

Chapter-1: An introduction to National Social Assistance Programme

1.1 Background

The Government of India launched NSAP in 1995 to lay the foundation for a National Policy for Social Assistance for the poor.

The NSAP aims at ensuring minimum national standard for social assistance in addition to the benefits that the States are currently providing or might provide in future. The NSAP came into effect on 15 August 1995 as a wholly Centrally Sponsored Scheme. At inception, NSAP was designed for providing social assistance to poor households in case of old age, death of the breadwinner and maternity and thus had three components, as detailed below:

- (i) the National Old Age Pension Scheme (NOAPS),
- (ii) the National Family Benefit Scheme (NFBS), and,
- (iii) the National Maternity Benefit Scheme (NMBS).

In 2000, Annapurna Yojana was introduced to provide eligible beneficiaries, who were not covered under NOAPS, 10 kg of free food grains. In 2001, NMBS was transferred to Department of Family Welfare. In 2009, NSAP was expanded to include pension to Widows and Disabled as government response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable in a given society and will also promote welfare of people who have lost out in the process of socio-economic change and development.

At present, NSAP includes five sub-schemes, of which, three are pension schemes as detailed under:

- (i) Indira Gandhi National Old Age Pension Scheme (IGNOAPS),
- (ii) Indira Gandhi National Widow Pension Scheme (IGNWPS), and,
- (iii) Indira Gandhi National Disability Pension Scheme (IGNDPS).

The other two sub-schemes are not pension schemes, *viz.*

- (iv) National Family Benefit Scheme (NFBS)—a one-time assistance to the bereaved family in the event of death of the breadwinner, and,
- (v) Annapurna Scheme—food security to the eligible old age persons who have remained uncovered under IGNOAPS.

1.2 Introduction

NSAP is being implemented in both rural as well as urban areas in all States and UTs. The Ministry of Rural Development, being the administering Ministry, releases the funds sub-scheme-wise to all States/UTs based on annual allocations. The eligible beneficiaries were to be covered from available BPL list. However, in case an eligible person's name does not figure in the BPL list, the deserving person's eligibility should be established and included in the select list.

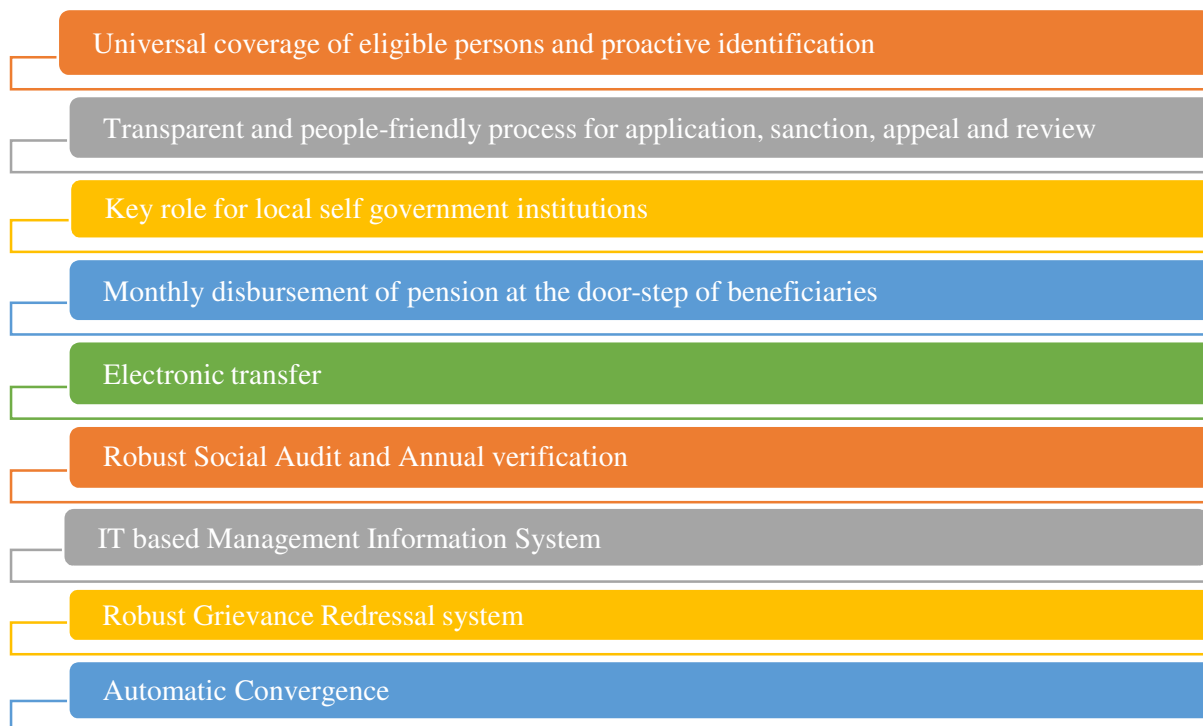
Central assistance under NSAP is given to States and UTs based on the estimated number of beneficiaries under each sub-scheme. According to NSAP guidelines, the States/UTs have been strongly urged to provide an additional amount at least equivalent to the assistance provided by the Central Government so that the beneficiaries can get a decent level of assistance. The Programme aims to achieve universal coverage of eligible persons through proactive identification. The Programme also seeks to have automatic convergence with other schemes to provide maximum benefit to the beneficiaries.

