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## A study on the National Old Age Pension Scheme in Tripura

**Sharmistha Rakshit**

Research Scholar

Tripura University, Suryamaninagar,  
Agartala (Tripura, India)

**Dr. Nanigopal Debnath**

Assistant Professor

Tripura University, Suryamaninagar,  
Agartala (Tripura, India)

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### **Abstract:**

*People in old age suffer from various physical problems. They sometimes suffer from declining mental abilities. Thus this section of the population falls among the vulnerable section of society. Those unemployed or previously employed in the organized sector suffer from an added problem of financial insecurity in old age due to the absence of pension in old age. This often makes them dependent on their families for economic support. Those who come from poor families Many a time fail to get that economic support from their families due to limited source of family income. Thus the poor older persons often suffer from the lack of proper health care services, food, and other necessities for healthy living. Thus to help the poor elderly, the Indira Gandhi National Old Age Pension Scheme was started on 15<sup>th</sup> August 1995 to provide them some social security by State. Under this, a noncontributory pension is provided to the older persons in BPL households through cash transfers. This paper tries to study the impact and the loopholes in the implementation of the pension in the state of Tripura.*

**Keywords:** Old Age Pension, unorganized sector, social security,

### **Introduction:**

Ageing is a natural process. Old age also leads to declining physical, mental, and sometimes economic abilities. During this phase of life, people need more care, support, and health care facilities. In India, the family was and continues to be the main source of support and care for the elderly. However, due to the breakdown of the joint family system due to migration and urbanization, the family can no longer be the only means of physical and economic support. Hence

there arose the need for other sources of support system mainly provided by the State and society. Social Security is a very important prerequisite of healthy ageing especially when the family fails to provide the required support for some reason. Economic support is one of the fundamental components of social security. In old age, it is neither always possible nor desirable to continue working for income. Those who work in the organized sector during their early years are entitled to a pension in old age. But those who were previously unemployed or employed in the unorganized sector do not receive any pension in old age. Neither do they have savings to sustain them during old age. This is due to their inability to save money after taking care of their and their family expenditures from their meager income in their younger days. Thus some of them have to continue to work at low rates. Although most of them cannot work. Those who belong to poor families due to their already meager family income often suffer from a lack of health care facilities and nutrition. In India, the state to help the poor elderly started the National Old age Pension under the National Social Assistance Programme launched from 15<sup>th</sup> August 1995. This is a non-contributory pension through cash transfer to the beneficiaries. It was originally provided to the old destitute aged 65 years or above those who have very low or no means of income. Later on, the pension criteria were modified. From 13<sup>th</sup> August 2007, the Government of India universalized this pension and provided it to the elderly aged 60 or above belonging to BPL families and having low or no means of income. This paper thus tries to study how much the poor elderly of the North District of the State have been benefitted from this pension and whether there is any loophole in the provision of this pension.

### **Literature Review:**

The United Nations in its report World Population Ageing (2017) observed that the population of the world in 2017 who are 60 years or above in age is 962 million which is likely to rise to 2.1 billion in 2050. Two-thirds of the World's aged persons live in developing countries and by 2050 it is projected that out of every 10 aged persons of the world, 8 will be residing in developing countries. In Asia alone, this population's number is 549.2 million in 2017 which is projected to rise by 1273.2 million in 2050. It has been found that older persons make important contributions to their families by providing them financial support, household maintenance, and childcare. They also render important contributions to society through philanthropic activities and sharing their experiences. Hence societies should provide a conducive environment for their better participation. Governments should also make policies especially to provide them sufficient housing, healthcare, and social protection.

P. Ilango (2013) in his study mentioned that the number of elderly people is growing rapidly due to the present innovations and practice of reducing the birth rate and death rate. By 2150 one third of the world population will comprise the older persons. Hence there is a need for better

policymaking and most importantly more measures to be adopted both at the world and at the national level for this section of the population to ensure proper implementation of the Universal Declaration of Human Rights (1948) which encouraged non-discrimination and inalienability of human rights to men across age groups.

Nidhi Gupta (2014) in her study mentions that the older population is growing rapidly. The World Health Organisation (WHO) has called for 'adding life to years. Thus there should be more and more emphasis on improving the 'Quality of Life' as mentioned by the International Encyclopedia of Social Sciences in 1968.

