



# INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

## A Study On The Impact Of Aasara Pension Scheme On Economic Development

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**Abstract:** The government of Telangana has come up with many welfare initiatives for elevating the poor and marginalized sections of the society. Poverty is still a major challenge, even Telangana is stepping towards development. To overcome such problems and to help the underprivileged (socially and economically), the government has taken an initiative called “Aasara Pension”. This scheme was launched in November, 2014. This enhanced the monthly pension from Rs. 200 to Rs. 1000 for the old age, widows, weavers, toddy tappers and AIDS patients. And for disabled from Rs. 500 to Rs. 1500. Welfare Schemes play a crucial role on economic development. Since the inception of the state, the government has covered an average of 39 lakh beneficiaries annually under this scheme. This scheme is aimed to bring welfare among the weaker sections of the society and to provide them social safety. This paper tries to analyze the beneficiaries under this scheme.

Key Words: Marginalized Sections, Poverty, Development, Welfare, Aasara Pension

### Introduction:

The sole objective of the government is to provide welfare to the people. Aasara pension is one of the welfare measure of the government. It ensures social security to the most vulnerable and marginalized sections of the society, which includes old and infirm, disabled individuals, widows, people with HIV/AIDS, Filaria patients, incapacitated weavers, toddy tappers, poor beedi workers, single women and dialysis patients. For the old age pensioners, the minimum age limit has been revised from 65 years to 57 years.

**Need for the Study:**

Till now only few studies done on welfare measures especially pension schemes like “Aasara”. No studies were found on the welfare measure and its impact on poverty alleviation.

**Review of Literature:**

**Dr. Ch. Munender Reddy (2023)** highlighted the impact of aasara pension scheme on poorer economic development. He did his study on conditions of beneficiaries of aasara pension in Jagityal district of Telangana state. His study founded that, provision of pension scheme like aasara will improve the living conditions of the people and also helps to alleviate poverty.

**Suresh.D (2021)** explained the impact of Aasara pension on the socio-economic status of Scheduled Tribes (STs) Differently Abled Persons. This study founded that majority of the DATs are aware of the implementation of aasara pension scheme.

**Mrs. A.N.P.P. Anantha Lakshmi (2018)** analysed the old age beneficiaries and how far they are getting benefit through aasara pension scheme. Few pensioners feel secured for their life through this scheme. The study founded that, the scheme was successful because of the no leakages of funds allocated for the needy.

**Objectives:**

- 1) To explain the “Aasara Pension” scheme in Telangana.
- 2) To study the trend of beneficiaries under the scheme.
- 3) To study the impact of Aasara scheme on economic development & poverty alleviation.

**Methodology:**

The present paper is based on the secondary data during the period from 2014-15 to 2022-23. The relevant secondary data is collected from various government reports, Telangana Government’s Social Security Pension scheme portal, Socio-economic Outlook (2023), Books, Articles and related papers on Aasara pension scheme.

**Aasara Pension Amount:**

The amount disbursed under aasara pension has been revised in June, 2019. The amount has been increased keeping in view of the minimum needs of the vulnerable sections. Telangana is the only state in India, which is providing pension for Filaria and Dialysis patients. The old and revised pension amount was mentioned in the following table-

**Table 1:**

S.No.	Category	Monthly Pension amount (Rs.) when initiated (2014)	Monthly Pension amount (Rs.) Revised (2019)
1	Old and infirm, widows, people with HIV/AIDS, Filaria patients, incapacitated weavers, toddy tappers, poor beedi workers, single women and dialysis patients	1,000	2,016
2	Disabled individuals	1,500	3,016

Table 1 explains the monthly pension provided by the Government of Telangana. The pension amount given to the old and infirm, widows, people with HIV/AIDS, Filaria patients, incapacitated weavers, toddy tappers, poor beedi workers, single women and dialysis patients has been revised from Rs.1,000 to Rs.2,016. And for Disabled individuals revised from Rs.1,500 to Rs.3,016.

