Key Facts

Direct Benefit Transfer of Social Security Pension Schemes

Key facts	
Direct Benefit Transfer (DBT)	Aimed at reforming Government delivery system by re-engineering the existing process in welfare schemes for transparent and timely transfer of funds to the right persons.
Social Security Pension Schemes (SSP Schemes)	Five Social Security Pensions (SSPs) under DBT: • Indira Gandhi National Old Age Pension (IGNOAP). • Indira Gandhi National Widow Pension (IGNWP). • Indira Gandhi National Disability Pension (IGNDP). • Pension for Unmarried Women above 50 years (UMWP). • Agriculture Labour Pension (ALP). The Government of India (GoI) funding is also available for first three Pensions.
DBT in SSP Schemes	• The responsibility of implementation of SSP Schemes is vested with the Local Self Government Department. • The Directorate of *Panchayats* is the nodal office for SSP Schemes. • The DBT Cell under Director of *Panchayats* co-ordinates all the activities relating to SSP Schemes. • Beneficiary management is done at Local Self Government Institutions. • Funds are sanctioned by Finance Department and periodic disbursement is done by DBT Cell in the Directorate of *Panchayats*. These activities are managed using Sevana Pension software. • The Government had paid ₹29622.67 crore as Social Security Pensions (SSPs) to 47.97 lakh beneficiaries in the State during 2017-18 to 2020-21. • Of these 48 lakh beneficiaries, 50.79 *per cent* receive pension directly to their bank accounts and 49.21 *per cent* receive pension, in cash, at their home through Primary Agricultural Credit Societies (PACS).

Implementation and Management of Direct Benefit Transfer in SSP Schemes

Findings

Subject	Findings
Performance of State DBT Cell in the State (Paragraph 2.1; Page 10)	• State DBT Cell is not functioning as envisaged by GoI.
Deficiencies in processing of applications (Paragraphs 2.2; Page 11, 2.3; Page 13 and 2.4; Page 14)	• Initial applications are not being recorded in the system. • Verification process and its report lacks clarity. • There are inordinate delay in approval of beneficiaries.
Irregular approval of beneficiaries (Paragraphs 2.5.1 to 2.5.6; Page 15 to 18 and 2.6; Page 19)	• More than one SSPs granted to single beneficiary. • Beneficiaries approved without mandatory certificates. • Beneficiaries added even without submitting an application. • Service Pensioners and Government employees received SSPs (₹39.27 crore).
Poor accounting practices (Paragraphs 2.7.1 to 2.7.4; Page 21 to 25)	• Non-maintenance of books of accounts at Kerala Social Security Pension Ltd. (KSSPL) and at DBT Cell in Directorate of *Panchayats*. • Excess loans raised by KSSPL. • KSSPL and the Directorate of *Panchayats* have conflicting figures due to non-reconciliation of accounts.
Erroneous bill processing resulted in irregular pension payments (Paragraphs 2.9; Page 26, 2.13; Page 31, 2.14; Page 33)	• SSP payments were denied to more than 25,000 eligible beneficiaries. • Payment made to suspended beneficiaries, which has not been recovered (₹4.08 crore). • Pension at enhanced rate disbursed to beneficiaries before attaining 75 years of age (₹10.11 crore).
Direct to Home payment by agents (Paragraph 2.10; Page 27)	• 48.31 *per cent* of total amount of SSPs for the years from 2017-18 to 2020-21 were disbursed through agents at the home of the beneficiaries through Primary Agricultural Credit Societies (PACS). • The intermediary levels involved hence do not qualify as Direct Benefit Transfer.
Irregular disbursement of SSPs (Paragraphs 2.11; Page 28, 2.12; Page 30 and 2.15; Page 33)	• Irregular disbursement of IGNWP to legally divorced, deserted and re-married beneficiaries (₹180.16 lakh). • Irregular transfer of funds to PACS on account of deceased beneficiaries.

Effectiveness of Sevana Pension Software

Key facts	
Sevana Pension software	The software was developed for the automation of disbursement of SSPs. It was developed by Information Kerala Mission (IKM) and was intended to streamline the disbursement of SSPs with a transparent mechanism.

Findings

Subject	Findings
Lack of preparedness in Automation (Paragraphs 3.1; Page 40 and 3.2; Page 40)	• No documents available in respect of the initiation of automation of SSP Schemes. • IKM had not prepared system design documents such as User Requirement Specification and System Requirement Specifications.
Lack of data validation during data entry (Paragraphs 3.4; Page 42 and 3.5; Page 42)	• All eligibility criteria are not mapped in the software. • The software lacks basic data entry validation.
Lack of Information Security and Monitoring (Paragraphs 3.6.1 to 3.6.4; Page 44 to 46)	• Web application is hosted without clearing Security Audit. • Mandatory periodic security audit is not done. • Instances of sharing of credentials resulted in irregular addition of beneficiaries.
Inconsistencies in Master Data Files (Paragraph 3.6.5; Page 47)	• Inconsistent data in master files which prevent accurate calculation, monitoring of user activities, etc.
Improper involvement of Developer (Paragraphs 3.7; Page 49)	• IKM continues to run the application. • Bill Generation is done by IKM at back end.
Discrepancies in outputs (Paragraph 3.8; Page 50)	• Essential reports generated from the software shows erroneous figures, which forced the User Department to depend on the developer.
Susceptibility of Sevana Pension software to fraud (Paragraph 3.9; Page 53)	• Beneficiary-wise acknowledgement of receipt of amount is not recorded in the software. • Absence of such system make the software susceptible to fraud.