<ul style="list-style-type: none"> • Manage funds flow and transaction flow of DBT transactions across Schemes. • Provide required MIS to all stakeholders. • Provide required NPCI check for routing DBT transactions.

1.1.2 Stakeholders of DBT

Implementation of DBT involves the following stakeholders:

- ❑ Native User Departments - Identify the beneficiaries, prepare the Payment Annexure Files for DBT and push to Core DBT Portal for validations and carry out the rectifications as per the payment response files.
- ❑ Unique Identification Authority of India (UIDAI) - Core DBT Portal carries out the identity validation of the beneficiaries using UIDAI data.
- ❑ National Payments Corporation of India (NPCI) - NPCI mapper is used for Financial Address Validations and making Direct Benefit Transfers to the Aadhaar linked Bank Account of the beneficiaries.
- ❑ Khajane 2 (K2) - State DBT has adopted two modes of payments -K2 and Bank Mode. Under K2 payment, Core DBT Portal pushes the payment files to K2 portal which facilitate the DBT payments and furnish the payment response files to Core DBT Portal.
- ❑ Sponsored banks and Destination banks - Sponsored banks facilitates the payments to the destination banks for credit to beneficiaries' accounts.
- ❑ National Informatics Centre (NIC) - the technological partner of Core DBT Portal and the applications of the user departments.

1.1.3 Types of DBT

There are three broad types of DBT:

- a) Cash Transfer to individual beneficiary - This category includes schemes or components of schemes wherein cash benefits are transferred by the Government to individual beneficiaries.
- b) In-kind transfer to individual beneficiary - This category includes schemes or components of schemes where in-kind benefits are given by the Government to individuals through an intermediate agency.
- c) Other transfers - This category includes transfers made in the form of wages, honoraria, incentives, *etc.*, to community workers and non-government organisations, *etc.*, who are the enablers for successful implementation of Government schemes.

1.2 Audit framework

1.2.1 Audit objectives

The Performance Audit (PA) sought to ascertain whether

- ❑ necessary process re-engineering² was carried out for implementation of DBT so as to minimise - the intermediary levels, delay in payments to intended beneficiaries, pilferage and duplication; and

² Bringing IT solutions in DBT processes and connecting DBT platforms with other stakeholders' platforms to validate the identity and financial address, to de-duplicate the payment files and to make DBT payments in timely manner.

- ❑ the infrastructure, organisation and management of DBT was adequate and effective.

1.2.2 Audit criteria

The main criteria for the PA were drawn from the following:

- ❑ Standard Operating Procedures, Handbook on DBT and Guidelines for State DBT Cell issued by DBT Mission;
- ❑ Scheme guidelines on process of identification and authentication of beneficiaries and payments;
- ❑ Instructions regarding maintenance of database, generation of various reports and IT controls; and
- ❑ Documents, circulars, orders, instructions and notification issued by DBT Mission, Central Ministry and State Government.

1.2.3 Audit scope and methodology

The PA covering the period 2018-19 and 2019-20 initially involved analysis of data (as on 20 October 2020) of Core DBT Portal³ and Milk Incentive scheme of the Department of Animal Husbandry and Veterinary Sciences (AH&VS) which was selected based on the highest benefit transfer through State DBT. An entry conference was held on 14 September 2020 with the ACS to Government, e-Governance to discuss the audit objectives, scope and criteria. Based on the request of the ACS, the scope of the PA was widened to cover the data analysis of National Food Security Mission (NFSM), Raithasiri and Pradhan Mantri Kisan Samman Nidhi (PMKSN) schemes of the Agriculture Department. The data analysis of PMKSN was restricted to disbursement of benefits by the State Government. The audit scope also involved conducting IT Audit of Core DBT and Ksheerasiri (native portal for milk incentive scheme) applications.

The findings of the PA were discussed with the ACS in the exit conference held on 28 December 2021. This report takes into consideration the replies furnished (13 December 2021 and 3 January 2022) by the State Government.

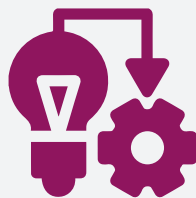
1.2.4 Acknowledgement

Audit acknowledges the cooperation extended by the different departments of the State Government, DBT Cell and K2 in conducting the Performance Audit.

³ Core CBT Portal is the centralised portal which carries out the validations and de-duplication for all transactions. All the user departments are to process the transactions through it.

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 2018-20⁵ 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 mode⁶ 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	K2/Bank payment	3	0-248	As per PFMS-(T+3) 83 per cent transactions could be processed within 3 days.
5	T+4 days Of PFMS	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

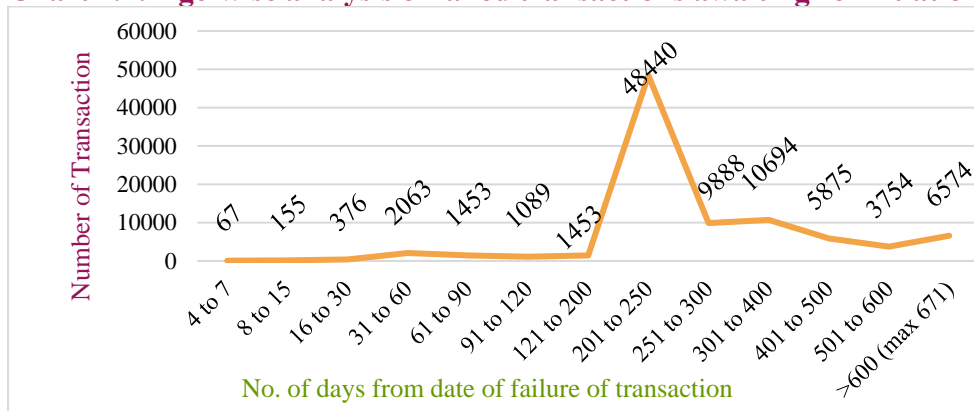
As could be seen from Table 2.2, payments could not be made to beneficiaries in respect of 1,28,705 transactions valuing ₹235.94 crore. The recorded reasons for failure is shown in **Appendix 2.4**.

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 43,340⁸ 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 -	Payment to institution on behalf of the beneficiary	Aadhaar as Service
<ul style="list-style-type: none"> ● K2 mode ● K2 failed payment 		

⁸ Data as of 22 October 2021.

Implemented	Under pilot implementation	Under testing
<ul style="list-style-type: none"> Bank mode 		
Integration Module – <ul style="list-style-type: none"> 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 XML⁹ 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 inconsistencies 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.

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 scheme¹⁰, 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 SNF¹¹. 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**.

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*)

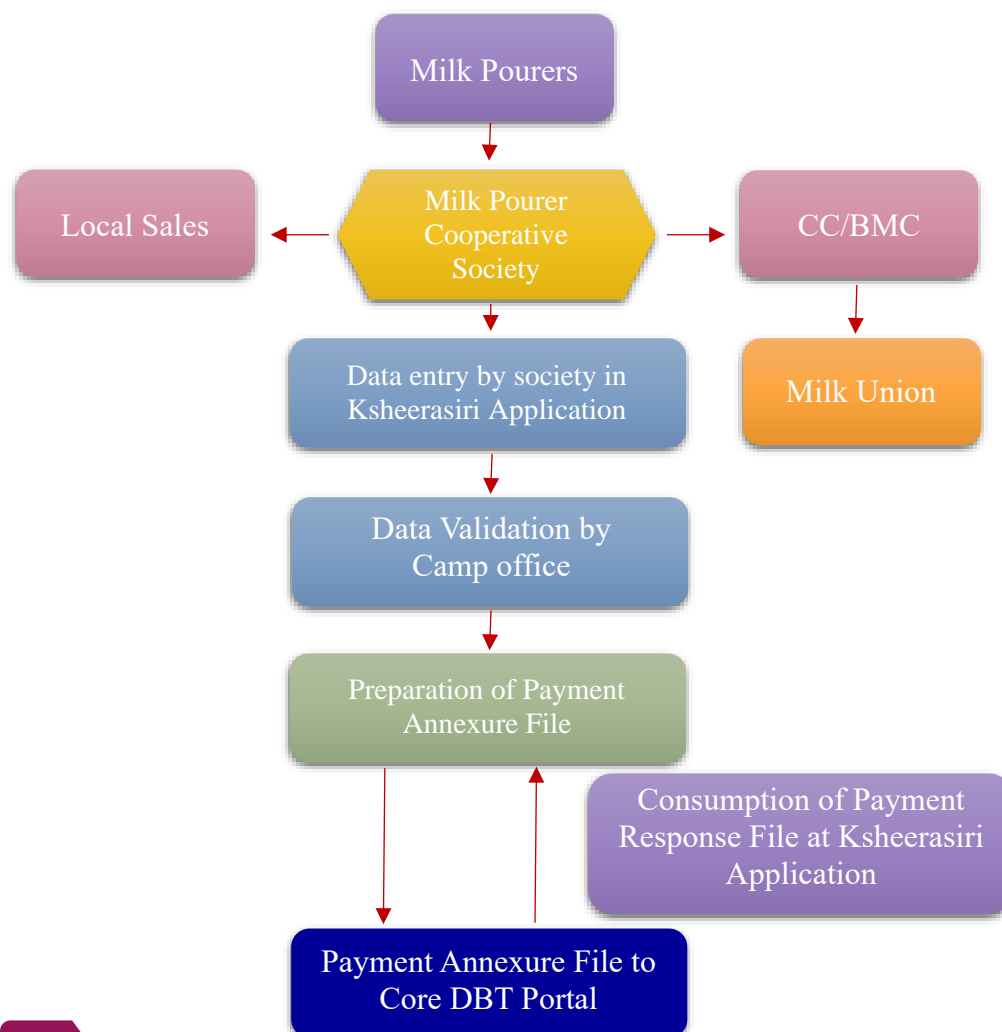
Year	Amount released	Expenditure incurred	Balance
2018-19	1,486.22	1,460.19	26.03
2019-20	1,336.77	1,260.82	75.94

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 modules¹² 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 <i>etc.</i> , 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:

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 <i>ex.</i> , 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.

