Social Assistance for Poor Elderly: How Effective?

The National Social Assistance Scheme and its components where they have been effectively introduced has gone a long way towards improving the lot of the poor elderly. However, there are several problems in the implementation of the schemes such as accurate identification of the beneficiaries and therefore a correct assessment of the financial burden on the governments. The scheme needs some urgent revamp.

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The National Social Assistance Scheme introduced on August 15, 1995 had three components: the National Old-Age Pension Scheme (NOAPS), the National Family Benefit Scheme (NFBS) and the National Maternal Benefit Scheme (NMBS). The NOAPS is meant for the poor elderly and is a centrally-sponsored programme with 100 per cent central assistance to the states and union territories in accordance with the norms, guidelines and conditions laid down by the central government. The scheme is managed by the central ministry of rural development.

The following criteria strictly apply in the implementation of the NOAPS: (a) The age of the applicant (male or female) should be 65 years or higher; (b) the applicant must be a destitute in the sense of having little or no regular means of subsistence from his/her own sources of income or through financial support from family members or other sources. In order to determine destitution, the criteria, if any, currently in force in the state/union territory is to be followed. The government of India reserves the right to review these criteria and suggest appropriate revised criteria; (c) the amount of old-age pension will be Rs 75 per month for purposes claiming central assistance; (d) the ceiling on the total number of old-age pensions for purposes of claiming central assistance will be specified for the states and union territories from time to time; and (e) the benefit under NOAPS should be disbursed in not less than two instalments in a year and, if possible, the benefit may be disbursed in more instalments as per the direction of the state government.

The village panchayats and relevant municipalities shall report every instance of the death of a pensioner immediately after its occurrence to the appropriate sanctioning authority. The sanctioning authority shall ensure that payments are stopped thereafter. The sanctioning authority shall have the right to stop/recover payments of any pension sanctioned on the basis of false or mistaken information about eligibility.

The numerical ceilings and the qualifying financial entitlement are worked out as follows: it is assumed that 50 per cent of the population below the poverty line in the age group 65+ will qualify for old-age pensions under the destitution criteria laid down. For example, for Andhra Pradesh, the numerical ceiling and financial entitlements are worked out as follows:

Total Population × Poverty Ratio × Proportion of 65+ age group in total population × 0.5 (to the nearest hundred). That is,
$71713000 \times 0.317 \times 0.041 \times 0.5 = 466000$ (numerical ceiling).

The qualifying financial entitlement = Rs 900 (Rs 75 for 12 months) × the numerical ceiling. That is, $4,66,000 \times 900$ = Rs 4,194.8 lakh.

During 1995-96, the numerical ceiling was 5.4 millions elderly (i e, 50 per cent of the population below the poverty line

in the age group of 65 years and above) and the qualified amount is Rs 48,020 lakh for all over India. Later in 1998-99, both numerical ceiling and qualified amount were enhanced. The current numerical ceiling is 6.9 millions and the qualified amount is Rs 61,929 lakh.

Over the past five years, the scheme has become better known and the achievement (both numerical achievement and amount claimed) has reached above 90 per cent (Table 1). However, the allocation of resources for National Old-Age Pension Scheme is lower than the financial entitlement. Table 2 provides the numerical ceiling and financial entitlement for all states and union territories during 1995-96 and 1998-99. Obviously, the numerical ceiling is affected by three factors: total population, percentage of persons aged 65 and above and the poverty ratio. Interestingly, the numerical ceiling for both periods were constant for only Andhra Pradesh.

However, smaller states (Arunachal Pradesh, Goa, Haryana, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura) and union territories (Andaman and Nicobar islands, Delhi) have registered more than 100 per cent change in numerical ceiling and financial entitlements. Has the proportion of persons below the poverty line increased in these states? Or is it due to increase in the size of the population? Or is it due to increase in the percentage of elderly persons above 65? It requires further investigation.

