

# ACCOUNTABILITY INITIATIVE

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## BUDGET BRIEFS

### NSAP, GOI 2012-13

The National Social Assistance Programme (NSAP) was launched in 1995 with the objective of supporting minimum needs of poor (BPL) households. Currently the scheme comprises of a) Indira Gandhi National Old Age Pension Scheme (IGNOAPS); b) Indira Gandhi National Widow Pension Scheme (IGNWPS); c) Indira Gandhi National Disability Pension Scheme (IGNDPS); d) National Family Benefit Scheme (NFBS), and e) Annapurna.

Using government data, this brief reports on NSAP progress along the following parameters:

- Overall trends in allocations and expenditures,
- State-wise progress expenditure, and
- Scheme-wise progress on coverage of beneficiaries with emphasis on the IGNOAPS.

**Cost Share:** NSAP is a **100%** centrally funded programme, though States are requested to contribute an equal share. Implementation of the scheme rests with State governments and Union Territories.

Complete expenditure data is publicly available up to FY 2010-11 and FY 2011-12 up to the current month.

#### Highlights

1	GOI allocations for NSAP in FY 2012-13 (in crores)	₹8,447
2	% released of out of approved allocations in FY 2010-11	100%

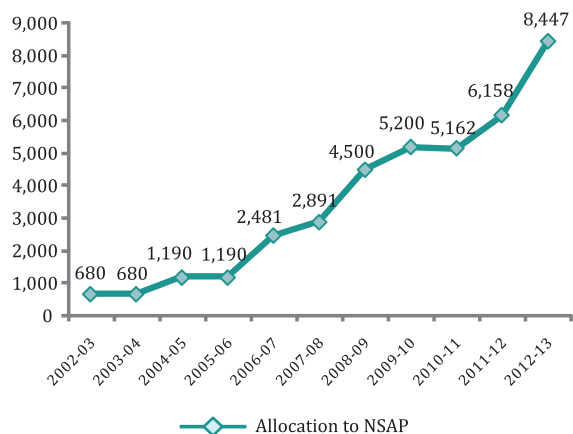
#### Summary and Analysis

- The National Social Assistance Programme (NSAP) has seen an over **12-fold** increase in allocation between FY 2002-03 and FY 2012-13.
- In FY 2008-09, **86%** of total allocations were spent. This improved to **91%** in FY 2009-10. In FY 2010-11, no under spending was reported.
- There are State variations in spending. Andhra Pradesh and Himachal Pradesh spent close to **100%** of funds available in FY 2010-11. Tamil Nadu spent **76%**.
- Coverage has improved in most NSAP schemes in FY 2010-11. The only exception is the National Family Benefit Scheme that covered **77%** of the approved population, a **2** percentage point decline over the previous year.
- An estimate of the extent to which the Indira Gandhi National Old Age Pension Scheme (IGNOAPS) covers the universe of eligible beneficiaries however, suggests gaps in current coverage. In FY 2010-11, while West Bengal and Andhra Pradesh covered more than the approved number of beneficiaries, this accounted for only **73%** and **25%** of the estimated eligible population.

### Trends in GOI Allocations and Expenditures

- Between FY 2002-03 and FY 2012-13, the National Social Assistance Programme (NSAP), has seen an over 12-fold increase in allocation. Allocations for NSAP have increased by 37 percent in FY 2012-13 and currently stand at ₹8,447 crores.

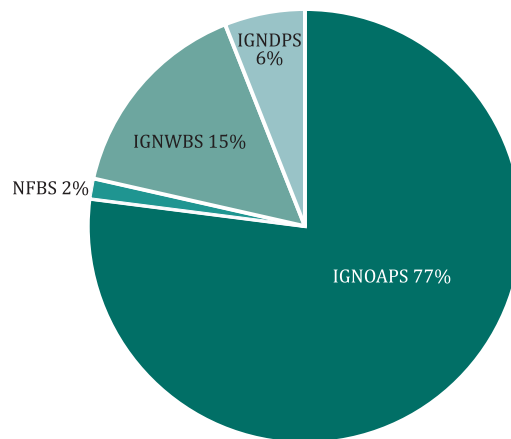
Over 12-fold increase in allocations for NSAP in the last 11 years.



