

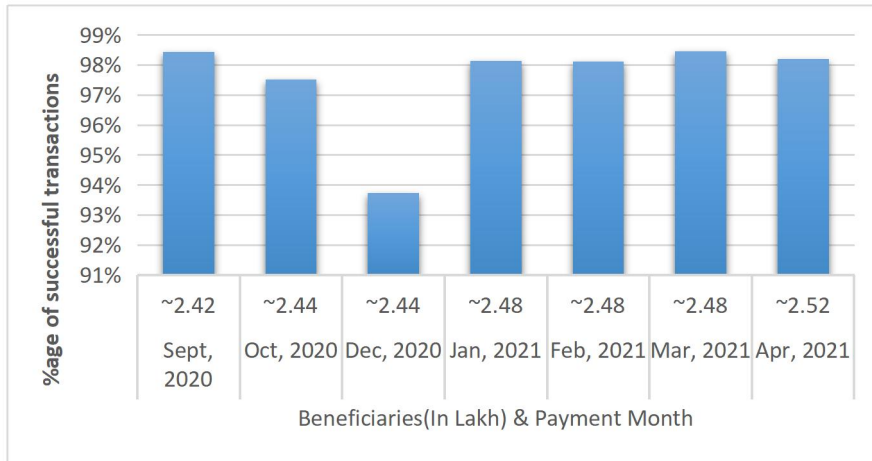
Case Study

Implementation of PFMS based Social Security Pensions disbursement

The Department of Social Security and Development of Women and Children, Punjab was using multiple versions of a standalone software solution developed by NIC at the district level till 2014 for Social Security Pensions benefits disbursements. The pension data was residing in the independent computer systems of the District Social Security Officers in non-standardized formats. The directorate office was solely dependent on input from district offices to create state-level analytics. Each time, the information collection and compilation were a cumbersome and time-consuming exercise. Additionally, these silo databases were not communicated to each other to verify if the applicant is already an existing beneficiary in any other district. Under this scenario, an Aadhaar enabled Web application was considered to be a single point solution for all such issues. Thus, the scope of the application was to migrate all 22 databases to a centralized database, execute the deduplication process using Aadhaar, facilitate the electronic transfer of pensions.

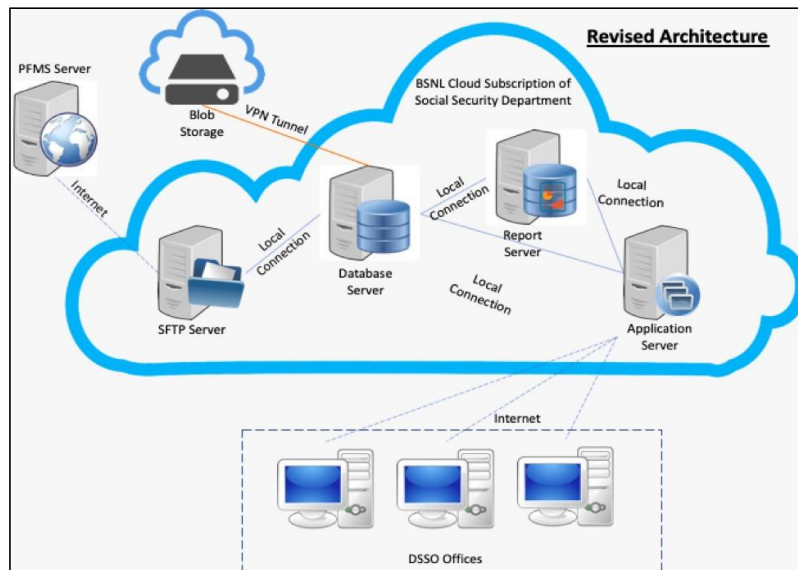
The development of the new application had started in the year 2013-14 by UID PMU team under the ICT Assistance scheme of the Aadhaar Project & the roll-out of the same was started in the year 2015. Department was on-boarded as Sub-Authentication User Agency of Department of Food, Civil Supplies for online Aadhaar authentication. The data standardization, Aadhaar seeding and migration exercise were completed in the year 2017-18. Further, in Aug 2020, the department upgraded to online payment module for the disbursement of pensions. The payment disbursement tools offered by various banks were evaluated. Finally, the integration with Public Financial Management System (PFMS) being a government-owned and governed generic payment solution, was considered. Axis bank was on-boarded as the banking partner for the same.

The schemes were initially implemented in pilot mode in two districts – Rupnagar and Sangrur. Old Age Pension Scheme, Financial Assistance for Disabled Person, Financial Assistance to Destitute Women and Financial Assistance to Dependent Children - schemes for each pilot district were onboarded on PFMS with the coordination among departmental officials, PFMS State Directorate and Axis Bank. Also, April, 2021 onwards the schemes are being implemented in self service mode. The pension disbursements details till April, 2021 are as per below:



The implementation of online payment module resulted in increase in the volume of transactions. Also, following are the learnings from the pilot executions:

1. 100% data has been made available on the portal with all mandatory fields especially - Aadhaar, Name as per Aadhaar, Gender, DoB, Bank IFSC, Bank Account Number etc. to maintain quality of data to be at par with the PFMS requirement.
2. Joint accounts and bank accounts owned by Institutions/NGOs taking care of beneficiaries proposed to be placed with individual accounts of beneficiaries as they were not acceptable in PFMS.
3. Schedule has been devised to accept data level changes from the beneficiaries as frequent data changes were observed which resulted in data mismatch error in PFMS ultimately causing repeat jobs and undue delays in payment execution.
4. Payment disbursement module is required to be re-architected to handle the data version match, transaction traffic volume and Aadhaar Act compliance etc and requires revamping of both software and hardware. The software level architectural changes have already been implemented by the technical team. The hardware architectural change is as below:



5. A dedicated team at directorate level handling the backend activities is responsible for coordination as technology-related tasks.

Based on the learnings from the pilot execution of the schemes, the state wide roll-out has been successfully implemented for all Social Security Pensions Schemes including State sponsored schemes and NSAP schemes.