Fredvang & Biggs (2012) in their study found that millions of the old population in the world do not have access to a pension or adequate social assistance hence they and their families fall into poverty.

Sandhya Ram (2016) in his study on older persons in developing countries, found that suffer more due to limited social security. Older women are most affected as their longevity is more. The world however is yet to adopt a specific convention for them. The Indian Government too needs to do more in this direction. A National Commission for senior citizens can be set up. There is also a need for a helpline and insurance policy for them. The 'Ummid Scheme' by the Government of Goa and the ' Vayojana Policy ' by Govt. of Kerala are positive steps taken and should encourage other states to take such steps too.

According to the Department of Social Justice & Empowerment, Government of India (2017), the National Policy on Older Persons (NPOP) was announced in January 1999 to reaffirm the commitment to ensure the well-being of older persons. The Policy envisaged State support to ensure financial and food security, health care, shelter, and other needs of older persons, equitable share in the development, protection against abuse and exploitation, and availability of services to improve the quality of their lives. The Maintenance and Welfare of Parents and Senior Citizens (MWPSA) Act, 2007 was enacted for the protection and maintenance of the older persons. All States and Union territories have taken adequate steps at the state and UT levels to implement the Act. However, the Act does not apply to Jammu & Kashmir and Himachal Pradesh has its Act for them. According to the report 25 states & all the Union Territories have taken adequate steps for its implementation. Under the Central Sector Scheme of Integrated Programme for Older Persons (IPOP), financial assistance up to 90% of the project cost is provided to Government / Non-Governmental Organizations / Panchayati Raj Institutions / local bodies, etc. for running and maintaining old age homes, daycare centers, and mobile medicare units

Zhu & Walker (2018) in their paper mention that pension during old age provides for economic security hence facilitates the over development of the older persons. This is needed for

inclusive development in society. Help Age International has identified poverty and social exclusion as the two main reasons that harm the human rights of older persons. The European Union has also emphasized poverty reduction among older persons through the provision of pensions. The developing countries have taken very less initiative as compared to the developed countries in this direction. Not only the state but to increase pension coverage and better implementation not only the state but an active role should be played by various social organizations major component of the social security of older persons is their economic security. According to the International Labour Organisation, it is the primary responsibility of the state to secure adequate means of income through pension policy. Article 22 of the Universal Declaration of Human Rights says, “everyone, as a member of society, has the right to social security.” This has also been emphasized upon by the Constitution of ILO. However, it has been found that in pension policies, the effective coverage is significantly lower than the legal coverage.

International Labour Organisation (2018) in that Social Protection Policy Papers found that pension coverage is very high in high-income countries in comparison to low-income countries. This is due to factors like less formal employments, less contribution from the beneficiary, and lack of adequate institutional capacity to provide the service in these countries. To provide greater coverage of these policies, by adopting both contributory and non-contributory pension schemes. The structural reforms in the form of pension privatization since the 1990s have created problems in this regard. Stagnation and decrease in pension coverage, gender inequality, and decline of pension benefits are some of them. Hence there emerged a need to re- reform the pension policies. 18 countries have recently done the same which includes 13 from the erstwhile Soviet Union and 5 from Latin America. They have reversed pension privatization to the public sector.

According to the NSAP ([www.nsap.nic.in](http://www.nsap.nic.in)) website by the Government of India (2013), the NSAP was a major step taken by the policymakers to implement the directive principle of state policy under Article 41 of the Indian Constitution. According to Article 41, the state shall strive for securing the right to work, education, and public assistance in respect of unemployment, old age, sickness, disablement, etc. This means that the state to implement it might within its economic capacity strive to provide economic assistance to these people. However, the state is not bound to provide such assistance. The National Social Assistance Programme was started on 15<sup>th</sup> August 1995 as an important step in this direction.

**Objective:**

1. To study the Indira Gandhi National Old age Pension Scheme and its benefit to the poor elderly in Tripura

2. To understand the socio-economic background and the health condition of the beneficiaries of this pension in the North District of Tripura
3. To analyze out the problems faced by beneficiaries in receiving the pension
4. To find out the pattern of utilization of the pension amount by the beneficiaries.
5. To suggest any changes in the pension and its implementation.