Source: National Social Assistance Programme Portal, Ministry of Rural Development available online at [www.nsap.gov.in](http://www.nsap.gov.in) and [www.indiabudget.nic.in](http://www.indiabudget.nic.in) Note: Figures in crores of rupees. Figures till FY 2010-11 are revised estimates. Figures for FY 2011-12 and FY 2012-13 are budget estimates.

- In 2009, GOI extended coverage of the NSAP to include two new schemes for widows and persons with disability.
- NSAP currently comprises of five schemes: a) Indira Gandhi National Old Age Pension Scheme (IGNOAPS); b) Indira Gandhi National Widow Pension Scheme (IGNWPS); c) Indira Gandhi National Disability Pension Scheme (IGNDPS); d) National Family Benefit Scheme (NFBS) and e) Annapurna - a scheme providing 10 kg of food grains per month to senior citizens other than those covered by IGNOAPS.
- IGNOAPS is the largest scheme within NSAP. In FY 2010-11, 77 percent of the total NSAP budget was allocated to the IGNOAPS (excluding Annapurna), followed by IGNWBS at 15 percent.

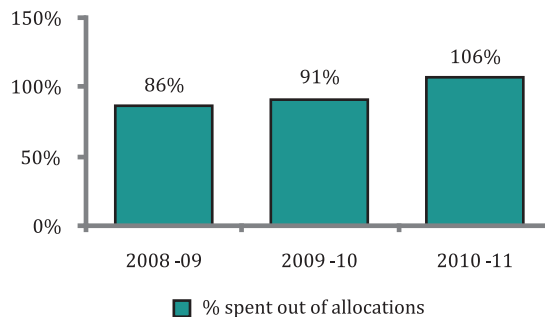
77% of the NSAP budget (excluding Annapurna) is allocated to IGNOAPS.



Source: RTI filed by Accountability Initiative. Scanned copy is available at: [www.accountabilityindia.in](http://www.accountabilityindia.in) NSAP Portal, Monthly Progress Reports [www.nsap.gov.in](http://www.nsap.gov.in)

- Expenditure Performance:** In FY 2008-09, 86 percent of total allocations were spent. This improved to 91 percent the following year. In FY 2010-11, expenditure data reveals that 106 percent of allocations were spent under the programme. This could be a consequence of spending of unspent balances from the previous year.

% spent out of total allocations has been increasing.



Source: RTI filed by Accountability Initiative. Available online at: [www.accountabilityindia.in](http://www.accountabilityindia.in).

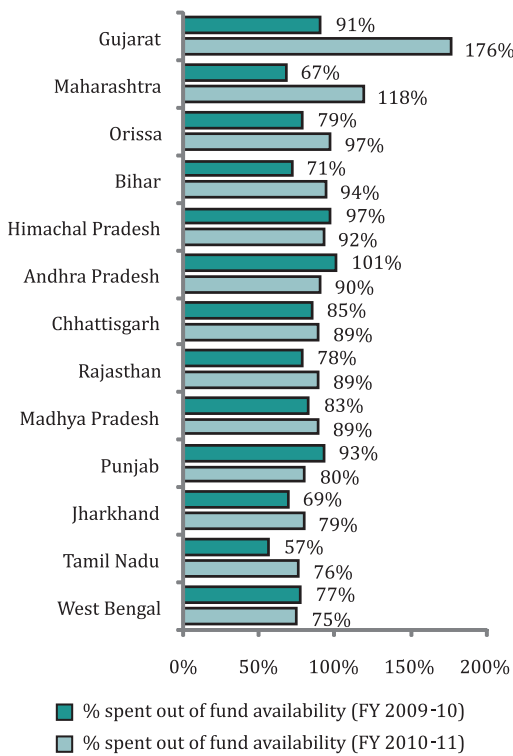
### Trends Allocations and Expenditures at the State level

- Expenditure performance:** State level annual expenditures for NSAP include expenditures from unspent balances of previous years. This is also referred to as

fund availability. State expenditure performance shows some variations.