Tables 3 and 4 review the percentage of amounts released to respective states against their allotment for the last five years along with the physical achievement of the National Old-Age Pension Scheme. The following points emerge from a close look at these tables. Since the amounts claimed by the states and union territories depend on the number of potential beneficiaries in each state, many states and union territories could not utilise the allotted amounts. Only 10 states including some union territories could claim 100 per cent of the amounts allotted under the

Table 1: Quantitative Assessment of National Old-Age Pension Scheme, 1995-2000

Year	Numerical Ceiling (No)	Achievement (No)	Percentage Achievement	Allocation (in Rs)	Claimed (in Rs)	Per Cent Claimed
1995-96	5335000	2937677	55.06	29706.60	21614.62	73.50
1996-97	5335600	4760097	89.21	50737.08	37381.65	73.68
1997-98	5335600	5093704	95.47	46396.79	38629.05	83.26
1998-99	6881000	6214000	90.31	45685.23	42080.99	92.11
1999-00	6881000	6311014	91.72	47623.58	44797.13	94.07

Source: Calculated unpublished data of ministry of rural development, New Delhi.

scheme during 1995-96. This proportion remained constant even during 1999-2000. However, many states have utilised over 90 per cent of their allotment.

The above phenomenon has implications for achieving the physical targets of the programme. If the states concerned could not claim the allotted amount from the central government, it means that they have failed to identify the beneficiaries. This is an important issue to be sorted out (for details, see Table 4).

Interestingly, for the last two years, the department of rural development has compiled statistics on the beneficiaries by caste, sex, etc. It has been shown that the percentage of beneficiaries among scheduled castes, scheduled tribes, women and handicapped has increased during this period. This clearly indicates that the National Old-Age Pension Scheme has benefited the weaker sections of the society more than others. The record is impressive, the proportion of women beneficiaries has increased from 30 to 37 per cent between 1998-99 to 1999-2000 (Table 5 for details). Table 6 presents the characteristics of beneficiaries by states and union territories for 1998-99 and 1999-2000. In Andhra Pradesh and Rajasthan, half the beneficiaries belong to scheduled castes. In Tripura, Daman and Diu, Lakshadweep, Orissa, Madhya Pradesh and Jammu and Kashmir, the share of beneficiaries among the scheduled tribes has been very substantial. Except in a few states, the proportion of women benefiting from the old-age pension scheme has also been high.

Annapurna Scheme

On March 19, 1999, the government of India announced another social assistance scheme, 'Annapurna' for the elderly destitutes who have no one to take care of them. Under this scheme, an elderly destitute will be provided with 10 kilograms of rice or wheat per month free of cost through the existing public distribution system. This scheme aims at covering those destitutes who are otherwise eligible for old-age pension under the National Old-Age Pension Scheme. The government has allotted a sum of Rs 100 crore for the first year of its implementation (for more details, see Table 7) and it is expected that it will benefit around 6.6 lakhs elderly. Again, this scheme is implemented by the ministry of rural development with the assistance of the ministry of food and civil supplies. The progress of this scheme, however, has been very slow in the first

year of its implementation. As of October 13, 2000, the allocated amount was released only to 15 states and two union territories. Though the scheme is now 18 months old, half the states and union territories have not introduced the scheme.

In formulating a policy for the rehabilitation of the elderly in India, special attention needs to be focused on certain crucial characteristics. Besides poverty, incidence of widowhood is a major factor explaining the vulnerability of the elderly. According to the results of the 1991 Census, half of the elderly females in India were either widowed, divorced or separated compared to men (their percentage was only 16). Further, the dependency status as reported by the elderly themselves varies between men and women. Only half of the elderly are dependants. Among them, 70 per cent were females and only 30 per cent were males.

