



CONSEQUENCES OF DIRECT CASH BENEFIT FOR ELDERS' IN ANDHRA PRADESH

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Abstract

Social insurance in India has been and continues to be a piecemeal affair. Depending on children during old age has been the norm in India for millennia. However, the Indian Government, at both the national and the state levels, has long been preoccupied with financial support for the elderly. The present study is conducted to evaluate the level of old age dependents, implementation of old age pension and its impact on the old age disabled. In this case study, as per the perceptions of the beneficiaries, it is found that the IOAPS by direct cash payment changed their life style. They were fugitive the problem of food, cloth and health problems etc. At present, they are not helpless but are happiest people. However, this scheme has also some managerial problems. Regarding, the study is presented some policy implications to strengthen the scheme.

Keywords: Direct Cash Payment, Vulnerable, Better life, Pitru Devobhava, Matru Devobhava, Anthyodaya, Annapurna

Social protection deals with both absolute deprivation and risk and vulnerabilities. It deals not only with social risks like sickness, old age, unemployment and social exclusion but also with programs that secure income for poor. Elders are vulnerable in Indian society. Many of the old people like father of mother or other abandoned persons (dependents) are suffering with lack of minimum bread to main their physic until living on the earth. In the recent, we are watching and reading news papers regarding this vulnerable group. Care takers slacking their ethics instade of serving the old parents while they married even though our puranaas says "*Matru Devobhava (Mother is deity) and Pitru Devobhava (father is god)*". With the present rapid decline in the total fertility rate (TFR), the problem is soon going to get far worse. The TFR is defined as the average number of children born per woman during her lifetime. In the Indian context, falling TFR means fewer people in the family to provide financial support for the elderly. Government has been providing financial security to the aged as directed by the Article 41 of Indian constitution under direct principles to the State. In 2007, Government of India (GoI) has taken Act to protect old parents by their children and direction to the State to establish old age homes etc.

Objectives and Methodology

Keeping the above social and economic phenomenon of the old people in mind, the present study is conducted with to evaluate the level of dependents in the country and implementation of old age pension in the state of Andhra Pradesh and to find out the impact of the scheme in poverty alleviation and on the life style of the beneficiaries. To justify the study objectives, a few success stories have been taken.

A *case study* was conducted to find out the impact of the IOAP Scheme in 5 villages namely, Kottam, Kotturu, Timmaraju peta and Sangavaka (tribal village) of Kotanandduru mandal, East Godavari District, Andhra Pradesh. Regarding, 100 respondents whose age was at

above 65 years and exclusively the disable persons are selected discussion was made to get information. The following are originated from the study.

Elderly dependent population

Table 1 illustrates the problem through data from the NSS. It is observed that about 52.66 percent of the elders are not having financial support in the country. Across the states, highest were located in Jammu & Kashmir recorded by 67.64 percent and lowest by kerala with 36.39 percent. They were 49.24 percent in Andhra Pradesh. It shows that a majority of elderly males have no financial support, although the proportion varies between urban and rural areas.

Table 1 Elderly without financial support in India (percentages)

State	Rural male	Rural female	Urban male	Urban female
Andhra Pradesh	49.24	15.82	57.00	26.16
Assam	47.95	13.58	56.28	29.81
Bihar	59.64	18.66	49.79	19.86
Chhattisgarh	57.02	28.55	58.74	23.32
Gujarat	49.93	12.98	52.47	12.54
Haryana	37.70	12.67	49.34	20.58
Himachal Pradesh	59.76	21.49	72.35	31.13
Jammu & Kashmir	67.64	11.38	63.12	11.74
Jharkhand	56.26	18.66	50.29	15.20
Karnataka	54.19	15.74	55.41	14.28
Kerala	36.39	11.72	47.26	20.52
Madhya Pradesh	59.83	17.58	65.44	21.33
Maharashtra	49.29	18.97	50.49	19.21
Orissa	46.96	10.21	51.4	10.22
Punjab	46.85	10.26	52.08	13.17
Rajasthan	47.63	9.47	55.38	12.87
Tamil Nadu	48.66	19.30	54.3	19.30
Uttar Pradesh	61.82	15.03	61.41	15.26
Uttaranchal	67.42	36.03	82.69	21.87
West Bengal	48.71	9.81	67.21	19.30
All India	52.66	15.49	56.51	18.34

Source: Prasad, S. 2011

Direct Cash Payment Scheme for the Elders

Social insurance in India has been and continues to be a piecemeal affair. Depending on children during old age has been the norm in India for millennia. However, the Indian Government, at both the national and the state levels, has long been preoccupied with financial support for the elderly. Item No. 9 of the State List and item 20,23 and 24 of Concurrent List relates to old age pension, social security



and social insurance and economic and social planning and Article 41 of Indian Constitution deals with the State's role in providing social security to the aged. One external strong voice with considerable power in policy-making has been the World Bank.