The States and UTs implement the Scheme through their respective Departments/Directorates such as Social Welfare Department, Directorate of Social Welfare, Social Justice & Empowerment Department etc. 33 States and UTs are also implementing their own pension schemes alongside NSAP with different names.

The various sub-schemes under NSAP are detailed in **Table 1.1**:

Table 1.1: NSAP sub-schemes, eligibility criteria and Central Assistance

Sub-scheme	Eligibility criteria	Central assistance
IGNOAPS (<i>pension</i>)	A person belonging to BPL category who has attained age of 60 years	₹ 200 per month (60-79 years) ₹ 500 per month (80 years and above)
IGNWPS (<i>pension</i>)	A widow belonging to BPL category who has attained age of 40 years	₹ 300 per month (40-79 years) ₹ 500 per month (80 years and above)
IGNDPS (<i>pension</i>)	A disabled person with disability level of 80 <i>per cent</i> and above belonging to BPL category above the age of 18 years	₹ 300 per month (18-79 years) ₹ 500 per month (80 years and above)
NFBS (<i>family benefit</i>)	In case of the death of the primary breadwinner between 18-59 years of age in a family belonging to BPL category.	₹ 20000 as a one-time assistance

Key features of NSAP are depicted below:**1.3 Fund allocation and Fund flow**

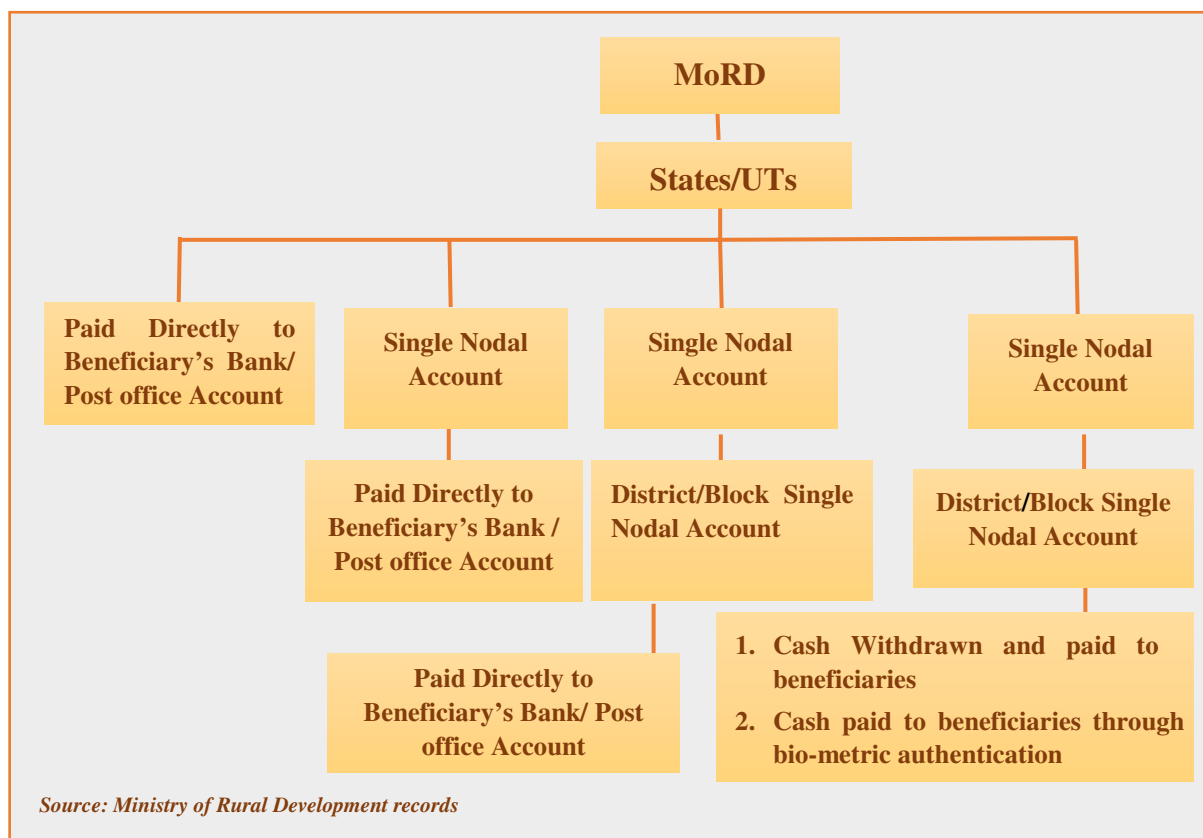
Allocation of Funds: NSAP funds are released to all States/UTs based on annual sub-scheme-wise allocation. Central assistance to States and UTs under NSAP is determined on the basis of BPL population of the respective State/UT. For calculating the estimated number of beneficiaries under each scheme for each State/UT, the population figures as per Census 2001 and the poverty ratio determined by the erstwhile Planning Commission in 2004-05 have been taken into account.