The burden of having to care for the elderly is not equally distributed among the households. For instance, 60 per cent of the households in India have no elderly persons to care for while 31 per cent had only one elderly member, 11 per cent had two elderly members and about 1 per cent of the households had three or more elderly

(in their households) respectively. Any policy for social assistance should, therefore, take into account the living arrangements among the elderly. The latest National Sample Survey of elderly persons (1995-96) also reports some other relevant characteristics of the elderly members in the Indian society. Almost 5 per cent of India's elderly live alone and another 10 per cent live with their spouses only. Interestingly, another 5 per cent of the elderly live with relations or non-relations but not with their children or grandchildren. Again, during 1995-96, about 6 per cent of the elderly in India had no surviving children to look after them. The above aspects should be taken into consideration in designing a national social assistance scheme for India's elderly population.

The recently released OASIS report states: "The ministry realises that poverty alleviation programmes directed at the aged alone cannot provide a solution to the income and social security problems of the elderly. For instance, providing a Rs 100 per month old-age pension to the projected 175 million population of the elderly in 2025 would translate into an annual outflow of over Rs 210 billion (or Rs 21,000 crore) for the government" (p 11). This

Table 2: Numerical Ceiling and Qualifying Financial Entitlement, 1995-96 and 1998-99

States/Union Territories	Numerical Ceiling		Qualifying Financial Entitlement (in Rs)		Per cent Change
	1995-96	1998-99	1995-96	1998-99	
Andhra Pradesh	466000	466000	4194.8	4194.8	0.0
Arunachal Pradesh	1700	9200	15.3	82.8	441.2
Assam	70100	133200	630.9	1198.8	90.0
Bihar	774400	1107700	6969.6	9969.3	43.0
Goa	2200	4500	19.8	40.5	104.5
Gujarat	160100	221600	1440.9	1994.4	38.4
Haryana	37700	86300	339.3	776.7	128.9
Himachal Pradesh	11600	38100	104.4	342.9	228.4
Jammu and Kashmir	26600	51100	239.4	459.9	92.1
Karnataka	316200	340200	2845.8	3061.8	7.6
Kerala	144500	224900	1300.5	2024.1	55.6
Madhya Pradesh	489800	599000	4408.2	5391.0	22.3
Maharashtra	501700	669800	4515.3	6028.2	33.5
Manipur	3500	16600	31.5	149.4	374.3
Meghalaya	3400	17900	30.6	161.1	426.5
Mizoram	1400	5000	12.6	45.0	257.1
Nagaland	2450	13000	21.6	117.0	441.7
Orissa	283400	324000	2550.6	2916.0	14.3
Punjab	36300	62300	328.5	560.7	70.7
Rajasthan	202000	237500	1000.0	2137.5	113.8
Sikkim	800	4800	7.2	43.2	500.0
Tamil Nadu	391900	430300	3527.1	3872.7	9.8
Tripura	5300	28700	47.7	258.3	441.5
Uttar Pradesh	1337500	1255200	9247.5	11296.0	22.2
West Bengal	353900	478400	3185.1	4305.0	35.2
Andaman and Nicobar Islands	600	2800	5.4	25.2	366.7
Chandigarh	1300	2200	11.7	19.8	69.2
Dadra and Nagar Haveli	300	1900	2.7	17.1	533.3
Daman and Diu	200	400	1.8	3.6	100.0
Delhi	19000	40200	171.0	361.8	111.6
Lakshadweep	100	300	0.9	2.7	200.0
Pondicherry	1500	7900	13.5	71.1	426.7
All India	5335600	6881000	48020.4	61929.0	29.0

Source: Calculated from unpublished data of ministry of rural development, government of India, New Delhi.

financial projection is however based on the wrong assumption that the entire elderly population in India needs an old-age pension. Such flawed and highly exaggerated projections by some of the policy-makers create unwarranted worry in the minds of the public about the growing number of senior citizens.