### **Methods and Materials:**

The study is explorative. Both primary and secondary data were used in the study. Data was collected using both qualitative and quantitative research methods. The sample size of the study was conducted on 50 beneficiaries in the Gobindapur village under the Kalacherra RD Block in the North District of Tripura. Primary data was collected using well-devised questionnaires from the North District of Tripura purposively. Secondary data was collected from books, journals, reports of the state and central government departments, and the internet.

### Indira Gandhi National Old age Pension Scheme and its benefit to the poor elderly in India

To help the poor section and the poor elderly and to implement the Directive Principles of State Policies provided in Articles 41 and 42 of the Indian Constitution, the National Social Assistance Program was implemented from 15<sup>th</sup> August 1995 by the Government of India. The Program consists of five schemes to help the elderly, widow, disabled, and poor families on the demise of their primary breadwinner. The schemes are –

1. Indira Gandhi National Pension Scheme(IGNOAPS)
2. Indira Gandhi National Widow Pension Scheme(IGNWPS)
3. Indira Gandhi National Disability Pension Scheme(IGNDPS)
4. National Family Benefit Scheme(NFBS)
5. Annapurna.

When the NSAP was introduced in 1995, it consisted of the National Old Age Pension Scheme. Under this Scheme cash transfer of Rs 75 as Central Assistance was given to old destitute above 65 years or above having a very low or small means of income. In 2007 the scheme was named as Indira Gandhi National Old Age Scheme and covered eligible persons in families below the poverty level. In 2011, the eligibility age was reduced from 65 to 60 years and the amount was increased from Rs 75 to Rs 200 for people between 60 to 79 years of age. Rs 500 was paid to people aged 80 years or above. People of 60 years or above belonging to BPL families are eligible for this Scheme. The Gram Panchayats and Municipalities are entrusted with the responsibility of identification of the beneficiaries. The elected political representatives should also be actively involved in this process. The District, Block, intermediate levels, and the Panchayats should take steps to organize awareness programs to make people aware of the schemes under NSAP. At present, the Government of India

provides Rs 200 and Rs 500 under IGNOAPS for beneficiaries aged 60 to 79 years and 80 years and above respectively, and the states are requested by the Ministry of Rural Development to share at least an equal amount of benefit.

#### Indira Gandhi National Old Age Pension Scheme In Tripura:

Directorate of Social Welfare and Social Education, Government Of Tripura is entrusted with the responsibility of the Schemes under NSAP. The Government of Tripura at present shares Rs 800 and Rs 700 respectively. Hence all beneficiaries between 60 to 79 years are supposed to receive. an amount of Rs 1000 and those 80 years or above receive Rs 1200.

#### Indira Gandhi National Old Age Pension Scheme in North Tripura

50 beneficiaries of Gobindapur village under Kalacherra Block of North Tripura were interviewed through a well devised questionnaire. From the study the following observations were made:

##### **Age group:**

42 (84%) out of the 50 beneficiaries were aged between 69-79 years of age and 8 (16%) belonged to the age group of 80 years or above.

##### **Educational qualification:**

24 (44%) of them were illiterate. Two of them were just literate. And the rest of the studied from class 2 to class 9. One of them was found to be a Higher secondary pass.

##### **Socio-religious background:**

- Only 1 (2%) of them were Muslim. Rest all of them were Hindus
- Out of the 49 Hindu beneficiaries, 6 (12%) belonged to the Scheduled Caste, and the rest 43(86%) belonged to the Other backward Castes.
- 22 of them were females and 28 of them were male beneficiaries.
- 28 of them were married and 20 of them were widows and 2 of them were widowers
- 2 of them lived alone and were also widows, 1 of them lived with his spouse only. Rest all of them lived with other family members.

##### **Health condition:**

All of them said that they suffered from some health problems:

Health problem	Number of people suffering
High blood pressure	8
High blood sugar and blood pressure	2
Liver problem	1
Mentally unstable	1

Nerve problem	1
Asthma	2
Paralysis	1
Body swelling and difficulty in movement	1
Other old age problems	33

**Health care expense:**

- 24 of them spent Rs 1000 or less per month on healthcare
- 16 of them spent around Rs 1500
- 6 of them spent around Rs 3000
- 4 of them spent around Rs 4000
- 42(84%) of them were dependent on their families to take care of their health care expenses.

