A STUDY ON DISBURSEMENT PROCESS OF PENSION BENEFITS PROVIDED TO THE NATIONAL SOCIAL ASSISTANCE PROGRAMME (NSAP) BENEFICIARIES IN KARNATAKA

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Abstract: In a developing country like India, the most critical problem today is improving the socio-economic conditions of the large section of the people living below the poverty line. The socio-economic development of the poor section of society is essential if the pace of the country's overall economic development is accelerated. Therefore, the Central Government has introduced various flagship programmes to improve the living standard of the people living below the poverty line. This study evaluates the disbursement process of pension benefits provided to the beneficiaries. Primary data was used to collect the information from beneficiaries under NSAP. The hypothesis has been tested using the ANOVA test. The study found a significant difference in the disbursement process of pension benefits provided to the beneficiaries of NSAP schemes among all the four districts of Karnataka. The cash disbursement of the social security schemes by money order to the beneficiaries of IGNOAPS, IGNWPS and IGNDPS in the districts of Karnataka may be seen as an interim measure and the revenue department of the districts of Karnataka is suggested to move towards payment through Bank with or without business correspondent or Postal Saving Bank accounts.

Index Terms: Disbursement Process, Pension Benefits, National Social Assistance Programme (NSAP)

I. Introduction

India is essentially a welfare state committed to the welfare and development of its people in general and vulnerable sections in particular. The main objective of development administration is to promote a welfare state wherein all individuals, irrespective of caste, creed, color and gender enjoy development benefits and participate in development. A state is called a welfare state only when a society or its decision-making groups become convinced that the welfare of the individual is too important to be left to custom or informal arrangements and personal understandings and is therefore a government concern.

India is a welfare state and to fulfill its obligations as a welfare state, the Government has formulated several social policies and plans of action for the welfare of the marginalized and weaker sections of the society, whose main objective is to provide opportunities for the enhancement of the standard of living of

the people in the society. Apart from enhancing the people's standard of living, social policy goals have broadened to include poverty alleviation, social protection, social inclusion and the promotion of human rights. Implementation of these goals requires a strong state and the actions of the private sector, civil society and international development institutions.

National Social Assistance Programme (NSAP) is a welfare programme administered by the Ministry of Rural Development. It encompasses a series of welfare measures whose stated objective is to provide public assistance to ensure a minimum national standard of Social assistance to the Below Poverty Line (BPL) households in case of old age, sickness, widowhood, disability or death of a family member. NSAP represents a significant step towards fulfilling the Directive Principles of State Policy enshrined in the Constitution of India, which enjoins the State to undertake within its means several welfare measures. These provide the citizens with adequate means of livelihood, raise the standard of living, improve public health, provide free and compulsory education for children, etc. These principles are defined in the Constitution under Articles 41 and 42, which recognize the joint responsibility of the Central and the State Governments.

II. Components of NSAP

The National Social Assistance Programme initially consisted of three sub-schemes:

- National Old Age Pension Scheme (NOAPS) - ₹75 per month per beneficiary.
- National Family Benefit Scheme (NFBS) - ₹ 10000 in case of death of the primary breadwinner in the bereaved household.
- National Maternity Benefit Scheme (NMBS) - ₹ 500 per pregnancy up to the first two live births.

At present, the National Social Assistance Programme consists of five sub-schemes:

- ❖ Indira Gandhi National Old Age Pension Scheme (IGNOAPS)
- ❖ Indira Gandhi National Widow Pension Scheme (IGNWPS)
- ❖ Indira Gandhi National Disability Pension Scheme (IGNDPS)
- ❖ National Family Benefit Scheme (NFBS)
- ❖ Annapurna Scheme

III. Review of Literature

Aaron et al. (2016) pointed out three significant discoveries: first, more prominent open benefits qualification is related to diminished neglected clinical need, particularly among more established individuals. Second, this affiliation is just seen in nations with significant levels of using cash on hand consumption on wellbeing. Third, the relationship between available benefits qualification and neglected needs is most prominent among those in the least good salary quintiles, without hurting access to medicinal services in the wealthiest quintiles. Indeed, even a 1 percent expansion in the base pay substitution rate for available annuities would lessen neglected clinical needs by 0.2 percent among more seasoned individuals who are salary poor. These discoveries have significant strategy suggestions.