On the basis of my earlier work, one can safely conclude that one-fourth of India's elderly already receive some social assistance from the state-level pension schemes or from the National Old-Age Pension Scheme/Annapurna Scheme. This is a commendable achievement. If we assume that only half of the Indian elderly require social assistance in terms of their dependency status, half of the dependants are provided with some income in old age ranging from Rs 60 to 300. We have to cover another 20-25 per cent of elderly by safety nets through some other social assistance scheme. India also runs various poverty alleviation programmes in rural and urban areas for the public at large at various levels. The impact on the above programmes on the elderly is still unknown. (The lowest pension amount of Rs 60 is reported by many states while the highest amount of Rs 300 is paid by West Bengal.) Although the National Social Assistance Scheme fixed the rate of central assistance at Rs 75 per elderly person, many states have added another Rs 25 to Rs 75 to the minimum. The government of India should call a meeting of the various implementing agencies and discuss with them the desirability of a uniform rate of old-age pension for the entire country.

There has been some criticism among social scientists regarding the adequacy of the old-age pension. On an average, the pension works out to be Rs 150 per month which is equal to a day's wage of a casual or unskilled labourer in Kerala. A little reflection will show that this small amount can do wonders for the poor and destitute elderly. The total cost of purchasing all the entitlements (8 kg wheat, 8 kg rice and 0.4 kg sugar) for a one-month period is just Rs 126 if bought through the public distribution system. Assuming that for a person above 60 the food requirements are substantially lower particularly when she is not engaged in any strenuous physical activity, the entitlement should take care of an older person's basic food needs. Thus the present rate of old-age pension not only enables senior citizens to buy their basic food requirements, but also provides them a small allowance over and above the

Table 3: Financial Management of National Old-Age Pension Scheme by States and Union Territories, 1995-2000

States/Union Territories	Percentage of Amount Released for Old-Age Pension				
	1995-96	1996-97	1997-98	1998-99	1999-00
Andhra Pradesh	100.00	97.99	99.22	101.78	100.00
Arunachal Pradesh	49.52	4.58	33.28	4.23	12.38
Assam	49.38	51.35	50.79	110.42	90.19
Bihar	48.99	58.42	65.76	102.03	83.77
Goa	49.51	47.81	75.05	112.53	100.00
Gujarat	49.55	54.77	44.81	69.37	57.14
Haryana	100.00	98.09	77.92	83.73	93.12
Himachal Pradesh	100.00	78.04	90.06	115.61	98.62
Jammu and Kashmir	100.00	89.69	55.52	81.09	94.42
Karnataka	49.56	129.64	59.85	123.31	100.00
Kerala	44.51	76.53	60.31	110.00	91.29
Madhya Pradesh	100.00	78.87	106.24	101.64	100.55
Maharashtra	49.57	2.71	103.22	81.38	73.28
Manipur	49.56	52.33	34.61	19.33	85.11
Meghalaya	49.24	69.60	36.04	86.03	85.30
Mizoram	48.49	52.36	58.01	127.00	77.99
Nagaland	100.00	67.10	55.94	14.16	50.82
Orissa	49.50	96.27	96.14	73.37	114.52
Punjab	100.00	98.10	50.00	56.88	82.19
Rajasthan	49.53	51.66	48.07	67.06	96.35
Sikkim	85.56	52.31	29.91	170.05	50.00
Tamil Nadu	100.00	69.48	98.95	72.79	96.42
Tripura	100.00	52.34	85.14	94.29	99.99
Uttar Pradesh	100.00	92.89	90.22	89.93	88.51
West Bengal	49.53	71.90	73.40	87.84	127.30
Andaman and Nicobar Islands	49.56	0.88	0.00	0.00	50.00
Chandigarh	0.00	79.66	48.03	0.00	100.00
Dadra and Nagar Haveli	49.13	50.35	50.18	50.18	0.00
Daman and Diu	44.07	50.26	50.00	100.00	100.00
Delhi	0.00	50.48	100.00	50.00	50.00
Lakshadweep	46.88	50.53	50.00	0.00	50.00
Pondicherry	49.82	0.92	150.00	150.00	100.00
All India	72.76	73.68	83.26	92.11	94.07

Source: Calculated from the unpublished data of ministry of rural development, government of India, New Delhi.