**Employment and family income:**

- Except 1 of them, all others are not working at present
- 20 of them were previously engaged in agricultural work
- All the 22 female respondents were housewives
- Rest 8 of them was daily laborers.
- 20 of their family has small businesses
- 21 families are associated with agricultural work
- 8 families are pursuing the work of daily laborers

Awareness generation regarding the pension

All of the beneficiaries said that they came to know about the pension from their family and friends. Also according to all of them, no awareness program is being held in their area to spread awareness among them about the pension. Although according to the NSAP 2014 guidelines, such awareness camps are supposed to be held at the District, Block/Intermediate, and village level Panchayats.

Pension and its utilization

- All of the beneficiaries received only Rs 1000 including those aged 80 years or above.
- All of them said they used their pension money for buying medicines for themselves

Problems faced by them while applying for the pension

- All of them applied for the pension in the Panchayat
- All of them faced complicated administrative process while applying for the pension
- All of them said it took more than 1 month for getting them identified as beneficiaries

- 10 of them said it took 6 months to 1 year to get themselves identified as beneficiaries.

#### Problems faced by them while receiving their pension

- 42 of them said that the banks from which they collected their pension were more than 3 KMs away from their homes. Hence they had to travel by public transport to their banks. Although according to the NSAP guideline, it should be ensured that the beneficiaries should not need to travel more than three KMs to receive their pension.
- Since the travel expenses Rs 100 to Rs 250, the pension was could not be collected always every month
- Despite various health problems they had to collect their pension themselves. 3 of the respondents having serious illnesses like paralysis, moving problems, and mental instability had to be carried by their family members for collecting their pension. Although according to the NSAP guideline, for those who cannot travel to receive a pension for physical problems, there should be a provision of doorstep delivery of pension
- They are not provided any facility of a money order or such doorstep delivery of pension.

#### Is any corruption faced during the process?

There is no corruption found in the process of beneficiary identification. All of them said that they did not pay any money to anyone to get the pension benefit.

#### **Conclusion:**

The pension is a big help for the poor elderly to meet some of their expenses. The pension is regularly received and there is no complaint among the beneficiary regarding its regularity. However, the pension amount is too less and often inadequate to meet all of their basic needs. Due to the inadequacy of the pension, most of them have to depend upon their family to pay for their very basic needs like medicines and food. There is a lot of loopholes in the implementation of the guidelines issued by the Government of India in this regard. Although there are two types of pension amount Rs 1000 for beneficiaries aged between 60 to 79 years and Rs 1200 for beneficiaries aged 80 years or above, none of the beneficiaries aged 80 years or above received the increased amount. It shows a lack of monitoring and review of the pension. According to the NSAP 2014 guideline that the processing time from application till acceptance or rejection shall not exceed more than 4 weeks. However it is found during the study that it took more than 1 month for all the beneficiaries to get their applications accepted. 20% of them said that it took them 6 months to 1 year for their applications to be accepted. All of the respondents said that they did not need to pay any money to anyone to get the pension benefit. However, the administrative process is complex and lengthy they said. All of them said that they had to go to the bank themselves. 42 out of the 50 respondents said that had to travel more than 3 KMs via public transport to collect their pension. The travel expenses



ranged from Rs 100 to Rs 250 every month for them. Hence some of them preferred to not collect the pension every month to avoid expenses. It is a violation of the 2014 guideline according to which the beneficiaries should not be made to travel more than 3 KMs to collect their pension. Although there should be the provision of door step delivery of the pension to those unable to travel according to the 2014 guideline, all of them needed to travel to the bank as there was no system of doorstep delivery of pension. This included 3 respondents having serious physical problems. One of them was paralyzed, one was having difficulty to move and one was mentally unstable. Thus we can conclude that the effectiveness of the scheme is getting diluted due to lack of proper obedience to the guidelines. It is also a fact that due to provision of many schemes it often becomes burdensome for the people in charge to implement and monitor them minutely. Hence there can be lesser schemes through which people can be benefitted. One of such suggestions made in several literatures was the provision of a universal pension scheme.

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