Atalay et al. (2015) discovered the impact of money related motivating forces made by government disability frameworks on the retirement conduct of people to require exogenous variety in program boundaries for ladies to get to government-managed savings benefits. Financially critical reactions to the Australian Age Pension qualification expansion were found. An expansion in the qualification age by one year instigated a decrease in the likelihood of retirement by around 10 percent focuses for ladies. They have likewise discovered that Aged Pension change caused program replacement hugely. It is reasoned that the ascent in the Aged Pension qualification age had an unintended result of expanding enlistment in other social protection programs, especially the Disability Support Annuity, which adequately filled in as an elective pay hotspot for retirement.

Bhattacharjee and Pant (2008) finds that National Old Age Pension is better utilized in Arunachal Pradesh as compared to the State's Old Age Pension Scheme. Arunachal Pradesh is languishing at the welfare front for the aged as there is nothing other than pension provision and that too is not free from corruption charges as the modes of disbursing pension is not defined scientifically.

Sunanda Rabindranathan (2006) revealed that the elderly population in India will grow phenomenally. At the same time, the family size is reducing, more so in urban areas. Due to housing shortage and an increase in the number of women joining the labor force, an increasing number of elderly people are beginning to share residence with their adult children. Inter-generational and Intra- generational interactions are natural consequences, which may give rise to conflict situations in the family. This book develops taxonomy of conflicts arising out of these interactions and examines the issues of conflict in economically soundcontemporary urban families.

IV. Research Gap

The above review demonstrates that old age annuity was the major central examination territory for old consideration, monetary help, social security nets and medical services help. Most of the prior examinations on annuity plans for poor and intentional commitment benefits plot have received a framework approach – execution, spillage, debasement, political discussion or target inclusion.

It is also clear from the above literature review that the previous research studies have been carried out by eminent scholars and academicians from different parts of the country. These researches have been done on the social security provided for the elderly population, women empowerment, and various schemes available for disabilities separately. Still, the study relating to the National Social Assistance Programme in general with the elderly population, disabled, and widows together is peripheral.

V. Statement of the Problem

In a country like India, with vast sections of the population surviving at subsistence levels, social security and social safety nets are crucial. In recent years, there have been much research and debate regarding the feasibility, effectiveness and necessity of the various programmes of social security. Tamil Nadu has generally been acclaimed as one of the frontline states of India in the field of Social security and Social assistance programmes. Since its inception, NSAP suffered major drawbacks, such as i) an amount disbursed, inadequate to help the person duly, ii) narrowly defined eligibility criteria, leading to a high exclusion of the eligible, and iii) scope for economic corruption. The present study was carried out in four districts of Karnataka to understand the effective implementation of the central scheme.

VI. Objectives of the Study

- To know the awareness level of the beneficiaries.
- To evaluate the enrolment and disbursement process of pension benefits provided to the beneficiaries.

VII. Hypotheses of the Study

Hypothesis 1:

H_{01}: There is no significant difference between the disbursement process of pension benefits provided to the beneficiaries among all the four districts of Karnataka

H_1: There is a significant difference between the disbursement process of pension benefits provided to the beneficiaries among all the four districts of Karnataka

VIII. Scope of the study

The National Social Assistance Programme is an important central government scheme that is not well-known to the public compared to the other central schemes. However, there is equal importance. National Social Assistance Programme includes a series of aims for the welfare of society. Its objective is to provide social assistance to people below the poverty line concerning old age, widows, and disability. The legislation does not govern the national Social Assistance Programme. Still, it is the government's initiative to fulfill its obligations toward the citizens under the Constitution of India's Directive principles. Therefore, there is a need for the popularity of the National Social Assistance Programme.

IX. Research Methodology

9.1 Sources of Data: The study was undertaken in four clusters of Karnataka viz., Mysuru, Bengaluru, Belgaum, and Gulbarga districts, as the number of beneficiaries was more. Both primary and secondary data were used. Primary data was enumerated from a field survey in the study area. Secondary data was collected from Government reports and other documents. Districts covered for the study are:

- Mysuru
- Bengaluru
- Belgaum
- Gulbarga

9.2 Method of Data Collection: A structured questionnaire was prepared and used for collecting data from the beneficiaries.