- Andhra Pradesh, Himachal Pradesh and Punjab are among the better spenders.
- Tamil Nadu spent only 57 percent in FY 2009-10. However, this improved by 19 percentage points in FY 2010-11.

**Andhra Pradesh and Himachal Pradesh spent close to 100%, Tamil Nadu spent 76% in FY 2010-11.**



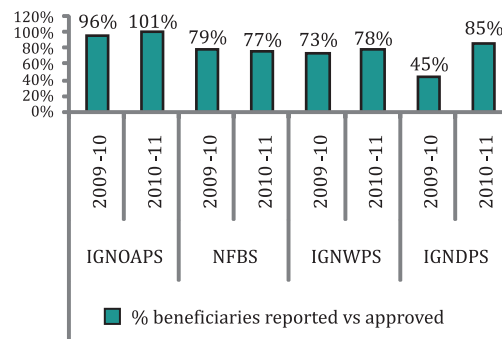
Source: NSAP Portal, Monthly Progress Reports. Available online at: [www.nsap.gov.in](http://www.nsap.gov.in).

- Gujarat reports spending over 176 percent in FY 2010-11, up from 91 percent in FY 2009-10. This large overspending could well be an indicator of data quality related problems.
- Expenditures in West Bengal, Chhattisgarh and Himachal Pradesh fluctuated by less than 5 percentage points between FY 2009-10 and FY 2010-11.

### Scheme-wise Trends in NSAP Allocations and Coverage

- As mentioned earlier, NSAP is an umbrella of many different pension schemes each with a different pool of beneficiaries. Thus, in order to understand the coverage performance of NSAP, it is important to look at each scheme individually.
- Most NSAP schemes have seen an improvement in coverage in FY 2010-11. The only exception is NFBS that covered 77 percent of the approved population, a 2 percentage point decline over the previous year.
- However, it is important to highlight that the number of approved beneficiaries is based on the BPL survey of 2002. There are well known limitations with the 2002 BPL survey. Thus it is likely that there is a difference between the population covered through the scheme and the population entitled to scheme benefits.

**Improvements in coverage of beneficiaries for most pension schemes.**

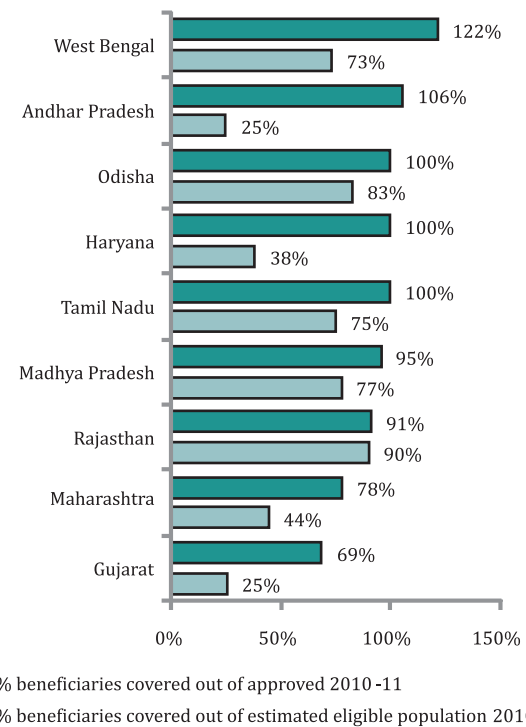


Source: RTI filed by Accountability Initiative. Scanned copy is available at: [www.accountabilityindia.in](http://www.accountabilityindia.in)

- **IGNOAPS:** Under IGNOAPS, GOI provides a monthly pension of ₹200 to BPL persons aged 60 to 79 years and ₹500 thereafter. In addition, states are expected to top up the GOI contribution with a minimum amount of ₹200, so that beneficiaries receive at least ₹400 per month.