Table 4: Physical Achievement of National Old-Age Pension Scheme by States and Union Territories, 1995-2000

State/Union Territories	Percentage of Old-Age Pension Beneficiaries				
	1995-96	1996-97	1997-98	1998-99	1999-00
Andhra Pradesh	100.00	110.50	9.18	100.00	100.00
Arunachal Pradesh	0.00	32.18	16.29	5.29	25.51
Assam	46.03	69.32	65.41	75.18	61.35
Bihar	28.49	87.61	91.10	63.69	64.62
Goa	20.32	45.73	79.91	48.78	48.78
Gujarat	30.61	64.81	33.77	30.16	4.19
Haryana	100.00	100.00	90.75	43.68	33.04
Himachal Pradesh	38.55	99.40	97.78	28.05	39.83
Jammu and Kashmir	53.23	79.68	107.44	68.87	45.82
Karnataka	0.00	255.49	241.94	54.92	57.44
Kerala	31.17	53.40	66.61	52.90	53.13
Madhya Pradesh	42.88	105.19	169.21	122.06	97.29
Maharashtra	1.64	24.83	55.74	45.49	13.83
Manipur	88.66	99.89	213.03	16.39	37.92
Meghalaya	18.85	140.29	296.12	49.70	50.85
Mizoram	100.00	122.07	256.86	67.20	81.88
Nagaland	26.61	124.53	131.22	17.32	35.49
Orissa	64.54	98.64	98.61	102.56	99.73
Punjab	100.55	100.15	75.95	58.59	24.11
Rajasthan	2.01	25.82	61.48	101.16	101.16
Sikkim	0.00	99.63	0.00	50.00	22.60
Tamil Nadu	78.33	75.95	102.11	102.11	102.11
Tripura	89.55	294.34	294.34	54.02	54.03
Uttar Pradesh	71.36	60.90	72.94	78.21	74.93
West Bengal	100.00	83.17	93.07	72.44	73.77
Andaman and Nicobar Islands	0.00	1.00	50.50	0.00	0.00
Chandigarh	0.00	105.23	105.23	0.00	80.14
Dadra and Nagar Haveli	100.00	95.33	90.33	0.00	0.00
Daman and Diu	18.00	69.00	47.50	50.75	65.50
Delhi	0.00	53.96	104.28	60.09	60.09
Lakshadweep	0.00	126.00	112.00	0.67	0.00
Pondicherry	0.00	100.00	100.00	18.99	18.99
All India	55.06	89.21	95.47	90.31	86.26

Source: Calculated from the unpublished data of ministry of rural development, government of India, New Delhi.

food requirements. The pension, however, will not be adequate if they are living by themselves and have to pay rent for accommodation, besides meeting other expenses such as electricity and water. If pensioners are living with families, the pension makes them less of a burden and enhances their acceptability among their kins, relatives, neighbours and friends.

As reported in some of my earlier work, the eligibility age at the state level varies from 55 to 74 years, though the government of India fixed it as 65 years and above. Rajasthan has stipulated the lowest age of 55 years for women and Sikkim has based it at 74 years for men. It is desirable that a uniform age is fixed for all states and union territories. As the expectation of life at age 65 is just 10 years in India, we should fix the eligible age at 65 and above for all those brought under the old-age pension scheme except those covered under schemes for widows and physically handicapped. The government of India should try to implement the common age criteria for all states and union territories.