9.3 Sampling Method: A simple random sample design and convenience sampling was adopted for the study. Since the study included all the National Social Assistance Programme schemes, the beneficiaries were large in number; they were selected according to the schemes and were randomly selected for data collection.

9.4 The population of the study

The total NSAP beneficiaries are 33476839.

NSAP beneficiaries under IGNOAPS are 24868475.

NSAP beneficiaries under IGNWPS are 7574552.

NSAP beneficiaries under IGNOAPS are 24868475.

9.5 Sample Size

The sample size was calculated using the following:

$$n = \frac{Z^2\,S^2}{E^2}$$

Where
n is the sample size,
z is the z value for the level of confidence chosen (95%),
s is the estimated standard deviation
E is the allowable error (5%).

$$n = \frac{\pm 1.96^2\,(0.2507)}{0.05^2}$$

$$n = \frac{3.84\,x\,(0.2507)}{0.0025}$$

$$n = \frac{0.9627}{0.0025}$$

n=385

The sample size for the study was 516 beneficiaries under National Social Assistance Programme in Karnataka.

9.6 Statistical tools used: Frequency, Mean, Standard Deviation, percentage analysis, ANOVA, and Chi-square tests to analyze and interpret the data.

X. Data Analysis and Interpretation

10.1 Disbursement Process of Pension Benefits

Table 1(a)

Disbursement Process of Pension Benefits

Sl.no	Statements	SA	A	N	DA	SD
1	Pension installments are not done routinely at our town	71 (13.8%)	266 (51.6%)	170 (32.9%)	9 (1.7%)	-
2	Cash is not dispensed for pension accumulated over a period of time	85 (16.5%)	236 (45.7%)	174 (33.7%)	21 (4.1%)	-
3	No complaints are enlisted by concerned authorities on postponements	36 (7.0%)	402 (77.9%)	45 (8.7%)	33 (6.4%)	-
4	We need to travel a farther distance from our house to receive thepension	46 (8.9%)	346 (67.1%)	113 (21.9%)	11 (2.1%)	-
5	Out of nowhere, they quit making installment for us without our knowledge	111 (21.5%)	258 (50.0%)	136 (26.4%)	11 (2.1%)	-
6	Reasons causing delay in pension is notified to us by concerned authorities on time	8 (1.6%)	339 (65.7%)	168 (32.6%)	1 (0.2%)	-
7	A smart card or Pension certificate must be submitted atall times for accepting the pension	125 (24.2%)	170 (32.9%)	220 (42.6%)	1 (0.2%)	-
8	Commonly my archives were dismissed for enlistment or continuation of pension benefits.	29 (5.6%)	221 (42.8%)	256 (49.6%)	10 (1.9%)	-
9	Brutal words and abuses by bank officials are normal for BPL cardholders	101 (19.6%)	134 (26.0%)	270 (52.3%)	11 (2.1%)	-
10	The disbursement process of pension is easy under the National Assistance Programme.	36 (7.0%)	438 (84.9%)	41 (7.9%)	1 (0.2%)	-
11	The cashier at the bank or post office is trained in processing payments and making money transfers.	24 (4.7%)	320 (62.0%)	146 (28.3%)	26 (5.0%)	-
12	The processing of payments is hassle-free, and I receive my pension without any discomfort.	43 (8.3%)	342 (66.3%)	109 (21.1%)	22 (4.3%)	-
13	Before implementation of the National Assistance Programme, benefits of pension scheme were not known among people.	47 (9.1%)	274 (53.1%)	184 (35.7%)	11 (2.1%)	-
14	The disbursement process for widows, older adults, and persons with disabilities is considered a priority in concerned banks and post offices.	81 (15.7%)	250 (48.4%)	185 (35.9%)	-	-
15	Physical disbursement mechanisms such as door service and Direct Transfer Benefit (DBT) are made available for beneficiaries based on the Social, Economic & Physical vulnerability	112 (21.7%)	205 (39.7%)	168 (32.6%)	31 (6.0%)	-

Source: Field Survey

The table shows the disbursement process of pension benefits. 266 respondents (51.6%) agreed that pension installments are not done routinely in our town. 236 respondents (45.7%) opined that the cash is not dispensed for pensions accumulated over time. 402 respondents (77.9%) opined that concerned authorities enlist no postponement complaints. 346 respondents (67.1%) opined that they needed to travel farther from our house to receive the pension. 258 respondents (50%) stated that the authorities quit making installments for them without their knowledge out of nowhere.