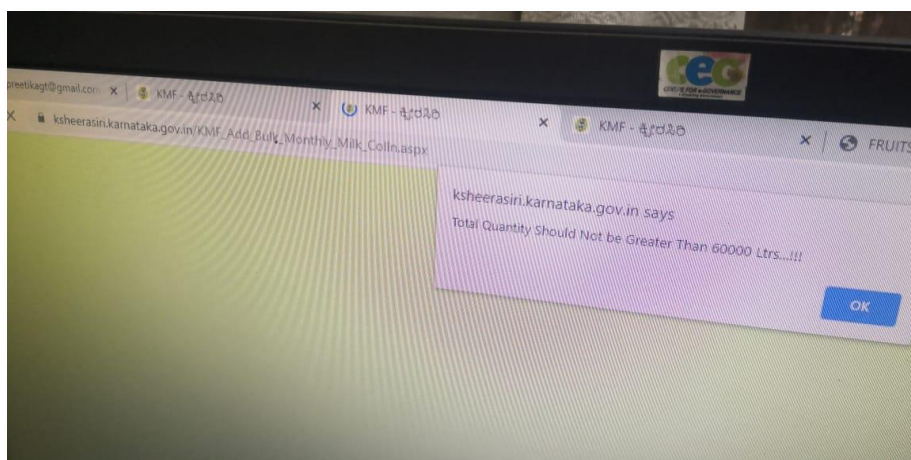
Audit also observed that the 'substandard milk quantity' and 'total milk poured' fields were optional. Further, the quantity of good quality and sub-standard quality of milk supplied by an individual pourer are not entered in the Ksheerasiri directly. It is entered manually in the register or the native 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 scheme¹³ 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 Scheme¹⁴ 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.

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/Aadhaar and Bhoomi records (RTC) in 14 records.

3.2.3 Pradhan Mantri Kisan Samman Nidhi (State share)

Government of Karnataka¹⁵ 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 FRUITS¹⁶-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.

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 crore¹⁷ 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.

¹⁷ $(67,379 + 1,62,370 = 2,29,749 * ₹2,000) = ₹45.95 \text{ crore} +$
 $(78,288 + 1,51,912 = 2,30,200 * ₹2,000) = ₹46.04 \text{ crore}$

Chapter IV

Monitoring and Evaluation



Chapter 4

Monitoring and Evaluation

The quality of monitoring has a major impact on the extent to which effectiveness, efficiency and data integrity objectives are achieved in a project environment.

4.1 DBT Governance framework

As already discussed in Chapter 1, the State DBT Cell is responsible for implementing and monitoring DBT. It shall consist of an Advisory Council and a Steering Committee and coordinate all efforts related to DBT for bringing onboard and implementing schemes.

4.1.1 *Advisory Council Meetings not held*

The Advisory Council was formed (2016) under the Chairmanship of the Chief Secretary to Government. Audit observed that the Advisory Council had not conducted any meetings since 2016 till date. Consequently, effective implementation of DBT in the State could not be ensured.

4.1.2 *Inadequacies in monitoring of onboarded schemes*

With the introduction of the DBT as the disbursal mechanism in the State, the Government prohibited transfer of benefits other than through DBT. Accordingly, the benefits under the schemes onboarded to DBT shall invariably be routed through Core DBT Portal of the State. Audit observed that there was no mechanism to monitor whether the user departments were routing the transactions only through the Core DBT. Instances of transactions being carried outside of Core DBT despite having onboarded onto the portal have been pointed out in paragraphs 3.2.1.1 and 3.2.2.1. Routing transactions outside of Core DBT contravenes the Government directions and resulted in bypassing the mandatory NPCI and de-duplication checks and is fraught with the risk of ineligible beneficiaries getting the benefits. The DBT Cell accepted that no mechanism exists to check such instances.

The State Government stated (December 2021) that DBT portal handles only beneficiary payments and other payments needs to be done directly in K2 by DDOs. Therefore, it is very difficult to electronically control such activities. However, directions have been issued by Finance Department making DDOs responsible for such lapses.

4.1.3 *Inadequate monitoring by DBT Cell*

The effectiveness of the implementation of a scheme is gauged in terms of the outcomes, which could be compared against the target fixed for the project. The Operations Group of the DBT Cell was required to identify schemes/departments that fall under the purview of DBT, set goals and

deadlines for onboarding of schemes and monitor the progress of each department. Though 239 schemes were identified for onboarding, Audit observed that no goals and deadlines were prescribed by the DBT Cell for onboarding them onto the Core DBT portal. Consequently, there was no monitoring over the user department progress in this regard.

The State Government stated (December 2021) that Government had fixed the targets for onboarding the schemes. The fact remains that only 35 *per cent* of the identified schemes were onboarded as of April 2021 despite a lapse of nearly two years from the deadline set by Government indicating the absence of monitoring by the DBT Cell.

4.1.4 Beneficiary Grievance Redressal system

As per the DBT Bharat guidelines, there is a need for a strong grievance redressal system which can enable incorporating the feedback of the beneficiaries, their experience with DBT and their grievances into the system. This sort of a two-way feedback loop through a process of continuous learning and improvement shall strengthen the DBT framework. Further, Standard Operating Procedure of DBT Bharat states that DBT cell will constitute a dedicated body to deal with complaints and grievances of beneficiaries in a fair and timely manner.

Audit observed that that a centralised public grievance handling mechanism was not established to aid the beneficiaries in addressing their grievances. Currently the beneficiaries personally communicate their grievances in the department implementing specific DBT Schemes. Further, a beneficiary may be eligible for receipt of more than one benefit but actually not receiving the benefits and the reasons attributed may be the same across the schemes for which he/she is eligible to. This complicates the grievance redressal as the beneficiaries have to register their complaints with all the departments for the same reasons. Considering the issues in the various layers of the benefit transfer processes, it is imperative to have a centralised beneficiary grievance mechanism through which the beneficiaries could seek resolution for their grievances. This also assumes significance in view of the large number of failed/pending/rejected transactions and credit to incorrect accounts as discussed earlier.

The State Government stated (December 2021) that the facility for intimating the beneficiaries of updated payment status through Mobile App is already available. While the Mobile App would be handy for the beneficiaries to know the payment status, there was no mechanism to register complaints/grievances.

4.2 Evaluation of DBT

The DBT scheme was launched for ensuring a simple and user-friendly Government to People (G2P) interface and delivery of entitlements directly to eligible individuals and households in a fair, transparent, efficient and a reliable manner. It intended to facilitate a paradigm shift in the process of delivering entitlements to all those who are legitimate beneficiaries through accurate identification and targeting of the intended beneficiaries, re-

engineering government processes for simpler flow of information and funds, promotion of financial inclusion and setting up of digital platforms that are accessible, scalable and reliable, providing user-friendly interfaces between the Government and the beneficiaries.

Audit observed that the State Government was yet to carry out an evaluation or impact assessment of this paradigm shift on the intended objectives such as timely delivery of services, proper identification of the legitimate beneficiaries *etc.*

The State Government stated (January 2022) that it would take up the evaluation and impact assessment through a third party.

4.3 Milk incentive scheme

4.3.1 Absence of DBT Cell/Committee

The State Protocol document on DBT suggested constitution of a DBT Cell / Committee to ensure that DBT framework is adopted in implementation of schemes. The AH&VS department had not established the DBT Cell which resulted in gaps in implementation of the scheme. Audit also noticed that the requisite skills to be possessed by staff presently dealing with DBT related activities within the department (particularly at the societies and camp level) were not assessed to address any shortcomings and trainings conducted to overcome such shortcomings.

The State Government stated (December 2021) that formation of DBT Cell/Committee would be considered.

4.3.2 Inadequate monitoring mechanism

As discussed earlier, there were numerous instances of DBT transactions getting failed, rejected, pending or credited to an incorrect account. These transactions need timely corrective action and hence it was imperative to have a suitably structured incident reporting system to identify the errors and to capture the incidents for analysis and report to the competent authorities for rectification or correction. The results of monitoring activities should be periodically reported to the management for important decision making and corrective measures, if required.

Audit observed that no such incident reporting system exists in the department. Further the department had not fixed any timelines for carrying out the rectifications in respect of failed/rejected/pending transactions which resulted in either belated delivery of services or non-delivery of services.

The State Government stated (December 2021) that mechanism exists to monitor failed records and the payment status. It further stated that timelines would be put in place and directions would be issued to complete the process within the timelines. The reply is not acceptable as audit observed that no failed payment could be re-initiated during audit period. Moreover, delays in preparation of payment files, delays in DDO approval in Core DBT and K2, rejected cases at K2 level, failure of the payment files at Core DBT Portal indicate shortcomings in monitoring mechanism.

4.3.3 *Performance Indicators not specified*

Since DBT scheme is beneficiary centric, measurable objectives and outcome from the results of DBT under the schemes were to be determined, targets fixed accordingly, assess the outcomes against the targets and act for any deviation. The Performance Indicators *vis-a-vis* its achievements in terms of the project objectives indicates overall project realisation.

The department had neither developed nor adopted any performance indicators for monitoring the various activities of the scheme nor did it conduct any evaluation of the scheme during the implementation stage.

The Government stated (January 2022) that the department was monitoring the scheme at various levels but has formally not set any performance indicators. It further stated that directions for setting the performance indicator and monitoring the achievements under the scheme would be issued.