**Beneficiaries under the scheme:****Table 2:**

Year	No. of Beneficiaries	Amount Disbursed (in Crores)
2014-15	33,87,730	1,521
2015-16	37,96,405	4,497
2016-17	37,32,589	4,541
2017-18	39,90,188	4,843
2018-19	40,35,173	4,975
2019-20	39,78,514	8,711
2020-21	38,80,265	9,717
2021-22	37,34,342	7,078

Source: Telangana Socio-economic Outlook, 2023

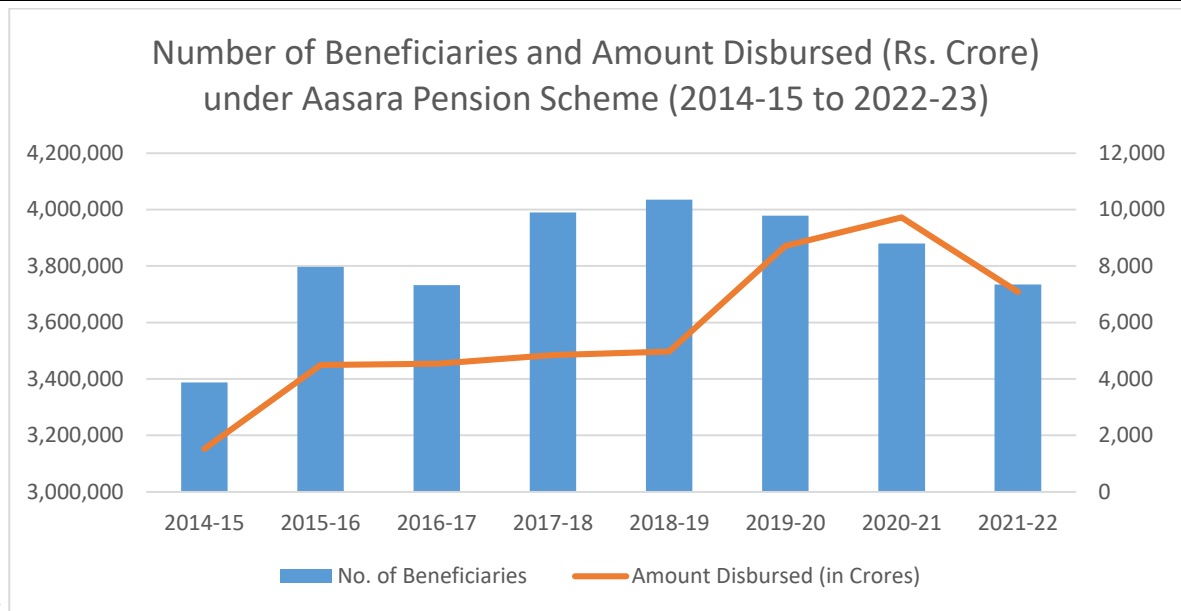
**Figure1:**

Table 2 explains the number of beneficiaries and amount disbursed under Aasara Pension Scheme. The number of beneficiaries increased from 33,87,730 in 2014-15 to 37,34,342 in 2021-22. Highest number of beneficiaries recorded in 2018-19 and lowest number of beneficiaries recorded in 2014-15. The amount disbursed under aasara pension scheme increased from 1,521 crore in 2014-15 to 7,078 crore in 2021-22.

#### **Impact of Aasara scheme on poverty alleviation:**

Poverty is one of the major macro-economic problem in under developed and developing countries like India. Most of the research studies proved that, with the introduction of welfare schemes poverty can be mitigated. As part of welfare schemes, Telangana government introduced a flag ship programme called “Aasara Pension”. Under this scheme the eligible people will receive the pension amount through direct transfer. Telangana state is stepping fast towards economic development because of the welfare measures undertaken. This scheme was launched in 2014, as a net strategy for the provision of social safety and welfare. This scheme safeguards the interests of the several sections of the society. About Rs.1,521 crore amount was disbursed to 33.87 lakh pensioners in 2014. As of 2021-22, a total of Rs.7,078 crore disbursed to 37.34 lakh pensioners. According to the world bank’s Multi-dimensional Poverty Index (MPI), poverty in Telangana reduced from 13.18% to 5.88%. The number of beneficiaries under aasara pension increased from 37.96 lakhs to 39.78 lakhs during 2015-16 to 2019-20. And further poverty rate reduced to 3.76% in 2022-23. Therefore, it is evident from the data that, as number of beneficiaries under aasara pension is increasing, the poverty rate is coming down.

**Table 3:**

Year	No. of Beneficiaries under Aasara pension	Poverty Rate (MPI)
2015-16	37,96,405	13.18%
2019-20	39,78,514	5.88%
2021-22	37,34,342	13.74%
2022-23	44,43,789	3.76%

**Source: NITI Aayog Report, 2023**

### Conclusion:

- Few families totally depending on the scheme got secured lives. And they can now be able to fulfill their basic needs especially medical expenses.
- The implementation of the pension scheme is successful because of the good governance and transparency in the administrative system.
- Compared to the old pension schemes, aasara scheme is very useful for the people because of the Direct Benefit Transfer (DBT)
- Aasara scheme is effective comparing to the other old schemes, because it effectively fulfills the basic requirements of the needy.

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