Fund flow of NSAP funds:

- ❖ The annual fund allocation for NSAP is released in two instalments to the Consolidated Fund of the State Government/UT Administration as follows:
- ❖ First instalment equal to 50 *per cent* of the annual allocation fixed in accordance with the applicable scheme provisions is released to the States/ UTs which have availed second instalment in the previous year.
- ❖ Second instalment equal to the annual allocation minus first instalment is released on utilization of at least 60 *per cent* of total available funds (opening balance plus releases during the year and miscellaneous receipts) along with submission of specified documents such as utilization certificate, non-diversion and non-embezzlement certificate etc.

The pension/family benefit is disbursed to the beneficiaries in one of the following ways in various States/UTs as shown in **Chart 1.1**.

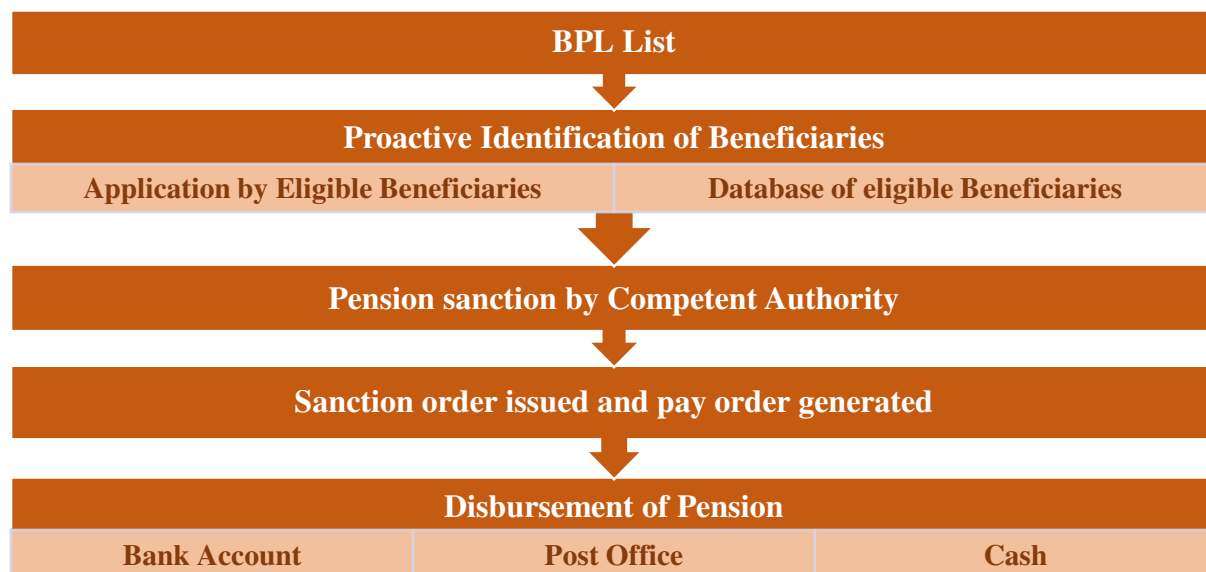
Chart 1.1: Fund flow of NSAP in various States/UTs