4.3.4 *Scheme evaluation not undertaken*

Evaluation is the quality assurance mechanism that involve an assessment of a planned, ongoing, or completed programme to determine its relevance, efficiency, effectiveness, impact and sustainability.

Though the Milk Incentive Scheme was implemented since September 2008 and onboarded on to the DBT portal from April 2019, the department had not carried out any evaluation of the implementation of the scheme post onboarding to Core DBT to ascertain the effectiveness and efficiency in delivery of the services.

The State Government stated (December 2021) that department of AH&VS is planning to get the entire Milk Incentive Scheme evaluated by Karnataka Evaluation Authority.

4.3.5 *Absence of dedicated grievance redressal mechanism*

An effective grievance redressal mechanism would ensure equitable and fair distribution of the scheme benefits, mitigates the hardship of beneficiaries by providing them access to information and prompts the department to initiate appropriate corrective and preventive measures.

Audit observed that a dedicated grievance redressal mechanism within the department both to address the grievances and to obtain feedback from the beneficiaries was absent. As a result, the department could not assess the impact of post DBT transfers for better appreciation and criticality of implementation of DBT.

The State Government stated (December 2021) that a helpline was established recently through which beneficiary grievances are being addressed. However, the evidence of such claim was not furnished.

4.4 Schemes of Agriculture Department

4.4.1 Data migration under NFSM and Raithasiri schemes

The Department of Agriculture processed the scheme benefits under the above schemes through KSRAC till 2019-20 and switched over to K-KISAN portal from the year 2020-21. However, the data available with KSRAC was not migrated to K-KISAN portal. This resulted in absence of legacy/previous years data with the department. Audit observed that login access to the data in KSRAC was disabled for the users of the department and hence the department could not access their own data. Further the absence of legacy data hampers the decision making both at the sanctioning level and the root level and effective monitoring of implementation of the schemes.

The State Government stated (December 2021) that the software structure, storage pattern of data would be studied and plotted to K-KISAN portal for the purpose of the maintaining the legacy data.

4.4.2 Absence of MOU with the technological partner

An MOU forms the basis for monitoring and controlling the partner against technical and other requirements detailing the roles and responsibilities between the organisation and the service providers, the requirements of the department and monitoring the development against the agreement. MOU is required for the effective implementation of a scheme.

Audit observed that the Agriculture Department had not executed any MOU with the technological partner. Consequently, audit could not ensure the security responsibilities.

The State Government stated (December 2021) that MOU would be executed between NIC and the department.

4.4.3 Inadequate monitoring mechanism

The Agriculture Department had not fixed any timelines for carrying out the rectifications in respect of failed/rejected/pending transactions. It did not have a dedicated grievance redressal mechanism to address beneficiary grievances and had not conducted any post evaluation of the schemes to ascertain the improvements and effectiveness in implementation of the scheme. Further, Audit observed that the department does not have IT policies, procedures and monitoring for processing the transactions which is also evident from the reply of the Government (December 2021) that a large transactions were failed or rejected due to technical issues.

The State Government stated (December 2021/January 2022) that timely delivery of benefits was in accordance with budget availability, PM-KISAN help desk was set from February 2019, evaluation of the schemes was entrusted to Karnataka Evaluation Authority and agreed to implement IT strategy and policy in future. The reply is silent on the timelines for rectification in cases of failed, rejected and pending transactions and grievance mechanism in place for the other schemes.

Chapter V

Conclusion and Recommendations



Chapter 5

Conclusion and Recommendations

Conclusion

Implementation and Management of DBT

Transfer of benefits and delivery of services through Core DBT portal in the State was not encouraging. Absence of monitoring of the onboarding process by DBT Cell resulted in onboarding of only 35 *per cent* of the schemes identified. Though the success rate of transactions currently stands at 83 *per cent*, there were significant delays in processing the transactions which resulted in belated delivery of benefits. Validation checks both at the DBT portal and bank level were deficient resulting in credits to incorrect accounts. The failed, pending and rejected transactions remained unaddressed for long periods resulting in non-delivery of benefits to legitimate beneficiaries. Integration of Core DBT portal with native applications and other stakeholders was either deficient or absent. Reconciliation between the Core DBT portal and native applications was not carried out leading to mismatch in data. Security audit conducted was inadequate and periodic risk analysis of the DBT application was not carried out to identify vulnerabilities and exposures to risk.

Implementation of DBT in selected schemes

Milk incentive scheme

The delivery of benefits under this scheme was carried out through Ksheerasiri, a native application of the department of AH&VS. The application was not complete as five out of eleven modules were not implemented. Many standalone software applications being used by the societies were yet to be integrated resulting in absence of real time data capture and automated validation process. Manual interventions in data generation and validation, absence of assurance on quality and quantity of milk supplied and absence of input validation controls raises serious concerns on data integrity and its reliability. The documentation of Ksheerasiri application is almost non-existent. Absence of change management procedure resulted in unauthorised changes in application. Risk assessment and security audit was not conducted rendering the application vulnerable.

Raithasiri, NFSM and PM-KISAN schemes

Despite onboarding on to the DBT Portal, benefits worth ₹5.94 crore were routed outside the Core DBT under Raithasiri and NFSM Schemes from December 2019 to March 2020. Data validations were absent under NFSM and PM-KISAN schemes resulting in data mismatch and extension of benefits to ineligible beneficiaries. There were instances of inadequate coverage and consequent non-delivery of benefits to eligible beneficiaries.

Monitoring and Evaluation

DBT Cell

Monitoring for timely onboarding of the identified schemes was absent. There was no mechanism to ensure that transactions were not routed outside the Core DBT Portal after onboarding. A centralised grievance redressal mechanism was not established to aid beneficiaries for timely redressal of their grievances. The State Government was yet to evaluate and assess the impact on the efficiency and effectiveness of delivery of benefits/services consequent on implementation of DBT.

Milk Incentive scheme

The DBT Cell within the department of AH&VS was not established leading to gaps in implementation of the scheme. Timelines for early rectification of the errors and corrective actions in case of failed, rejected and pending transactions were not fixed which impacted timely delivery of benefits to beneficiaries. Performance indicators for monitoring the various activities of the scheme was not developed and evaluation of the scheme was not conducted either during the implementation stage or post onboarding to the Core DBT portal to assess the efficiency in implementation of the scheme.

Agriculture department

The department did not have the legacy data for the period prior to 2019-20 for Raithasiri and NFSM schemes and had not entered into any agreement with the technology partner. It had not fixed any timelines for carrying out the rectifications in respect of failed/rejected/pending transactions. Post evaluation of the schemes were not carried out. These affected effective monitoring of the implementation of the schemes.

Recommendations**AUDIT RECOMMENDS THE FOLLOWING:*****State Government***

The Government should set fresh deadlines for identifying and onboarding of all schemes involving delivery of benefits.

The Government should specify timelines for each transaction point and monitor adherence by the user departments. It should direct the departments to fix timelines for taking corrective action to address failed, pending, rejected transactions and credits to incorrect accounts.

DBT Cell

The DBT Cell should identify such departments that do not have IT applications and handhold them for development of such applications for timely onboarding of the schemes.

Integrations with various stakeholders should be strengthened to ensure periodical reconciliation of data and rectification of differences.

The DBT Cell should strengthen the validation checks to increase its processing efficiency for timely delivery of benefits.

The DBT Cell should carry out necessary risk assessment and security audit covering all components of the Core DBT portal on priority basis.

The DBT Cell should establish a centralised grievance redressal mechanism including provision for feedback to establish two way communication with the beneficiaries.

Department of AH&VS

The department should take up on priority the integration of Ksheerasiri application with other standalone applications and ensure digitisation of all databases for real time data access and validation and prevent manual interventions in validation process.

The department should ensure that all modules are implemented. It should conduct a risk assessment and security audit of the Ksheerasiri application to identify vulnerabilities and associated risks besides strengthening the input validation controls to avoid unauthorised changes and deviations.

The department should ensure that delays in preparation of payment annexure files and approvals at the DDO level are minimised to ensure timely delivery of benefits.

The Government should set an upper limit for disbursing the incentives as incentives are meant to improve the financial position of the small and marginal farmers and encourage cattle farming.

Department of Agriculture

The department should take priority action to get the legacy data transferred from KSRAC.

Bengaluru
The



(S. Shanthi Priya)
Principal Accountant General (Audit-I)
Karnataka

Countersigned



New Delhi
The

(Girish Chandra Murmu)
Comptroller and Auditor General of India

Appendices



Appendix 2.1

(Reference : Paragraph 2.2.1, Page 6)