The most important government direct cash payment scheme introduced for elderly low-income people is the non-contributory and means-tested National Old Age Pension Scheme (NOAPS), a centrally sponsored scheme launched by the Government in 1995. There are two components to the programme. Originally, assistance under the NOAPS was available to those (a) whose age was at least 65 years or higher; and (b) whose income was below the poverty line. At present, the GoI has been sanctioning Rs 200 per month

Mohinigiri committee

Government of India has appointed a committee under the chairmanship of Dr.V. Mohinigiri to submit report on the conditions of the old and to give suggest providing welfare of them. The committee was recommended to provide social pension at Rs 1000 per month against the Rs 200. However, many states are giving more that Rs 200. For example, Delhi giving Rs 1200, Tamilnadu and Goa providing Rs 1000 and so on (table 2)

Table 2. Pension Rates in selected states

S. No	Name of the state	Pension (Rs)
1	Delhi	1200
2	Tamilnadu	1000
3	Goa	1000
4	Haryana	800
5	Rajasthan	750
6	Jharkhand	400
7	Andhra Pradesh	200
8	Centre contribution	200

Source: Eenadu Daily News paper, 23rd April, 2013

Indhiramma Old Age Pension Scheme in Andhra Pradesh

Andhra Pradesh is India's fifth largest state spreading over an area of 2,76,754 sq. kms. The state has a major link between the north and south of India. For administrative purpose the state has been divided into 23 districts. On the basis of geographical position, Andhra Pradesh can be divided into three distinct regions like Coastal Andhra, Telangana and Rayalaseema. The Government of AP has implemented a number of programmes (including GoI) to eradicate poverty since 1970. Some of the poverty alleviation programmes in rural areas are SGSY, MGNREGS, IGNOAPS, free mid day meals to primary-school children, supplementary nutrition programmes for pregnant mothers and pre-school children from poor households.

The Government of Andhra Pradesh implements four pension schemes (Widow Pension, Disabled Pension, Weavers Pension and old age pension) for the poor people. Before 2006 these pension schemes are implemented by the different departments. In 2006 the Government of Andhra Pradesh decided to bring the disbursement of all pensions under one umbrella by

transferring the widow pensions from Social Welfare Department and disabled pensions from Disabled Welfare Department to the Rural Development Department. The amount of pension was Rs. 75/- per month till 2005-06. From the year 2005-06, it was increased Rs. 100/- per month and from 2006-07, the amount of pension has been increased from Rs. 100/- to Rs. 200/- per month for all the pensions under old age, weavers, widows and disabled.

NOAPS is re-named as Indhiramma Old Age Pension Scheme (IOAPS). The scheme has been implemented as a part of National Social Assistance Programme. The scheme provided pensions only to destitute belonging to Below Poverty Line (BPL) households and the age pensioners, both male and female, who are 65 years of age or above.

In Andhra Pradesh only Centre share is released to the beneficiaries and there is no state share. The beneficiaries got only Rs.200/- as old age pension in every month.

Table -3. District Level Physical Achievement under IOAPS Scheme (in nos.)

Sl. No	Name of the District	Beneficiaries 2009-10	
		Male	Female
1.	Srikakulam	23230	18232
2.	Vizianagaram	22154	19604
3.	Visakapatnam	19287	22583
4.	East Godavari	28467	25931
5.	West Godavari	20349	26267
6.	Krishna	18368	21473
7.	Guntur	19618	29764
8.	Prakasam	24035	26077
9.	Nellore	20801	20657
10.	Chittoor	19760	19021
11.	Cudapah	19568	26013
12.	Ananthapur	24786	29494
13.	Kurnool	13323	20444
14.	Mahaboob Nagar	21519	25748
15.	Ranga Reddy	19514	20062
16.	Hyderabad	3856	8842
17.	Medak	16029	19129
18.	Nizamabad	11977	18322
19.	Adilabad	12301	17529
20.	Karimnagar	16637	24042
21.	Warangal	20529	16583
22.	Khammam	20524	17437
23.	Nalgonda	17095	12249
	Total	433727	485503

Source: Office of the Chief Executive Officer, SREP-SHG Wing, Govt. of AP

Beneficiaries of Indhiramma in Andhra Pradesh

In Andhra Pradesh as per the census 2001, the total population is 76.21 million out of the 38.53 million people are



male and 37.68 million people are female, which means out of the total population 50.56 percent are male and 49.44 percent are female. The sex ratio of the state is 978. Regarding the beneficiaries of the IOAPS, out of the total 919230 beneficiaries 47.18 percent (433727) of beneficiaries are male and 52.82 percent (485503) are female. It is observed that more than fifty two percent of the beneficiaries of IOAPS in Andhra Pradesh are female (table-3).