1.4 Pension disbursement

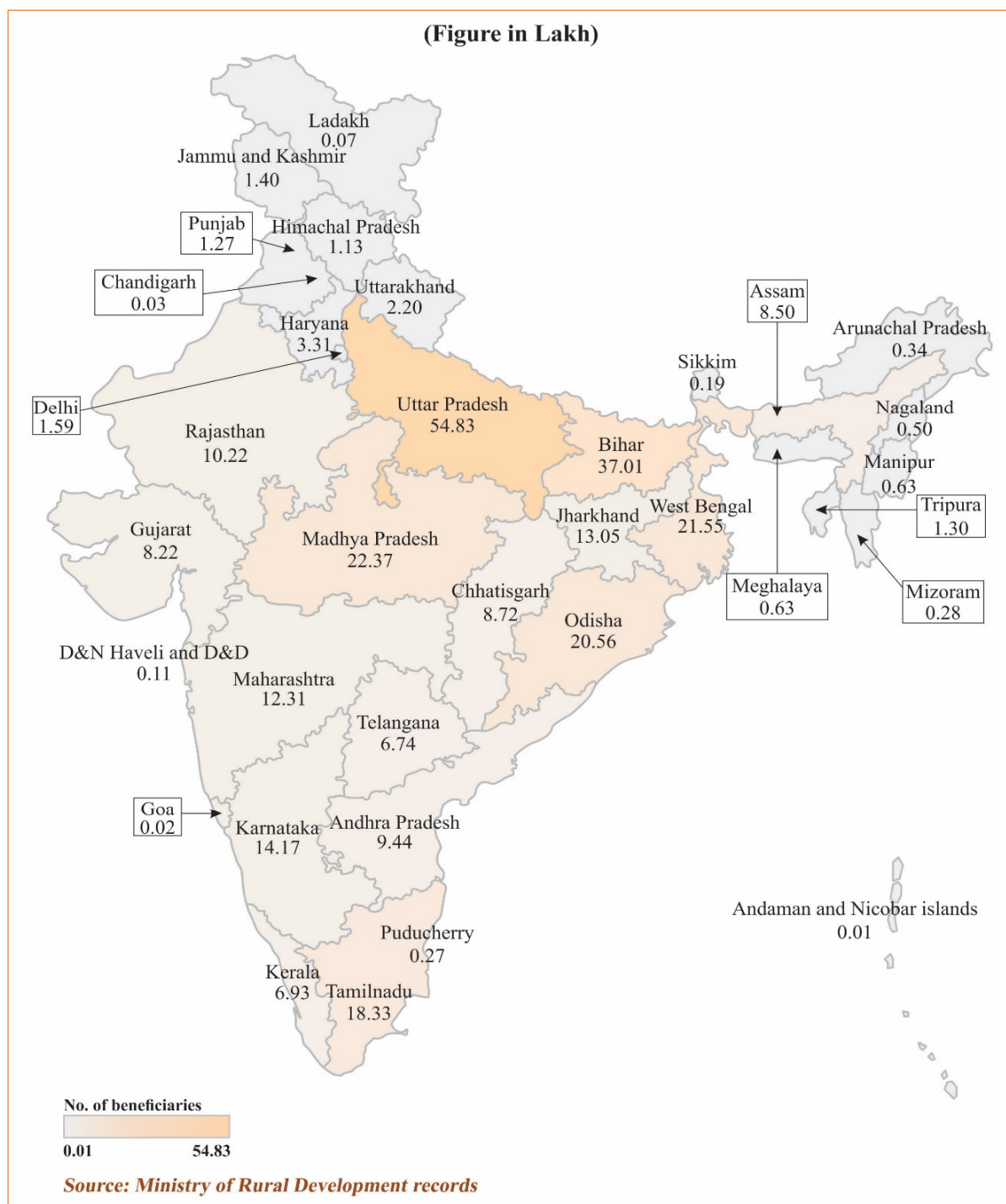
A graphical representation of identification of beneficiary to disbursement of pension is depicted in **Chart 1.2**.

Chart-1.2: Pension disbursement process



The coverage of beneficiaries covered through Central assistance in various States/UTs is depicted in the **Map 1.1**.

Map 1.1: Coverage of beneficiaries covered through Central assistance during 2020-21



On an average, 2.83 crore beneficiaries were covered annually under NSAP with Central assistance during 2017-21. The States/UTs were also covering additional beneficiaries over and above the cap fixed for States/UTs for disbursement of Central assistance under NSAP. Further, 33 States/UTs were also implementing their own Pension Schemes, which has been commented upon in Chapter-3.