Status of transactions for the period 2018-20

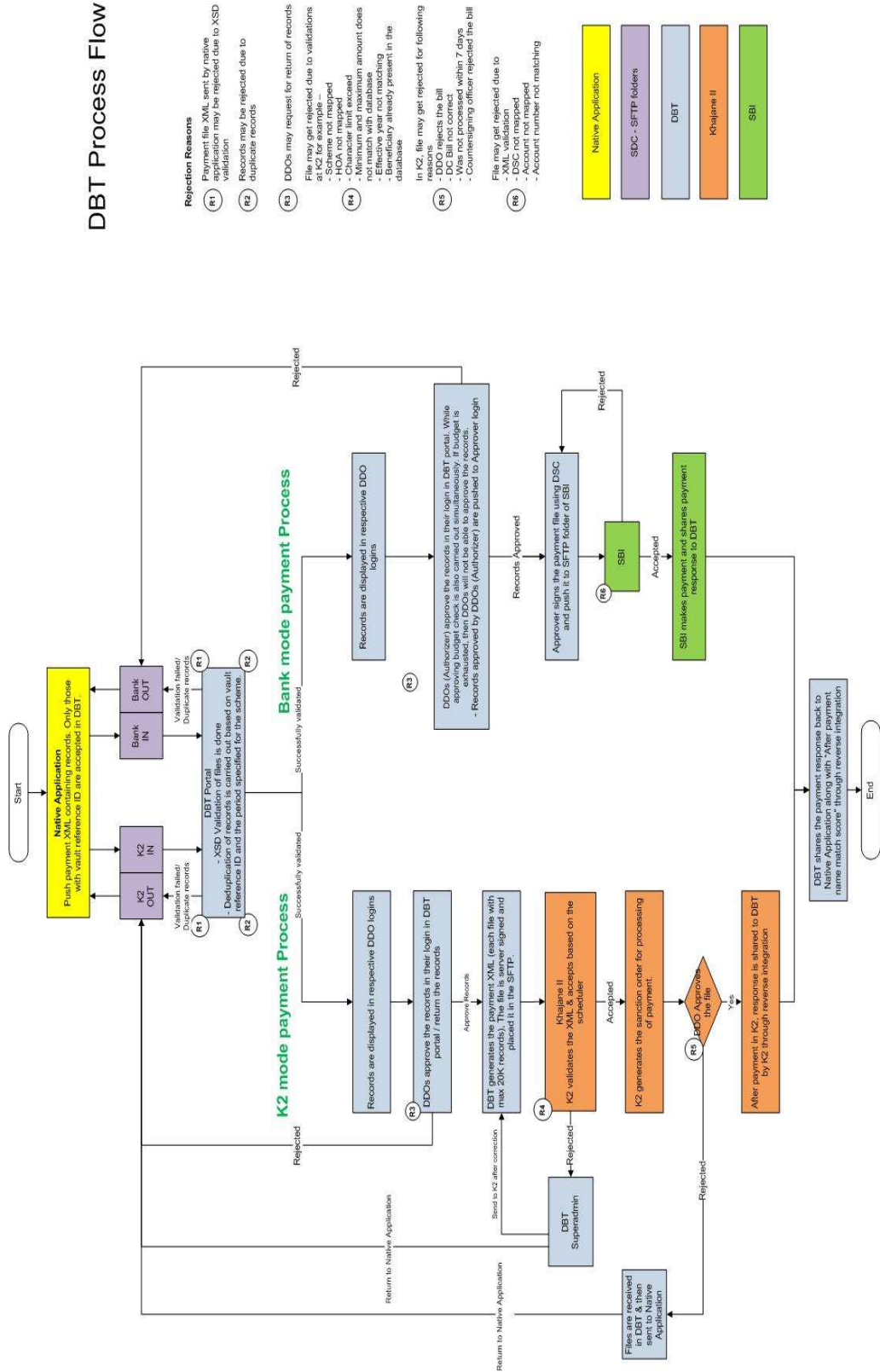
Sl. No.	PAVT Scheme Code	Scheme Name	Total Transaction	Total Amount (₹)	Success Transaction	Success Amount (₹)	Failure Transaction	Failure Amount (₹)	Pending Transaction	Pending Amount (₹)	Rejected Transaction	Rejected Amount (₹)
1	3	Milk Incentives To Milk Producers	1,01,33,244	11,98,97,04,847	97,88,078	11,64,44,86,043	49,419	6,33,76,821	1,21,452	10,92,11,875	1,74,295	17,26,30,108
2	5	Pre-metric Scholarship for OBC	24,64,503	2,07,12,39,500	23,49,195	1,96,68,74,750	4,127	34,72,950	17,069	1,40,41,100	94,112	8,68,50,700
3	6	Pre-Matric Scholarship (ST) Classes I to VIII	7,23,250	80,96,76,000	7,06,871	79,12,00,700	1,733	19,45,800	5,063	56,77,250	9,583	1,08,52,250
4	7	Pre-Matric Scholarship (ST) Classes IX to X	1,61,461	36,31,48,500	1,25,011	28,11,51,150	425	9,56,250	14,595	3,28,23,600	21,430	4,82,17,500
5	8	Pre-Matric Scholarship (SC) Classes I to X	19,72,146	2,73,41,90,850	19,29,236	2,67,19,82,000	6,233	87,13,750	17,778	2,51,91,250	18,899	2,83,03,850
6	10	Pre-Matric Scholarship (SC) Unclean Occupation	659	19,77,000	162	4,86,000	3	9,000	484	14,52,000	10	30,000
7	11	Pre-Matric Scholarship for Minorities	3,98,531	62,62,10,862	3,65,693	57,12,29,668	2,982	55,52,694	29,856	4,94,28,500	-	-
8	12	Scheme for development of NT SNT	1,48,841	29,75,48,400	1,47,486	29,49,72,000	297	5,94,000	43	86,000	1,015	18,96,400
9	13	Chief Minister Maathrushree	15,06,197	1,50,61,97,000	8,22,437	82,24,37,000	2,936	29,36,000	3,26,988	32,69,88,000	3,53,836	35,38,36,000
10	14	Integrated Farming in Coconut Productivity Imp Program	1,88,285	1,46,70,89,600	1,58,259	1,21,50,98,600	888	63,18,400	2,152	1,40,77,200	26,986	23,15,95,400
11	15	Pre-Matric Scholarship for Renewal OBC Students	5,25,359	49,82,07,600	5,13,160	48,69,58,800	1,154	10,91,050	1,043	9,96,450	10,002	91,61,300
12	16	Scheme for development of NT SNT Bank Payment	13,318	2,66,36,000	13,197	2,63,94,000	69	1,38,000	52	1,04,000	-	-

Sl. No.	PAVT Scheme Code	Scheme Name	Total Transaction	Total Amount (₹)	Success Transaction	Success Amount (₹)	Failure Transaction	Failure Amount (₹)	Pending Transaction	Pending Amount (₹)	Rejected Transaction	Rejected Amount (₹)
13	17	Pre-Matric Scholarship for Fresh OBC Students	8,81,868	73,23,12,200	8,78,526	72,95,03,300	2,846	24,05,450	496	4,03,450	-	-
14	18	Pre-Matric Scholarship for Renewal OBC Bank Payment	1,51,485	12,78,27,550	1,50,441	12,69,50,500	703	5,92,550	341	2,84,500	-	-
15	19	Price Deficiency Payment System	10,735	7,92,78,130	10,699	7,90,27,417	35	2,49,781	1	932	-	-
16	20	Pradhan Mantri Kisan Samman Nidhi Karnataka	78,85,464	15,77,09,28,000	45,28,808	9,05,76,16,000	10,083	2,01,66,000	39,491	7,89,82,000	33,07,082	6,61,41,64,000
17	21	Crop Survey Project Karnataka	38,169	23,79,37,578	33,972	21,65,29,659	135	8,42,036	401	12,99,739	3,661	1,92,66,144
18	23	Raithasini (State)	52,054	16,08,88,793	35,862	10,99,56,199	235	5,62,190	406	12,88,356	15,551	4,90,82,048
19	24	Raithasini (Central)	62,037	27,80,57,813	45,309	20,47,30,764	107	4,86,911	109	5,02,750	16,512	7,23,37,388
20	25	Zero Budget Natural Farming	8,335	3,52,32,407	6,913	2,74,61,507	37	1,59,890	4	17,280	1,381	75,93,730
21	26	National Food security Mission	1,78,535	60,13,80,871	1,46,455	51,88,52,920	410	13,43,443	389	13,16,529	31,281	7,98,67,979
22	27	Karavali package	3,659	1,53,31,725	3,521	1,47,36,675	8	66,225	20	76,125	110	4,52,700
23	28	Post matric scholarship scheme for SC students	5,58,851	3,15,62,06,178	4,64,075	2,29,48,09,222	4,054	4,28,20,567	70,556	75,36,02,469	20,166	6,49,73,920
24	29	Vidyasiri FAAS	1,13,260	86,82,79,500	1,12,545	86,17,39,500	254	19,26,000	-	-	461	46,14,000
25	30	Post-Matric for OBC Students Central	1,82,279	41,10,74,300	1,80,491	40,66,63,650	473	11,58,050	1,251	30,92,850	64	1,59,750
26	31	Post-matric Scholarship for OBC State	2,24,241	50,52,16,000	1,41,934	31,30,40,750	273	6,58,950	37	95,200	81,997	19,14,21,100
27	32	Post-matric scholarship for NTSNT	8,829	3,11,37,000	97	3,75,000	-	-	8,393	2,93,29,000	339	14,33,000
28	33	Training Awareness and Incentives to BC students	7,954	6,39,51,000	7,931	6,37,54,000	19	1,70,000	-	-	4	27,000
29	34	Post-matric scholarship for	3,760	17,81,69,134	3,745	17,73,69,229	14	7,98,255	1	1,650	-	-

Sl. No.	PAVT Scheme Code	Scheme Name	Total Transaction	Total Amount (₹)	Success Transaction	Success Amount (₹)	Failure Transaction	Failure Amount (₹)	Pending Transaction	Pending Amount (₹)	Rejected Transaction	Rejected Amount (₹)
		SCST Students DTE										
30	35	Post-matric scholarships for Defence students	723	3,83,25,475	719	3,81,45,265	4	1,80,210	-	-	-	-
31	36	Post-matric Scholarship for ST Students	2,12,327	1,13,00,42,265	1,91,793	1,00,19,81,839	1,472	1,48,97,537	8,451	7,85,08,629	10,611	3,46,54,260
32	37	Decentralised procurement of NFSA Paddy	34,718	1,39,28,13,280	22,009	87,72,78,748	12,707	51,54,63,513	2	71,019	-	-
33	38	Decentralised procurement of NFSA Jowar	211	2,22,31,638	207	2,15,77,842	4	6,53,796	-	-	-	-
34	39	Decentralised procurement under NFSA Ragi	80,453	5,35,35,31,063	56,254	3,70,85,10,943	24,195	1,64,47,85,244	4	2,34,876	-	-
35	40	MSP for Tur, Tur Markfed	77,499	4,17,73,24,566	77,303	4,16,64,87,916	196	1,08,36,650	-	-	-	-
36	41	MSP for Tur, Tur Board	12,128	69,48,78,450	12,113	69,39,81,750	15	8,96,700	-	-	-	-
37	43	Post Matric Fee Reimbursement	523	4,46,65,951	517	4,42,33,798	6	4,32,153	-	-	-	-
38	55	Post-matric Scholarship for Minorities	13,969	10,22,34,066	13,854	10,13,33,938	114	8,90,128	-	-	1	10,000
39	61	Merit Cum Means Scholarship	9,620	22,75,66,376	6,957	16,46,21,262	37	8,48,385	-	-	2,626	6,20,96,729
40	85	Silk Samagra	40	71,34,087	16	32,30,000	3	49,087	21	38,55,000	-	-
		Total	2,90,49,520	58,83,57,81,555	2,40,51,851	46,79,77,70,304	1,28,705	2,35,94,44,416	6,66,949	1,53,30,39,579	42,02,015	8,14,55,27,256