339 respondents (65.7%) agreed that concerned authorities notify the reasons causing a delay in a pension on time. 170 respondents (32.9%) opined that a smart card or Pension certificate must be submitted at all times for accepting the pension. 221 respondents (42.8%) opined that the archives were commonly dismissed for enlistment or continuation of pension benefits. 134 respondents (26%) stated that brutal words and abuses by bank officials are normal for BPL cardholders.

438 respondents (84.9%) agreed that the disbursement process of pension is accessible under the National Assistance Programme. 320 respondents (62%) opined that the bank or post office cashier is trained in processing payments and making money transfers. 342 respondents (66.3%) opined that the processing of payments is hassle free, and I receive my pension without any discomfort. 274 respondents (53.1%) mentioned that before implementing the National Assistance Programme, the benefits of the pension scheme were not known among people. 250 respondents (48.4%) opined that the disbursement process for widows, older adults, and persons with disabilities is considered a priority in concerned banks and post offices. 205 respondents (39.7%) mentioned that the Physical disbursement mechanism such as door service and Direct Transfer Benefit (DBT) are made available for beneficiaries based on the Social, Economic & Physical vulnerability.

Table 1(b)

Descriptive Statistics

Statements	N	Mean	Std. Deviation
Pension installments are not done routinely in your town	516	3.77	.697
Cash is not dispensed for pensions accumulated over some time	516	3.75	.776
Concerned authorities enlist no complaints on postponements	516	3.85	.626
I need to travel a longer distance from my house to receive the pension	516	3.83	.604
Without informing the officials terminate pension installments	516	3.91	.746
Reasons causing a delay in a pension are notified to us by concerned authorities on time	516	3.69	.501
A smart card or Pension certificate must be submitted at all times for accepting the pension	516	3.81	.801
My application documents were rejected for enlistment or continuation of pension benefits under the scheme.	516	3.52	.634
Beneficiaries are often faced with unfriendly behavior by the bank officials	516	3.63	.818
The disbursement process of pension is easy under the National Assistance Programme.	516	3.99	.396
The bank or post office cashier is trained in processing payments and making money transfers.	516	3.66	.647
The processing of payments is hassle free, and I receive my pension without any discomfort.	516	3.79	.648
Before implementing the National Assistance Programme, pension scheme benefits were not known among people.	516	3.69	.662
The disbursement process for widows, older adults, and persons with disabilities is considered a priority in respective banks and post offices.	516	3.80	.690
Physical disbursement mechanisms such as door service and Direct Transfer Benefit (DTB) are made available for beneficiaries based on the Social, Economic & Physical vulnerability	516	3.77	.856

Source: Output from SPSS

The table reveals the descriptive statistics of the disbursement process of pension benefits. The mean and standard deviation of pension installments that are not routinely done in their town were 3.77 and 0.697. The mean and standard deviation of cash not dispensed for pension accumulated overtime was 3.75 and 0.776, respectively. The mean and standard deviation of no complaints enlisted by concerned authorities on postponements was 3.85 and 0.626, respectively. The mean and standard deviation of the need to travel a

longer distance from my house to receive the pension was 3.83 and 0.604, respectively. The mean and standard deviation without informing the officials to terminate pension installments was 3.91 and 0.746, respectively.

The mean and standard deviation of reasons causing a delay in pension is notified by concerned authorities on time was 3.69 and 0.501, respectively. The mean and standard deviation of the smart card or Pension certificate that must be submitted for accepting the pension was 3.81 and 0.801, respectively. The mean and standard deviation of application documents rejected for enlistment or continuation of pension benefits under the scheme was 3.52 and 0.634, respectively. The mean and standard deviation of beneficiaries who are often faced with unfriendly behavior by the bank officials was 3.63 and 0.818, respectively.