- At present 19 states/Union Territories (UTs) are providing ₹400 or more including Delhi (₹1,000), Haryana (₹700), and Maharashtra (₹500). Another 11 states/UTs including Uttar Pradesh, Kerala and Madhya Pradesh are providing between ₹200 and ₹400 while 6 states/UTs are distributing less than ₹200 per month.
- In FY 2010-11, overall 101 percent of the approved beneficiaries were covered under the scheme, an improvement of 5 percentage points over the previous year.
- There are, however, state variations. In FY 2010-11, Gujarat and Maharashtra fell short of covering the approved number of beneficiaries by 31 and 22 percent, respectively.
- To what extent does NSAP coverage represent the entire universe of the eligible population? To answer this question we have estimated the total number of eligible beneficiaries – population above the age of 60 with BPL cards in 2011 and compared this estimation with the reported coverage for the same period. We used data from the National Sample Survey (2004-05) to derive the proportion of BPL card holders amongst persons aged above 60 years. Assuming that this proportion remains more or less constant over years, we then derived the eligible population in 2011 using the Population Projection Statistics for States 2001-2026. Projections were used as actual age-wise break-up of the population were not publicly available from Census 2011 at the time of preparing this brief.
- These estimations however, do not take into account States' own old-age pension or support schemes.
- Our calculations highlight a significant gap between the number of people eligible for IGNOAPS and the people covered in FY 2010-11.

### Most states fall short in coverage of eligible beneficiaries in IGNOAPS.



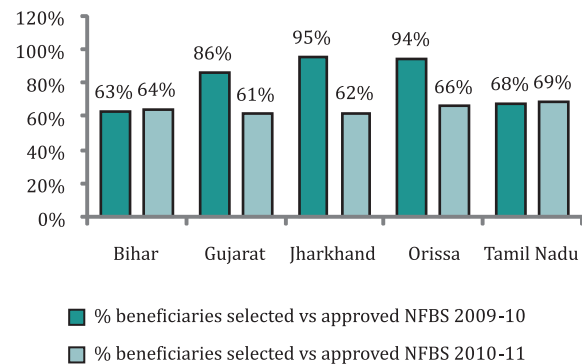
Source: RTI filed by Accountability Initiative. Available online at: [www.accountabilityindia.in](http://www.accountabilityindia.in), NSS Report No. 510: Public Distribution System and Other Sources of Household Consumption, 2004-05, available online at [www.mospi.nic.in](http://www.mospi.nic.in) and Population Projections for India and States 2001-2026 available online at [http://nrhm-mis.nic.in/UI/Public%20Periodic/Population\\_Projection\\_Report\\_2006.pdf](http://nrhm-mis.nic.in/UI/Public%20Periodic/Population_Projection_Report_2006.pdf)

- In FY 2010-11, while West Bengal and Andhra Pradesh covered more than the approved number of beneficiaries, it accounted for only 73 and 25 percent of the estimated eligible population.
- Similarly, Odisha and Tamil Nadu covered 83 and 75 percent of the estimated eligible population, respectively, while Haryana covered 38 percent.
- IGNDPS:** IGNDPS is a relatively new scheme that entitles persons aged 18-59 years with severe and multiple disabilities to a monthly pension of ₹200. In FY 2012-13, the monthly pension has been increased

to ₹300. The scheme has seen significant improvements in coverage. In FY 2010-11, 85 percent of approved beneficiaries were covered, up from 45 percent in FY 2009-10.

- NFBS:** The scheme entitles a household to a lump sum amount of ₹10,000 on the death of a primary breadwinner aged between 18 and 64 years. This has been increased to ₹20,000 in FY 2012-13. Performance of most states deteriorated in FY 2010-11 as compared to FY 2009-10. For instance, Jharkhand and Orissa reported coverage of about 60 percent of approved beneficiaries in FY 2010-11 down from 86 and 95 percent in FY 2009-10 respectively.
- Tamil Nadu performs worse in NFBS than in IGNOAPS, with only 68 percent of allocated beneficiaries receiving their benefits.