Appendix 2.2

(Reference : Paragraph 2.2.1.1, Page 7)



Appendix 2.3

(Reference : Paragraph 2.2.1.1, Page 8)

Timely delivery of services

Time taken for Overall delivery of services *i.e.*, from transaction date to the response file received from SBI to K2

Scheme	Overall DBT	Milk Incentive	NFSM	PMKSN	Raithasiri (State)	Raithasiri (Central)
Total Time Taken For Transaction	Number of Transaction	Number of Transaction	Number of Transaction	Number of Transaction	Number of Transaction	Number of Transaction
<=4	10,14,762	0	17	56,615	14	176
5 to 7	16,76,958	10	4,864	4,56,375	525	526
8 to 15	52,60,344	9,70,791	44,030	12,69,865	16,110	13,852
16 to 365	1,60,82,997	88,00,487	97,544	27,45,953	19,213	30,755
>365	16,790	16,790	0	0	0	0
TOTAL	2,40,51,851	97,88,078	1,46,455	45,28,808	35,862	45,309

Time Taken from transaction date to Final/Scroll approval –Stage 1

Total Delay in Scroll/Final approval	Overall DBT	Milk Incentive	NFSM	PMKSN	Raithasiri (State)	Raithasiri (Central)
0 to 3	14,80,903	-	45	1,79,319	22	86
4 to 7	36,08,758	32,541	12,866	18,16,907	2,209	1,956
8 to 15	71,62,234	26,08,369	53,656	16,81,906	16,563	17,828
16 to 274	1,17,99,956	71,47,168	79,888	8,50,676	17,068	25,439
TOTAL	2,40,51,851	97,88,078	1,46,455	45,28,808	35,862	45,309

Time Taken from Final/Scroll approval date till the response file received from SBI to K2 –Stage 2

Total Time Taken For Transaction After Scroll/final Approval	Overall DBT	Milk Incentive	NFSM	PMKSN	Raithasiri (State)	Raithasiri (Central)
Negative	544	-	-	-	-	-
<=4	1,86,70,128	81,19,643	1,27,494	20,96,899	34,494	41,135
5 to 7	22,39,582	6,47,011	11,285	7,99,772	1,241	2,811
8 to 15	21,14,341	6,29,028	2,240	11,14,179	22	445
16 to 363	10,27,256	3,92,396	5,436	5,17,958	105	918
TOTAL	2,40,51,851	97,88,078	1,46,455	45,28,808	35,862	45,309

Appendix 2.4

(Reference : Paragraph 2.2.2, Page 10)

Recorded reasons for failure of transactions

Error code	Scheme Name Remarks	Overall DBT		Milk Incentive		NFSM		PMKSN		Raithasiri(S)		Raithasiri(C)	
		Number of Trans	Approx. %	Number of Trans	Approx. %	Number of Trans	Approx. %	Number of Trans	Approx. %	Number of Trans	Approx. %	Number of Trans	Approx. %
E47	78-Invalid Bank Identifier	41,368	32	34,494	70	127	31	4,489	45	166	71	14	13
E24	95-Inactive Aadhaar	21,753	17	8,391	17	115	28	2,267	22	30	13	37	35
E05	68-A/c Blocked or Frozen	11,499	9	1,407	3	78	19	866	9	10	4	10	9
E06	01-Account Closed or Transferred	8,051	6	2,255	5	21	5	1,180	12	2	-	5	5
E23	64-Aadhaar Number not Mapped to Account Number	4,780	4	2,087	4	41	10	515	5	18	8	34	32
E03	54-Dormant A/c (No Transactions for last 6 Months)	810	1	209	-	9	2	330	3	6	3	-	-
ERR	Sent to FRUITS due to incorrect amount entry, action taken based on mail from PDDBT on 31st Mar 2020/Sent to FRUITS as per dept request, action taken based on mail from PDDBT on 11th April 2020	36,287	28	-	-	-	-	-	-	-	-	-	-
	Others	4,157	3	750	1	19	5	434	4	3	1	7	6
	TOTAL	1,28,705	100	49,419	100	410	100	10,083	100	235	100	107	100

Appendix 2.5

(Reference : Paragraph 2.2.3, Page 11)

Transactions pending at various transaction points

2018-19 and 2019-20						
Remarks	Overall DBT	Milk Incentive	NFSM	PMKSN	Raithasiri (S)	Raithasiri (C)
Pending@NPCI Check	3,31,655 (50%)	6,893 (6%)	0	54 (<1%)	0	0
Pending@Bank	53,787 (8%)	0	0	0	0	0
Pending@DDO Level	2,06,264 (31%)	74,113 (61%)	0	39,437 (100%)	84 (21%)	69 (63%)
Pending@K2	75,243 (11%)	40,446 (33%)	389	0	322 (79%)	40 (37%)
TOTAL	6,66,949	1,21,452	389	39,491	406	109

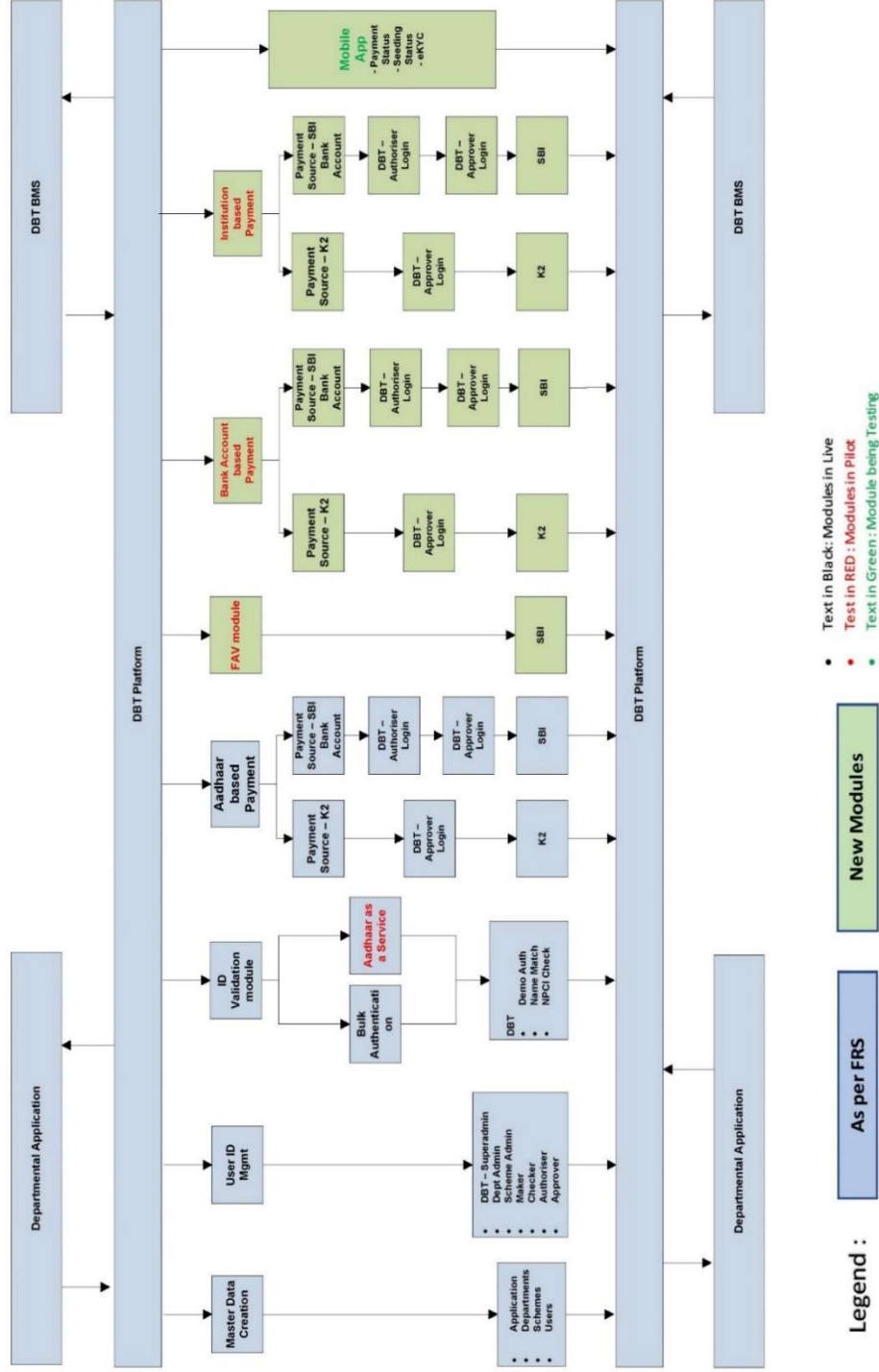
Appendix 2.6

(Reference : Paragraph 2.2.4, Page 12)