At present, as on 1st Mar 2013, the total Pensions is estimated 76,08,808 whereas 42,89,616 are Old Age Pensions.

An unwavering level of financial Sanctions and disbursement in this regard is taken place among the districts of the state. The total sanction and utilization of funds was Rs 11184.00 lakhs in 2006-07 and 2007-08. Meanwhile it was Rs 22061.521 lakhs in 2008-09 and 2009-10 (table 4). In 2013, Budget Released to the Districts by Rs 213778.919 Lakhs and on 1st Mar 2013 Amount Disbursed by Rs 17769.69 Lakhs

Earning Status of the Members

\It is reported that, out of the 100 members only 6 percent

of the members are earning members and 2 percent is in the category of not earning member. About 92 percent of the members are not responded

Longevity of beneficiaries

Around 50 percent of beneficiaries reported that they have received the pension for more than three years and more than 92 percent received the pension amount by cash. Some of the beneficiaries under the scheme have received the pension amount at a distance of below 3 km and all of them reported that they themselves have received the payment. The pension disbursement at some extent is irregular. More than 99 percent of the beneficiaries reported that the pension is received in every month.

Utilization of Last Pension Amount

Out of the 100 surveyed beneficiaries, 40 per cent of the beneficiaries have utilized 31-40 of their amount from pension for purchasing food items. And out of them, 11-20 percent was utilized for the purchase of cloths by 40 percent. 35 percent were spent at 11 to 20 per cent of

Table 4. District Level Financial Targets & Achievement under IOAP Scheme
(Amount in lakhs)

Sl No	Name of the District	2006-07		2007-08		2008-09		2009-10	
		Sanctioned	Utilized	Sanctioned	Utilized	Sanctioned	Utilized	Sanctioned	Utilized
1.	Srikakulam	504.456	504.456	708.886	708.886	995.088	995.088	995.088	995.088
2.	Vizianagaram	508.056	508.056	713.945	713.945	1002.190	1002.190	1002.190	1002.190
3.	Visakapatnam	509.424	509.424	715.867	715.867	1004.888	1004.888	1004.888	1004.888
4.	East Godavari	661.848	661.848	930.061	930.061	1305.559	1305.559	1305.559	1305.559
5.	West Godavari	567.168	567.168	797.012	797.012	1118.794	1118.794	1118.794	1118.794
6.	Krishna	484.728	484.728	681.163	681.163	956.173	956.173	956.173	956.173
7.	Guntur	600.816	600.816	844.296	844.296	1185.168	1185.168	1185.168	1185.168
8.	Prakasam	609.696	609.696	856.774	856.774	1202.684	1202.684	1202.684	1202.684
9.	Nellore	504.408	504.408	708.819	708.819	994.993	994.993	994.993	994.993
10.	Chittoor	471.840	471.840	663.052	663.052	930.750	930.750	930.750	930.750
11.	Cudapah	554.568	554.568	779.306	779.306	1093.939	1093.939	1093.939	1093.939
12.	Ananthapur	660.408	660.408	928.037	928.037	1302.719	1302.719	1302.719	1302.719
13.	Kurnool	410.832	410.832	577.321	577.321	810.406	810.406	810.406	810.406
14.	Mahaboob Nagar	575.088	575.088	808.142	808.142	1134.417	1134.417	1134.417	1134.417
15.	Ranga Reddy	481.512	481.512	676.644	676.644	949.829	949.829	949.829	949.829
16.	Hyderabad	154.488	154.488	217.094	217.094	304.742	304.742	304.742	304.742
17.	Medak	427.752	427.752	601.098	601.098	843.782	843.782	843.782	843.782
18.	Nizamabad	368.640	368.640	518.031	518.031	727.178	727.178	727.178	727.178
19.	Adilabad	362.928	362.928	510.004	510.004	715.911	715.911	715.911	715.911
20.	Karimnagar	494.928	494.928	695.497	695.497	976.293	976.293	976.293	976.293
21.	Warangal	451.536	451.536	634.520	634.520	890.698	890.698	890.698	890.698
22.	Khammam	461.856	461.856	649.022	649.022	911.056	911.056	911.056	911.056
23.	Nalgonda	357.024	357.024	501.707	501.707	704.264	704.264	704.264	704.264
	Total	11184.00	11184.00	15716.300	15716.300	22061.521	22061.521	22061.521	22061.521