The mean and standard deviation of the disbursement process of pension is easy under the National Assistance Programme were 3.99 and 0.396, respectively. The mean and standard deviation of cashier at the bank or post office trained in processing payments and making money transfers was 3.66 and 0.647, respectively. The mean and standard deviation of processing of payments is hassle-free, and I received my pension without any discomfort was 3.79 and 0.648, respectively. Before implementing the National Assistance Programme, pension scheme benefits were unknown among people; the mean and standard deviation were 3.69 and 0.662, respectively. The mean and standard deviation of the disbursement process for widows, old age people, and persons with disabilities is considered a priority in respective banks and post offices was 3.80 and 0.690, respectively. The mean and standard deviation of physical disbursement mechanisms such as door service and Direct Transfer Benefit (DTB) are made available for beneficiaries based on the Social, Economic & Physical vulnerability, 3.77 and 0.856, respectively. The mean values indicated problems in the disbursement process of pension benefits.

10.2 Testing of Hypothesis 1:

H_{01}: There is no significant difference between the disbursement process of pension benefits provided to the beneficiaries among all four districts of Karnataka

H_1: There is a significant difference between the disbursement process of pension benefits provided to the beneficiaries among all four districts of Karnataka

Table 2(a)

Descriptive Statistics

Districts	N	Mean	Std. Deviation	Std. Error
Mysuru	208	3.7558	.24141	.01674
Bengaluru	142	3.7798	.25960	.02178
Belgaum	111	3.7802	.25970	.02465
Gulbarga	55	3.7200	.30480	.04110
Total	516	3.7638	.25765	.01134

The table displays the descriptive statistics of the disbursement process of pension benefits provided to the beneficiaries among all four districts of Karnataka. The mean and standard deviation of the disbursement process of pension benefits provided to the beneficiaries in Mysuru is 3.7558 and 0.24141. The mean and standard deviation of the disbursement process of pension benefits provided to Bengaluru beneficiaries is 3.7798 and 0.25960. The mean and standard deviation of the disbursement process of pension benefits provided to Belgaum beneficiaries is 3.7802 and 0.25970. The mean and standard deviation of the disbursement process of pension benefits provided to Gulbarga beneficiaries is 3.7200 and 0.30480.

Table 2(b)

Results of ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.185	3	.062	6.929	.000
Within Groups	34.002	512	.066		
Total	34.187	515			

The ANOVA table revealed significant mean differences in the disbursement process of pension benefits provided to the beneficiaries among all four districts of Karnataka. F test revealed a significant mean difference with an F value of 6.929 and a significance level of 0.000, which is less than p (0.05), showing statistical significance. Hence, there is a significant difference between the disbursement process of pension benefits provided to the beneficiaries among all four districts of Karnataka. **The null hypothesis is rejected, and the alternative hypothesis is accepted.**

XI. Conclusion

The Government of India has launched several social welfare and security schemes to aid the poor. There has been a significant improvement in people's financial situations as India has become home to many poor and denied people, accounting for over 33% of the world's vulnerable population. Majority of the poor fall under the category of widows, incapacitated, old and debilitated individuals who do not have sufficient facilities for a living as they are not aware of the benefits provided under NSAP schemes. More than three-quarters of the poor live in provincial zones that primarily rely on agriculture. This study attempted to evaluate the disbursement process of pension benefits provided to the beneficiaries. Primary data was used to collect the information from beneficiaries under NSAP. The study found a significant difference in the disbursement process of pension benefits provided to the beneficiaries of NSAP schemes among all the four districts of Karnataka. It is high time that the public is made aware of this growing problem of poverty for old age persons, widows, and the disabled and be advised to plan for their insurance in old age. Thus, the solution to the problem of the aged, widows, and disabled demands integrated measures to tackle the problem of individuals in different phases of life and not only when they reach their senescence period. The cash disbursement of the social security schemes by money order to the beneficiaries of IGNOAPS, IGNWPS, and IGNDPS in the Districts of Karnataka may be seen as an interim measure, and the revenue department of Districts of Karnataka should move toward payment through Bank with or without business correspondent or through Postal Saving Bank accounts. The staff system available for the scheme's administration is insufficient for effective accounting procedures and onward transmission. Hence, the number of staff should be increased, and effective training should be provided to the employees.

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