Let us assess the financial costs of the social assistance scheme. Though the government of India spends around 6 per cent of its revenue expenditure on pension to its employees under the head of non-developmental expenditure, the budget amount allocated for National Old-Age Pension and Annapurna schemes together comes to only 0.6 per cent. In the absence of any other significant expenditure on social security, the government of India can certainly afford to spend a little more on the social assistance schemes. We have little knowledge of the situation prevailing in the states and union territories other than Kerala. It is known that Kerala spends 2.77 per cent of its revenue expenditure on social security and social assistance schemes. The ministry of welfare, government of India or any international organisation working in the area of social security should initiate a detailed study to assess the expenditure pattern of social assistance in

Table 5: Relative Proportion of Beneficiaries of National Old-Age Pension Scheme

Percentage of	1998-99	1999-2000
Scheduled castes	28.33	31.42
Scheduled tribes	10.66	14.21
Other castes	61.02	54.38
Women	30.21	36.71
Physically handicapped	0.93	1.59

Source: Unpublished data of ministry of rural development, government of India, New Delhi.

Table 6: Proportion of Weaker Sections Benefiting from National Old-Age Pension Scheme by States and Union Territories, 1998-99 and 1999-2000
(Per Cent)

States/ Union Territories	Scheduled Castes		Scheduled Tribes		Women		Physically Handicapped	
	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00
Andhra Pradesh	49.0	49.0	11.0	11.0	32.0	32.0	0.0	0.0
Arunachal Pradesh	0.0	0.0	6.1	0.0	56.5	0.0	0.0	0.0
Assam	10.9	9.8	14.2	18.4	41.9	53.8	1.0	2.5
Bihar	26.2	33.3	6.8	6.6	31.5	38.0	1.7	2.6
Goa	1.8	1.8	1.5	0.0	52.6	52.6	0.0	0.0
Gujarat	16.5	31.3	9.1	0.3	52.9	63.6	0.3	3.1
Haryana	5.7	11.6	0.0	9.2	12.5	18.4	0.0	0.0
Himachal Pradesh	30.6	35.5	3.6	2.5	45.7	41.5	0.0	0.0
Jammu and Kashmir	21.4	13.2	13.3	42.2	38.3	41.0	0.0	0.0
Karnataka	9.8	36.3	3.4	16.5	4.6	42.1	0.0	0.0
Kerala	3.4	0.7	0.3	2.0	8.7	0.0	0.0	0.1
Madhya Pradesh	26.3	22.4	27.2	25.8	47.7	43.7	4.8	5.4
Maharashtra	45.9	24.6	81.9	21.0	0.0	47.0	0.0	0.0
Manipur	1.5	0.0	9.9	0.0	36.2	0.0	0.0	0.0
Meghalaya	0.1	0.0	99.9	0.0	34.5	65.7	0.0	0.0
Mizoram	0.0	0.0	100.0	8.0	52.8	4.4	0.0	0.0
Nagaland	0.0	0.0	45.2	0.0	20.2	0.0	0.0	0.0
Orissa	26.1	26.7	25.9	25.1	42.5	40.3	0.0	0.0
Punjab	52.6	0.0	0.0	0.0	29.8	0.0	0.0	0.0
Rajasthan	5.4	60.0	2.4	15.0	0.0	66.1	0.0	0.0
Sikkim	48.8	0.0	143.2	0.0	0.0	0.0	0.0	0.0
Tamil Nadu	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tripura	20.0	21.5	40.6	42.1	38.3	38.3	0.0	0.0
Uttar Pradesh	44.4	43.7	0.1	0.4	37.3	29.7	0.0	0.2
West Bengal	23.6	22.7	5.0	5.2	26.4	21.6	0.0	0.0
Andaman and Nicobar Islands	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chandigarh	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dadra and Nagar Haveli	4.0	0.0	94.8	0.0	68.7	0.0	0.0	0.0
Daman and Diu	5.0	5.0	33.6	34.0	75.6	74.5	0.0	0.0
Delhi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lakshadweep	0.0	0.0	0.0	100.0	0.0	69.6	0.0	0.0
Pondicherry	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
All India	28.3	31.4	10.7	14.2	30.2	36.7	0.9	1.6

Source: Unpublished data of ministry of rural development, government of India, New Delhi.