Source: Office of the Chief Executive Officer, SREP-SHG Wing, Govt. of AP

Table 5. Utilization of last pension Amount

S. No	Pension utilization level (percent)	Percentage of respondents					
		Food	Cloth	Medicine	for Relatives	Given to grand children	Cleared Borrowings
1	Upto 10	0.0	24.0	20.0	100.0	10.0	90.0
2	11 to 20	20.0	40.0	35.0	0.0	90.0	10.0
3	21 to 30	20.0	16.0	30.0	0.0	0.0	0.0
4	31 to 40	40.0	20.0	5.0	0.0	0.0	0.0
5	Above 40	10.0	0.0	10.0	0.0	0.0	0.0
6	Total	100.0	100.0	100.0	100.0	100.0	100.0

income on Medicine. Cent percent of respondents were spent up to 10 per cent for Relatives. Meanwhile, 90 per cent were given amount for their grand son/daughter at 11 to 20 per cent up to 10 percent of amount by 90 percent of the respondents was used to clear the borrowings (Table 5).

Success Stories -Impact of the Scheme

Indhiramma scheme changed life : Appayamma, 68 years of old widow is living in Kottam village along with his son’s family. She is unable to do work. But, her in-law was forced to feed the cattle in the grazing land. She was lack of food for number of days. Later, she was come to conclusion to commit suicide. Fortunately, the village president (Tolem Rajulu) enrolled her name for old age pension and Anthyodaya (Annapurna scheme providing 30 kilos of rice at Rs 1 rupee per kilo) Scheme. Currently she has been getting 30 Kilos of Rice and Rs 200 of old age pension per month. The researcher observed a pleasant of joy in her face. She said that she had never ever expected this to happen even in her dreams.

IOAP Scheme gift’ for people under poverty line : Kanakamma, papaya and pandavulu and many more people of old aged group belongs to Kottam pachayat who have been suffering with food problems are now availing the food every month under IOAP Scheme. They were also enjoying the fruits of the scheme through getting food security. All are feeling happier because they cannot afford to have such conditions. Interestingly, some are selling rice getting under Annapoorna Scheme and the money is spending for various purposes.

Satisfactory level of the Scheme : A variety of response is found concerning the Satisfaction of the Scheme. Out of the total beneficiaries, 84 percent of them are satisfied with the scheme, 14 percent of the beneficiaries are not satisfied and 2 percent did not respond to the issue due to some administrative ambiguities like improper etc.

Meanwhile, out of the total beneficiaries 84 per cent were reported that the scheme have a positive impact on their life, 14 per cent were perceived that a moderate impact and 2 per cent were not able to assess the impact on their life.

Conclusions

The Indian constitution rightly directed to the state to provide social security to all the disabled. As such, old age pension scheme is prominent among them. The state of

Andhra Pradesh has followed the NOAPS, renamed as Indhiramma old age pension scheme. All the beneficiaries are felt that the scheme is changed their lives and enjoying better life. They have been meeting minimum needs like food, cloth, medicine etc. Majority of the beneficiaries are stayed with their son or daughter, so one portion of the amount also used for the educational purpose of the grand children. Majority is more than 70 years of age and they need urgent medical support. Hence major portion of the amount is used for medicine. One of the major advantages of the scheme is that the beneficiaries can purchase the medicine without depending on others. They are not helpless people but are happiness people.

Suggestions

The following suggestions can improve the life style of the elders. Greater part of the beneficiaries spent a large portion of their pension amount for medicine. It is better to include them under comprehensive Rajiv health insurance scheme of the state. It is better to arrange free medical check up for the IGNOAPS beneficiaries in the nearest PHC. It is better to include all the elders in Annapurna or Anthyothaya AnnaYojana. More awareness on the scheme through SHGs, Neighborhoods groups, Gram sabha and MGNREGA work site may be conducted. The platform of Gram Sabha for the awareness generation may be used. Schools may be another medium which can be used for awareness building .Children can pass over the information to their respective parents and grandparents. A stipulated time or date in a month should be maintained to release pension. The government tries to link the scheme with public distribution system which is providing 9 types of food items for Rs 185 rupees. The financial position of the State can order a state share for them.

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