#### Decrease in coverage for NFBS in Gujarat, Jharkhand and Orissa between FY 2009-10 and FY 2010-11.



Source: RTI filed by Accountability Initiative. Scanned copy of the RTI is available at: [www.accountabilityindia.in](http://www.accountabilityindia.in)

- IGNWPS:** The scheme is intended for widows aged 40-59 years, providing them a monthly pension of ₹200. The monthly pension has been increased to ₹300 in FY 2012-13. Bihar, Maharashtra and Haryana are amongst the worst performers reporting 35, 33 and 22 percent of approved beneficiaries respectively in FY 2009-10. However this increased substantially in FY 2010-11 with Bihar reporting 70 percent coverage and Haryana reporting 100 percent coverage. Maharashtra however, continued to stay low at 34 percent in FY 2010-11.

**This section offers some practical leads to detailed information on the union government's social assistance programme budget. However, reader patience and persistence is advised as a lot of this information tends to be dense and hidden amongst reams of data.**

Data Sources	Useful Tips
NSAP Portal, Guidelines and Scheme Details <a href="http://nsap.nic.in/nsap/NSAP-%20About%20us.pdf">http://nsap.nic.in/nsap/NSAP-%20About%20us.pdf</a> Accessed on February 1, 2012	Guidelines on all schemes. Year wise total NSAP Allocations and releases as well as the number of covered beneficiaries for each of the schemes is also provided.
NSAP, Online Portal, Monthly Progress Reports <a href="http://nsap.gov.in/">http://nsap.gov.in/</a> Accessed on February 3, 2012.	Provides state-wise details on the opening balance and ACA received for NSAP as well as scheme wise details on the physical coverage of beneficiaries, and method of disbursement of funds to beneficiaries. In addition to the MPR, the website also provides beneficiary details (age/gender wise report), sanctioned amount, disbursement method and amount, passbook for pensioner etc. However, for 2010-11, a number of datapoints are empty.
Ministry of Rural Development, Annual Report <a href="http://rural.nic.in/sites/downloads/annual-report/MoRD-AnRe-2010-11(Eng).pdf">http://rural.nic.in/sites/downloads/annual-report/MoRD-AnRe-2010-11(Eng).pdf</a> Accessed on March 1, 2012	Details of all schemes run by the Ministry of Rural Development including the NSAP.
NSS Report No. 510: Public Distribution System and Other Sources of Household Consumption, 2004-05, available online at <a href="http://www.mospi.nic.in">www.mospi.nic.in</a> Accessed on February 4, 2012.	Number and proportion of people above the age of 60 having a BPL card.
Census 2001- Population Projections for 2006 <a href="http://nrhm-mis.nic.in/UI/Public%20Periodic/Population_Projection_Report_2006.pdf">http://nrhm-mis.nic.in/UI/Public%20Periodic/Population_Projection_Report_2006.pdf</a> Accessed on February 4, 2012.	State-wise demography of the Population by age and by rural urban for 2001 as well as projections for 2006, 2011 and 2016.
RTI filed by Accountability Initiative <a href="http://www.accountabilityindia.in">www.accountabilityindia.in</a>	Allocations, Release and Expenditure for NSAP. Number of selected vs approved beneficiaries for IGNOAPS, IGNWPS, IGNDPS and NFBS.

### Data Quality

It is important to highlight that there are differences between the figures for coverage reported in the MIS and those reported in the Monthly Progress Report by individual states. According to the Data Gap Report there is an overall gap of **32,94,561** beneficiaries with respect to IGNOAPS, **9,73,839** for IGNDPS and **25,61,129** for IGNWPS. There are also differences in the information received through the RTI and MPR.

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