Reasons for rejected transactions

Overall DBT 2018-20			
Status	Reason	Number of Transaction	Total Amount (₹)
RejectedByDDO	Pushed back to dept as per mail from PD on 22nd May 2020	23,87,320 (57%)	4,77,51,40,566
Rejected@K2	KII_BMSER-01 : Mapping of given budget line and DDO not available	8,32,262 (20%)	1,66,45,24,000
Rejected@K2	Sanction Order has already been generated for some beneficiaries	3,18,205 (8%)	31,65,87,485
Rejected@NPCI	I (Inactive Aadhaar Seeding)	89,466 (2%)	11,27,78,771
RejectedByDDO	Pushed back to dept as per mail from PD on 21st May 2020	86,029 (2%)	8,30,62,684
Rejected@K2	Budget line not available, based on mail from PDDBT on 20th Feb 2020	79,688 (2%)	18,67,37,550
Rejected@K2	File detail has been removed from khajane-2 as per departmental request letter dated 03.03.2020	76,962 (2%)	7,22,62,150
Rejected@K2	Sanction Order Rejected as part of Year End	69,052 (2%)	13,81,04,000
Rejected@K2	Others	2,63,031 (5%)	79,63,30,050
Total		42,02,015	8,14,55,27,256

DBT detailed module wise workflow



Appendix 2.8

(Reference : Paragraph 2.3.2, Page 15)

Integration with State DBT Portal in progress

Direct Benefit Transfer
Government of India

75 Azadi Ka Amrit Mahotsav

Citizen's Bank Account-Aadhaar linking status
Find Nearby Bank

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Karnataka

[Click here to visit State DBT Portal](#)

Note: Integration with state DBT portal is in-progress. Once integrated data shall be populated accordingly.

23	NAGALAND	51.1
24	SIKKIM	50.5
25	KARNATAKA	49.1
26	MAHARASHTRA	48.4
27	MEGHALAYA	46.6
28	ANDAMAN AND NICOBAR ISLANDS	45.3
29	CHANDIGARH	44.3
30	DADRA AND NAGAR HAVELI	43.7
31	ARUNACHAL PRADESH	39.9
32	DAMAN AND DIU	38.9
32	THE DADRA AND NAGAR HAVELI AND DAMAN AND DIU	38.9
33	LAKSHADWEEP	38.1
34	TELANGANA	29.6
35	ASSAM	26.4
36	WEST BENGAL	13.2

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Appendix 2.9

(Reference : Paragraph 2.3.4, Page 16)

Deficiencies in name matching score

Sl No	Dept	Scheme	Mode	Beneficiary ID	Amt (₹)	Aadhaar No	Beneficiary Name	Account Holder Name	Name Match Score	Bank Name	Account Number
1	AH&VS	MILK INCENTIVES	K2	10010010098	95	XXXX-XXXX-4195	Sharmil Vijayakumar Patil	Mrs. SHARAMIL VIJAYAKUMA PATIL	18	Karnataka Vikas Gramena Bank	XXXXXXXXX7676
2	AH&VS	MILK INCENTIVES	K2	10010010098	670	XXXX-XXXX-4195	Sharmil Vijayakumar Patil	Mrs. SHARAMIL VIJAYAKUMA PATIL	0	Karnataka Vikas Gramena Bank	XXXXXXXXX7676
3	AH&VS	MILK INCENTIVES	K2	10010030014	900	XXXX-XXXX-0785	G Satyavathi	MRS GUBBAL SATHYAVATHI SURYACHANDRARAO	19	State Bank of India	XXXXXXXXXX6419
4	AH&VS	MILK INCENTIVES	K2	10010030014	1,100	XXXX-XXXX-0785	G Satyavathi	MRS GUBBAL SATHYAVATHI SURYACHANDRARAO	0	State Bank of India	XXXXXXXXXX6419
5	AH&VS	MILK INCENTIVES	K2	10010070004	55	XXXX-XXXX-4518	N Padmashree	N PADMA W O N SURYA BABU	15	Canara Bank	XXXXXXXXXX1799
6	AH&VS	MILK INCENTIVES	K2	10010070004	155	XXXX-XXXX-4518	N Padmashree	N PADMA W O N SURYA BABU	0	Canara Bank	XXXXXXXXXX1799
7	AH&VS	MILK INCENTIVES	K2	10010070038	215	XXXX-XXXX-3484	D Padma	D PADMAVATHI W O D SRINIVAS	15	Canara Bank	XXXXXXXXXX0153
8	AH&VS	MILK INCENTIVES	K2	10010070038	345	XXXX-XXXX-3484	D Padma	D PADMAVATHI W O D SRINIVAS	0	Canara Bank	XXXXXXXXXX0153
9	AH&VS	MILK INCENTIVES	K2	10010080019	1,090	XXXX-XXXX-1309	Kuberaddi Malipatil	KUBEREDDY S O BHIMARAYAPPA	18	The Raichur District Central Coop Bank Ltd Raichur	XXXXXXXXXX6484
10	AH&VS	MILK INCENTIVES	K2	10010080019	765	XXXX-XXXX-1309	Kuberaddi Malipatil	KUBEREDDY S O BHIMARAYAPPA	0	The Raichur District Central Coop Bank Ltd Raichur	XXXXXXXXXX6484
11	AH&VS	MILK INCENTIVES	K2	10010090026	415	XXXX-XXXX-1737	R Syamprasad	MR SHAMAPRASAD . S/O VENKATARATHNAM	0	SUCO SOUHARDA SAHAKARI BANK	XXXXXXXXXX0366
12	AH&VS	MILK INCENTIVES	K2	10010090026	505	XXXX-XXXX-1737	R Syamprasad	MR SHAMAPRASAD . S/O VENKATARATHNAM	18	SUCO SOUHARDA SAHAKARI BANK	XXXXXXXXXX0366
13	AH&VS	MILK INCENTIVES	K2	10010100055	175	XXXX-XXXX-4188	Parwathi	MRS PARVATAMMA V	15	State Bank of India	XXXXXXXXX1714
14	AH&VS	MILK INCENTIVES	K2	10010100055	205	XXXX-XXXX-4188	Parwathi	MRS. PARVATAMMA V	0	State Bank of India	XXXXXXXXX1714

Sl No	Dept	Scheme	Mode	Beneficiary ID	Amt (₹)	Aadhaar No	Beneficiary Name	Account Holder Name	Name Match Score	Bank Name	Account Number
15	AH&VS	MILK INCENTIVES	K2	10010110016	105	XXXX-XXXX-0065	K Lakshmi	LAXMI WO CHANDRAGOUDA	17	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX4211
16	AH&VS	MILK INCENTIVES	K2	10010110016	50	XXXX-XXXX-0065	K Lakshmi	LAXMI WO CHANDRAGOUDA	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX4211
17	AH&VS	MILK INCENTIVES	K2	10010110019	20	XXXX-XXXX-4040	Fatima	MRS FATHEEMABE MANVI	15	State Bank of India	XXXXXXXXXX9533
18	AH&VS	MILK INCENTIVES	K2	10010110019	65	XXXX-XXXX-4040	Fatima	MRS FATHEEMABE MANVI	0	State Bank of India	XXXXXXXXXX9533
19	AH&VS	MILK INCENTIVES	K2	10010120010	275	XXXX-XXXX-1739	Anitan Sana	MRS ANITHA SANA	18	State Bank of India	XXXXXXXXXX4775
20	AH&VS	MILK INCENTIVES	K2	10010120010	295	XXXX-XXXX-1739	Anitan Sana	MRS ANITHA SANA	0	State Bank of India	XXXXXXXXXX4775
21	AH&VS	MILK INCENTIVES	K2	10010150044	2,065	XXXX-XXXX-5112	P Brhamayya	BRAHMAYYA S/O PI RAMULU MR	18	SUCO SOUHARDA SAHAKARI BANK	XXXXXXXXXXXX2785
22	AH&VS	MILK INCENTIVES	K2	10010150044	1,120	XXXX-XXXX-5112	P Brhamayya	BRAHMAYYA S/O PI RAMULU MR	0	SUCO SOUHARDA SAHAKARI BANK	XXXXXXXXXXXX2785
23	AH&VS	MILK INCENTIVES	K2	10010160004	4,530	XXXX-XXXX-7332	K Shesharathnam	SHESHARATNAM WO KSHESHAGIRI RAO	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX8540
24	AH&VS	MILK INCENTIVES	K2	10010160004	3,245	XXXX-XXXX-7332	K Shesharathnam	SHESHARATNAM WO KSHESHAGIRI RAO	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX8540
25	AH&VS	MILK INCENTIVES	K2	10010190088	400	XXXX-XXXX-1241	M Ananda	MR ANAND SO SAVARAPPA	19	State Bank of India	XXXXXXXXXX6691
26	AH&VS	MILK INCENTIVES	K2	10010190088	440	XXXX-XXXX-1241	M Ananda	MR ANAND SO SAVARAPPA	0	State Bank of India	XXXXXXXXXX6691