Table 7: Annapurna Scheme: An Overview

States/ Union Territories	Allocation (Rs)	Amount Released (Rs)	Targeted No of Beneficiaries
Andhra Pradesh	62442611	62442611	41905
Arunachal Pradesh	3989659		2677
Assam	57763322	57763322	38764
Bihar	148428498		99609
Goa	602987		405
Gujarat	29693739	29693739	19927
Haryana	11563943		7760
Himachal Pradesh	5105286	5105286	3426
Jammu and Kashmir	6847248	6847248	4595
Karnataka	45585786		30592
Kerala	30135930		20224
Madhya Pradesh	80264215	80264215	53865
Maharashtra	89751204	89751204	60231
Manipur	7198732	7198732	4831
Meghalaya	7762489		5209
Mizoram	2168293		1455
Nagaland	5637561	5637561	3783
Orissa	43415034	43415034	29135
Punjab	8348014	8348014	5602
Rajasthan	31824292	31824292	21357
Sikkim	2081561	2081561	1397
Tamil Nadu	57658917		38694
Tripura	12446001	12446001	8352
Uttar Pradesh	168193059	168193059	112873
West Bengal	64104174		43020
Andaman and Nicobar Islands	375192	375191	252
Chandigarh	294793		198
Daman and Diu	53599		36
Dadra and Nagar Haveli	254594		171
Delhi	5386680		3615
Lakshadweep	40199		27
Pondicherry	1058576	1058576	710
All India	990476190	612445646	664699

Source: Unpublished data of ministry of rural development, government of India, New Delhi.

various states and union territories in India.

Delivering social assistance to the needy elderly will not be a major problem. However, identifying the beneficiaries will be a major challenge. As we have seen in the case of the National Old-Age Pension Scheme implemented by the government of India, many states could not utilise the allocated amounts for assistance, mostly due to the inability to identify the beneficiaries. At the state level, however, delivery mechanisms have been fairly well organised. For instance, the pension for agricultural workers in Kerala is paid once in three months through postal money order. Once a person's claim to old-age pension is approved, the beneficiary will receive social assistance until his/her death. As long as the postal money order requires the signature/thumb impression of the beneficiary, the chances of fraud are limited.

Another major problem is the political identity of the individuals. Often, it may happen that new beneficiaries enrolled for any social assistance scheme may belong to the ruling political party and thus genuine claimants may get eliminated. Sec-ondly, it is also possible that while some among the elderly poor are unable to obtain any assistance, others manage to avail more than one assistance.

The home ministry, government of India, introduced a pension scheme for freedom fighters as early as 1972. According to the ministry, 1.5 lakh freedom fighters received this pension. Called Sainik Samman Pension Scheme, it provides for a monthly pension of Rs 3,600. According to Joginder Singh who monitored the scheme in the home ministry, 'even by a conservative estimate, at least 30 per cent of the 1.5 lakh freedom pensioners could be declared as fraud'. Official figures also show that out of 13,547 applications processed during the year 1999-2000, pension could be granted to only in 85 cases (*Indian Express*, October 15, 2000). In the light of such experience, it may be made mandatory to evaluate the state and central level schemes at least once in five years.

We have no clear evidence of the extent of the financial constraints faced by the various states and union territories. T Sivadasa Menon, finance minister of Kerala, for instance, stated in the legislative assembly recently that due to financial stringency, pensions for widows and the old have not been paid for several months. Such an eventuality poses a major problem. Secondly, as already indicated, identification of the real needy will always remain a major task.

In the short run, we have to revamp the social assistance scheme involving new eligibility criteria such as rate of pension, eligibility age and other conditions. In the long run, we could think of schemes such as the one administered for the fisherfolk by the Kerala Fishermen's Welfare Fund Board which is managed independently with the support of the government. Similar schemes could be initiated by Life Insurance Corporation and other insurance companies in the country. The message of SEWA could be spread throughout the country. The unorgranised workers could organise themselves so that they themselves can plan for their future. Needless to say, various NGOs functioning in India must play a major role in the reform process. ▇▇▇