Sl No	Dept	Scheme	Mode	Beneficiary ID	Amt (₹)	Aadhaar No	Beneficiary Name	Account Holder Name	Name Match Score	Bank Name	Account Number
27	AH&VS	MILK INCENTIVES	K2	10010210046	315	XXXX-XXXX-6423	Koduru Satyanarayana	SATHYANARAYANA KODURI SO RAMA RAO	18	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0788
28	AH&VS	MILK INCENTIVES	K2	10010210046	380	XXXX-XXXX-6423	Koduru Satyanarayana	SATHYANARAYANA KODURI SO RAMA RAO	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0788
29	AH&VS	MILK INCENTIVES	K2	10010220043	180	XXXX-XXXX-8842	Pampanna	PAMPAPATHI R SO BIRAPPA	15	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX1000
30	AH&VS	MILK INCENTIVES	K2	10010220043	20	XXXX-XXXX-8842	Pampanna	PAMPAPATHI R SO BIRAPPA	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX1000
31	AH&VS	MILK INCENTIVES	K2	10010230016	430	XXXX-XXXX-0945	L Sitharatnam	SEETHA RATHNAM LAKAMSANI WO VENKATESHW	17	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX2239
32	AH&VS	MILK INCENTIVES	K2	10010230016	1,375	XXXX-XXXX-0945	L Sitharatnam	SEETHA RATHNAM LAKAMSANI WO VENKATESHW	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX2239
33	AH&VS	MILK INCENTIVES	K2	10010230051	5	XXXX-XXXX-8025	S SUDHAKAR	SUDHAKARA SUNKAVALLI SO NAGABHUSHNAM	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX2066
34	AH&VS	MILK INCENTIVES	K2	10010230051	3,950	XXXX-XXXX-8025	S SUDHAKAR	SUDHAKARA SUNKAVALLI SO NAGABHUSHNAM	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX2066
35	AH&VS	MILK INCENTIVES	K2	10010230060	2,460	XXXX-XXXX-1402	K V V Satyanarayana	SATHYANARAYANA KODURI	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0961
36	AH&VS	MILK INCENTIVES	K2	10010230060	5	XXXX-XXXX-1402	K V V Satyanarayana	SATHYANARAYANA KODURI	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0961
37	AH&VS	MILK INCENTIVES	K2	10010230087	140	XXXX-XXXX-2375	M LAKSHMIPATI	LAKSHMIPATHI SO SUBBARAO	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0943
38	AH&VS	MILK INCENTIVES	K2	10010230087	5	XXXX-XXXX-2375	M Lakshmiipati	LAKSHMIPATHI SO SUBBARAO	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0943

Sl No	Dept	Scheme	Mode	Beneficiary ID	Amt (₹)	Aadhaar No	Beneficiary Name	Account Holder Name	Name Match Score	Bank Name	Account Number
39	AH&VS	MILK INCENTIVES	K2	10010230099	1,040	XXXX-XXXX-4171	Venkatesh Rao	VENKATESHWAR RAO SO DORAYYA	17	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX1182
40	AH&VS	MILK INCENTIVES	K2	10010230099	595	XXXX-XXXX-4171	Venkatesh Rao	VENKATESHWAR RAO SO DORAYYA	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX1182
41	AH&VS	MILK INCENTIVES	K2	10010230175	1,315	XXXX-XXXX-3159	Garapati Srinivasu	SRINIVAS GARAPATI SO VEERABRAHAM	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX0952
42	AH&VS	MILK INCENTIVES	K2	10010230175	760	XXXX-XXXX-3159	Garapati Srinivasu	SRINIVAS GARAPATI SO VEERABRAHAM	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX0952
43	AH&VS	MILK INCENTIVES	K2	10010230188	10	XXXX-XXXX-3666	Vidivad Arun Kumari	ARUNAKUMARI WO HARINATH VIDIVAD	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX2523
44	AH&VS	MILK INCENTIVES	K2	10010230188	35	XXXX-XXXX-3666	Vidivad Arun Kumari	ARUNAKUMARI WO HARINATH VIDIVAD	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX2523
45	AH&VS	MILK INCENTIVES	K2	10010240104	540	XXXX-XXXX-7976	Garapati Sitaramabosa	GARAPATI SITARAMAYYA SO DASHARATHARAMA	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX1976
46	AH&VS	MILK INCENTIVES	K2	10010240104	75	XXXX-XXXX-7976	Garapati Sitaramabosa	GARAPATI SITARAMAYYA SO DASHARATHARAMA	17	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX1976
47	AH&VS	MILK INCENTIVES	K2	10010240115	825	XXXX-XXXX-1280	Hulagappa Javali	HULIGEPPA SO NINGAPPA RO GOREBAL CAMP	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX8370
48	AH&VS	MILK INCENTIVES	K2	10010240115	3,135	XXXX-XXXX-1280	Hulagappa Javali	HULIGEPPA SO NINGAPPA RO GOREBAL CAMP	18	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX8370
49	AH&VS	MILK INCENTIVES	K2	10010260010	545	XXXX-XXXX-0797	A Lokarakshkudu	MR LOKARAKSHAKUDU SO VENTATRAO	19	SUCO SOUHARDA SAHAKARI BANK	XXXXXXXXXXXX2062
50	AH&VS	MILK INCENTIVES	K2	10010260010	1,140	XXXX-XXXX-0797	A Lokarakshkudu	MR LOKARAKSHAKUDU SO VENTATRAO	0	SUCO SOUHARDA SAHAKARI BANK	XXXXXXXXXXXX2062

Sl No	Dept	Scheme	Mode	Beneficiary ID	Amt (₹)	Aadhaar No	Beneficiary Name	Account Holder Name	Name Match Score	Bank Name	Account Number
51	AH&VS	MILK INCENTIVES	K2	10010260164	5,925	XXXX-XXXX-2103	N Veeraraju	VEERARAJ N SO SATYANARAYAN	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX2038
52	AH&VS	MILK INCENTIVES	K2	10010260164	6,225	XXXX-XXXX-2103	N Veeraraju	VEERARAJ N SO SATYANARAYAN	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX2038
53	AH&VS	MILK INCENTIVES	K2	10010270055	1,610	XXXX-XXXX-8967	D Venkatalaxmi WO D Ramakrishna	VENKATALAKSHMI WO RAMAKRISHNA RO BHIM	17	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0542
54	AH&VS	MILK INCENTIVES	K2	10010270055	3,165	XXXX-XXXX-8967	D Venkatalaxmi WO D Ramakrishna	VENKATALAKSHMI WO RAMAKRISHNA RO BHIM	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX0542
55	AH&VS	MILK INCENTIVES	K2	10010280115	1,005	XXXX-XXXX-4007	Boya Narsappa	NARASAPPA WO SAVAREPPA	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX3635
56	AH&VS	MILK INCENTIVES	K2	10010280115	1,120	XXXX-XXXX-4007	Boya Narsappa	NARASAPPA WO SAVAREPPA	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX3635
57	AH&VS	MILK INCENTIVES	K2	10010280127	1,185	XXXX-XXXX-6362	H Venkoba	VENKOBH SO SHIVAPPA	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX6707
58	AH&VS	MILK INCENTIVES	K2	10010280127	1,150	XXXX-XXXX-6362	H Venkoba	VENKOBH SO SHIVAPPA	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX6707
59	AH&VS	MILK INCENTIVES	K2	10010290061	1,510	XXXX-XXXX-9021	Iramma	MISS IRAMMAADAPUR TAYAPPAADAPUR	14	State Bank of India	XXXXXXXXXX9712
60	AH&VS	MILK INCENTIVES	K2	10010290061	2,005	XXXX-XXXX-9021	Iramma	MISS IRAMMAADAPUR TAYAPPAADAPUR	0	State Bank of India	XXXXXXXXXX9712
61	AH&VS	MILK INCENTIVES	K2	10010340006	2,670	XXXX-XXXX-6736	M Dhanalakshmi	DHANALAXMI WO NAGESHWAR RAO	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX3023
62	AH&VS	MILK INCENTIVES	K2	10010340006	2,790	XXXX-XXXX-6736	M Dhanalakshmi	DHANALAXMI WO NAGESHWAR RAO	17	Pragathi Krishna Gramin Bank	XXXXXXXXXXXXX3023

Sl No	Dept	Scheme	Mode	Beneficiary ID	Amt (₹)	Aadhaar No	Beneficiary Name	Account Holder Name	Name Match Score	Bank Name	Account Number
63	AH&VS	MILK INCENTIVES	K2	10010370007	235	XXXX-XXXX-0783	R Rathamma	MRS RATNAMMA WO RAGHAVULU	19	State Bank of India	XXXXXXXXXX3259
64	AH&VS	MILK INCENTIVES	K2	10010370007	260	XXXX-XXXX-0783	R Rathamma	MRS RATNAMMA WO RAGHAVULU	0	State Bank of India	XXXXXXXXXX3259
65	AH&VS	MILK INCENTIVES	K2	10010380047	350	XXXX-XXXX-6092	Srinivasu	SRINIVAS EADAL SO GANGARAJU E RO DEVI	19	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX4049
66	AH&VS	MILK INCENTIVES	K2	10010380047	685	XXXX-XXXX-6092	Srinivasu	SRINIVAS EADAL SO GANGARAJU E RO DEVI	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX4049
67	AH&VS	MILK INCENTIVES	K2	10010390032	750	XXXX-XXXX-6902	Vaitili Venkatrao	SHRI VENKATRAO VAITLA	19	State Bank of India	XXXXXXXXXX7986
68	AH&VS	MILK INCENTIVES	K2	10010390032	970	XXXX-XXXX-6902	Vaitili Venkatrao	SHRI VENKATRAO VAITLA	0	State Bank of India	XXXXXXXXXX7986
69	AH&VS	MILK INCENTIVES	K2	10010400008	430	XXXX-XXXX-5938	Ereshamma WO Siddayaswamy	EERESHAMMA WO SIDDAYYA RO JAMBHUNATHAN	14	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX8975
70	AH&VS	MILK INCENTIVES	K2	10010400008	980	XXXX-XXXX-5938	Ereshamma WO Siddayaswamy	EERESHAMMA WO SIDDAYYA RO JAMBHUNATHAN	0	Pragathi Krishna Gramin Bank	XXXXXXXXXXXX8975

Appendix 3.1*(Reference : Paragraph 3.1.2.1, Page 21)***Difference in the data of Core DBT and Ksheerasiri application**

FY	2017-18				2019-20				Total	
	As per DBT Data	As per Data given by AH&VS	Difference AHVS data-DBT data	As per DBT Data	As per Data given by AH&VS	Difference AHVS data-DBT data	As per DBT Data	As per Data given by AH&VS	Difference	Difference AHVS data-DBT data
Total transaction	1,14,199	28,662	85,537	1,01,33,244	1,36,15,354	34,82,110	1,02,47,443	1,36,44,016	33,96,573	
Total Amount (₹)	8,19,78,667	2,13,21,199	6,06,57,468	11,98,97,04,847	16,49,17,61,599	4,50,20,56,752	12,07,16,83,514	16,51,30,82,798	4,44,13,99,284	
Success transaction	58,857	28,437	30,420	97,88,078	1,28,84,246	30,96,168	98,46,935	1,29,12,683	30,65,748	
Success Amount (₹)	4,30,92,781	2,11,48,832	2,19,43,949	11,64,44,86,043	15,66,89,48,733	4,02,44,62,690	11,68,75,78,824	15,69,00,97,565	4,00,25,18,741	
Failed transaction	174	74	100	49,419	69,115	19,696	49,593	69,189	19,596	
Failed Amount (₹)	1,29,569	57,708	71,861	6,33,76,821	7,85,70,855	1,51,94,034	6,35,06,390	7,86,28,563	1,51,22,173	
Pending/ Rejected transaction	55,168	151	55,017	2,95,747	6,61,993	3,66,246	3,50,915	6,62,144	3,11,229	
Pending/ Rejected Amount (₹)	3,87,56,317	1,14,659	3,86,41,658	28,18,41,983	74,42,42,011	46,24,00,028	32,05,98,300	74,43,56,670	42,37,58,370	

Appendix 3.2

(Reference : Paragraph 3.1.2.1, Page 23)

Fluctuations noticed in the quantity of milk supplied by the selected pourers

MPCS CODE	Milk Pourer CODE	Variation in milk supply by largest milk pourers
1804166	18041660062	141 (May 2019) to 860.9 (June 2019)
2006041	20060410081	29115 (Nov 2019) to 42560 (March 2020)
1208042	12080420081	6267 (April 2019) to 24934 (May 2019)
1203073	12030730028	24064 (March 2020) to 40000 (December 2019)
1303026	13030260009	15859 (Feb 2020) to 22960 (July 2019)
2103139	21031390012	10832 (August 2019) to 15851 (Feb 2020)
1201048	12010480124	4400 (March 2020) to 10500 (August 2019)
1906098	19060980189	2119 (August 2019) to 18200 (June 2019)
1206044	12060440133	3613 (Jan 2019) to 20696 (April 2019)
1907160	19071600138	4403 (Feb 2020) to 23364 (May 2019)
2007137	20071370046	5140 (April 2019) to 17418 (Sep 2019)
1902024	19020240207	16402 (March 2020) to 26894 (July 2019)
1501033	15010330012	1325 (Nov 2019) to 37684 (May 2019)
1210042	12100420048	12221 (March 2020) to 25632 (April 2019)
1008019	10080190045	5239 (March 2020) to 20920 (Jan 2020)
1501033	15010330057	20523 (May 2020) to 58668 (August 2020)
1802143	18021430112	22883 (May 2020) to 38556 (August 2020)
1005030	10050300115	9540 (May 2019) to 18,200 (November 2019)
1811183	18111830129	520 (March 2020) to 40,000 (July 2019)
2301109	23011090033	57 (August 2019) to 5339.7 (March 2020)

Appendix 3.3

(Reference : Paragraph 3.1.2.1, Page 24)

Over payment due to incorrect mapping of Business Rules

Beneficiary ID	Period From	Period To	DBT Beneficiary Amount (₹)	Payment Date	K2 Payment ID
15010330057	01-05-2021	31-05-2021	2,70,015	16-07-2021	E572E150721001125
20010970118	01-10-2020	31-10-2020	2,16,820	01-09-2021	E572E260821000015
15010330012	01-05-2021	31-05-2021	2,67,970	16-07-2021	E572E150721001125
20010970118	01-03-2021	31-03-2021	2,07,135	14-06-2021	E572E100621000743
20060410081	01-08-2020	31-08-2020	2,16,250	09-03-2021	E572E060321000148
15010330012	01-06-2021	30-06-2021	2,46,950	25-08-2021	E572E130821001500
15010330012	01-09-2020	30-09-2020	2,30,005	15-03-2021	E572E050321002003
15010330057	01-09-2020	30-09-2020	2,30,005	15-03-2021	E572E050321002003
20060410081	01-06-2020	30-06-2020	2,01,250	01-09-2021	E572E250821001219
20060410081	01-07-2020	31-07-2020	2,15,750	01-09-2021	E572E260821001030

GLOSSARY*Glossary of Abbreviations*

Sl. No.	Abbreviation	Full Form
1.	ACS	Additional Chief Secretary
2.	AH&VS	Animal Husbandry and Veterinary Sciences
3.	ASP	Active Server Page
4.	BMS	Beneficiary Management System
5.	BMC	Bulk Milk Cooler
6.	CC	Chilling Centre
7.	CIDR	Classless Inter-Domain Routing
8.	DSC	Digital Signature Certificates
9.	DPAR	Department of Personal and Administrative Reform
10.	EFT/ECS	Electronic Fund Transfer / Electronic Clearing System
11.	FRS	Functional Requirement Specification
12.	ICT	Information and Communication Technology
13.	JAM	Jandhan Account, Aadhaar card number and Mobile number
14.	K2	Khajane 2
15.	KMF	Karnataka Milk Federation
16.	KRDH	Karnataka Resident Data Hub
17.	KSDC	Karnataka State Data Centre
18.	LoB	Line of Business
19.	MIS	Management Information Systems
20.	MPCS	Milk Pourer Co-operative Societies
21.	NIC	National Informatics Centre
22.	NPCI	National Payments Corporation of India
23.	NFSM	National Food Security Mission
24.	PD	Program Director of DBT
25.	SFTP	Secure File Transfer Protocol
26.	SNF	Solid Not Dissolved
27.	SRS	Software Requirements Specification
28.	UAT	User Acceptance Testing
29.	UIDAI	Unique Identification Authority of India

B. Glossary of Terms

BHOOMI: Bhoomi is a project jointly funded by the Government of India and the Government of Karnataka to digitize the paper land records and create a software mechanism to control changes to the land registry in Karnataka.

BMC (Bulk Milk Cooler): A large storage tank for cooling and holding milk at a cold temperature until it can be picked up by a milk hauler.

CC (Chilling Centers): Chilling Centers geographically located in taluka level in order to maintain the quality of the procured milk. The Milk will be chilled at Chilling centers.

CIDR: It means a centralised database in one or more locations containing all Aadhaar numbers issued to Aadhaar number holders along with the corresponding demographic information and biometric information of such individuals and other information related thereto.

De-duplication: It is the process of using the Demographic and Biometric data collected from an enrollee to check against rest of the data so as to avoid duplicate enrolments.

Failed Transaction: The transaction which was failed due to some reason at Destination Bank level.

FRS (Functional Requirement Specification): Functional requirements are product features that developers must implement to enable the users to achieve their goals. They define the basic system behavior under specific conditions.

ICT (Information and Communications Technology): ICT refers to technologies that provide access to information through telecommunications.

JAM (Jan Dhan, Mobile and Aadhaar): It refers to the government of India initiative to link Jan Dhan accounts, mobile numbers and Aadhaar cards of Indians to plug the leakages of government subsidies.

K2 (KHAJANE II): Khajane II is an Integrated Financial Management system of Government of Karnataka, implemented with the aim of managing comprehensively the financial business of the Government.

KRDH: Karnataka Resident Data Hub (KRDH) is a comprehensive platform for the departments of Government of Karnataka to streamline beneficiary databases, weed out duplicates and bogus entries and linking of all beneficiaries across the departments and geography thus providing exclusion and inclusion of beneficiaries.

KSDC: The State Data Center of Government of Karnataka was set up as a core common technology infrastructure, required for consolidating state level applications at a central facility.

LoB: Line of business (LOB) is a general term which refers to a product or a set of related products that serve a particular customer transaction or business need.

Native Application- The native application refers to the application of the user department which connects with CoreDBT System for DBT transactions.

NPCI (National Payments Corporation of India): NPCI is the specialised division of Reserve Bank of India which is under the jurisdiction of Ministry of Finance, Government of India. It was created by RBI for operating retail payments and settlement systems in India.

Pending Transaction: The transaction which is awaiting to be processed at any of the stage prior to the K2/Bank payment.

Rejected Transaction: The transaction which was rejected in the process of payment at any of the stage prior to Final Bank Payment.

SEEDING: Aadhaar Seeding means linking Aadhaar holder's unique 12 digit AADHAAR number with their Personal Identification Documents or Benefit Cards.

SFTP (Secure File Transfer Protocol): SFTP is a network protocol that provides file access, file transfer, and file management over any reliable data stream.

SNF (Solid-Not-Fat): The substances in milk other than water and butterfat are termed as SNF. It is a residual component left after the complete evaporation of water from milk. SNF in milk includes lactose, vitamins, calcium, minerals, fat, protein and other nutrients.

SRS (System Requirements Specification): A SRS is a structured collection of information that embodies the requirements of a system.

UAT (User Acceptance Testing): UAT is a type of testing performed by the end user or the client to verify/accept the software system before moving the software application to the production environment. UAT is done in the final phase of testing after functional, integration and system testing is done.

XML FILES: An XML file is an extensible markup language file, and it is used to structure data for storage and transport. In an XML file, there are both tags and text. The tags provide the structure to the data. The text in the file that you wish to store is surrounded by these tags, which adhere to specific syntax guidelines.

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