

**STANDING COMMITTEE ON RURAL DEVELOPMENT AND
PANCHAYATI RAJ**

(2025-2026)

31

EIGHTEENTH LOK SABHA

**MINISTRY OF RURAL DEVELOPMENT
(DEPARTMENT OF RURAL DEVELOPMENT)**

*[Action taken on the recommendations contained in the Ninth Report
(Eighteenth Lok Sabha) on “Impact of National Social Assistance
Programme (NSAP) on the Poor and Destitute in the Villages” (2024-25)
of the Ministry of Rural Development (Department of Rural
Development)]*

THIRTY-FIRST REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

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PANCHAYATI RAJ**

(2025-2026)

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*[Action taken on the recommendations contained in the Ninth Report
(Eighteenth Lok Sabha) on 'Impact of National Social Assistance
Programme (NSAP) on the Poor and Destitute in the Villages' of the
Ministry of Rural Development (Department of Rural Development)]*

Presented to Lok Sabha on 02.04.2026

Laid in Rajya Sabha on 02.04.2026



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2026/Chaitra, 1948 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT AND
PANCHAYATI RAJ (2025-26)**

Shri Saptagiri Sankar Ulaka -- Chairperson

Lok Sabha Members

2. Shri Bhumare Sandipanrao Asaram
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4. Shri Raju Bista
5. Shri Vijay Kumar Dubey
6. Dr. Sanjay Jaiswal
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15. Shri K. Radhakrishnan
16. Shri Ramashankar Vidharthi Rajbhar
17. Shri Omprakash Bhupalsinh *alias* Pavan Rajenimbalkar
18. Shri Parshottambhai Rupala
19. Shri Devendra Singh *alias* Bhole Singh
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21. Shri Vivek Thakur

Rajya Sabha Members

22. Smt. Geeta *alias* Chandraprabha
23. Dr. M. Dhanapal
24. Shri Samirul Islam
25. Shri Iranna Kadadi
26. Dr. Kavita Patidar
27. Smt. Rajathi
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30. Smt. P.T. Usha
31. Dr. Abhishek Manu Singhvi

SECRETARIAT

- | | | |
|---------------------------|---|----------------------|
| 1. Shri D.R. Shekhar | - | Additional Secretary |
| 2. Shri V. K. Shailon | - | Director |
| 3. Smt. Rashmi Roy | - | Deputy Secretary |
| 4. Shri Sudhanshu Shekhar | - | Under Secretary |

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development & Panchayati Raj (2025-2026) having been authorised by the Committee to present the Report on their behalf, present the Thirty-First Report on the action taken by the Government on the recommendations contained in the 9th Report of the Standing Committee on Rural Development and Panchayati Raj (18thLok Sabha) on 'Impact of National Social Assistance Programme (NSAP) on the Poor and Destitute in the Villages' (2024-25) of the Ministry of Rural Development (Department of Rural Development).

2. The Ninth Report was presented to the Lok Sabha on 03.04.2025 and was laid on the Table of Rajya Sabha on 03.04.2025. Replies of the Government to all the recommendations contained in the Report were received on 03.07.2025.

3. The Report was considered and adopted by the Committee at their sitting held on 01.04.2026.

4. An analysis of the action taken by the Government on the recommendations contained in the Ninth Report (18th Lok Sabha) of the Committee is given in **Appendix-II.**

NEW DELHI
01 April, 2026
11 Chaitra, 1948 (Saka)

Saptagiri Sankar Ulaka
Chairperson
Standing Committee on Rural Development and
Panchayati Raj

CHAPTER I

REPORT

This Report of the Standing Committee on Rural Development and Panchayati Raj (2025-26) deals with the action taken by the Government on the Observations/ Recommendations contained in their Ninth Report (Eighteenth Lok Sabha) on 'Impact of National Social Assistance Programme (NSAP) on the Poor and Destitute in the Villages' of the Ministry of Rural Development (Department of Rural Development) for the term 2024-25.

1.2 The Ninth Report was presented to the Lok Sabha on 03.04.2025 and was laid on the Table of Rajya Sabha on 03.04.2025. The Report contained 10 Observations/ Recommendations.

1.3 Action Taken Notes in respect of all the 10 Observations/ Recommendations contained in the Report have been received from the Government. These have been examined and categorised as follows:

(i) Observations/ Recommendations which have been accepted by the Government:

Serial Nos. 5, 7, 9, 10

Total: 4
Chapter-II

(ii) Observations/ Recommendations which the Committee do not desire to pursue in view of replies of the Government:

Serial No. NIL

Total: NIL
Chapter-III

(iii) Observations/ Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Serial No. 1, 2, 3, 4, 6, 8

Total: 06
Chapter-IV

(iv) Observations/ Recommendations in respect of which final replies of the Government are still awaited:

Serial No. NIL

Total: NIL
Chapter-V

1.4 The Committee desire that Final Action Taken Notes on the Observations/ recommendations contained in Chapter I of this Report may be furnished to the Committee within three months of the presentation of this Report.

1.5 The Committee will now deal with action taken by the Government on some of their Observations/ Recommendations that require reiteration/ merit comments.

I. Enhancement of Budget Allocation and Pension Amounts under NSAP

Recommendation (Serial No. 1)

1.6 With regard to the enhancement of Budget Allocation and Pension Amounts under NSAP, the Committee had recommended as under:

“The Committee note with concern that the budgetary allocation made for payment of pension under the NSAP have remained stagnant at approximately ₹9,500 crore per annum since 2015–16, with only a marginal increase to ₹9,652 crore in the Budget Estimates for 2025–26. This stagnation in allocation, despite inflation and rising beneficiary needs, has resulted in a real-term decline in assistance—wherein the value of the 2025–26 allocation, when adjusted for inflation, is estimated to be only ₹9,200 crore. As a percentage of the total Union Budget, the NSAP’s share has fallen sharply from 0.58% in 2014–15 to just 0.19% in 2025–26. While the Centre continues to cap its support at 3.09 crore beneficiaries, state governments have taken on a disproportionate burden by covering nearly twice this number which is approximately about 5.86 crore additional beneficiaries. The Committee also note that the central contribution for various NSAP schemes has not been revised since the last more than 10 years and that the government does not have any proposal under consideration to revamp the NSAP with the result that the existing rates do not reflect actual demand and ground realities of the present time. The Committee, therefore, recommend that the Department of Rural Development should prepare and submit a revised proposal for Cabinet consideration and approval seeking a substantial enhancement in pension amounts and overall allocations under NSAP.”

1.7 The DoRD in their action taken reply have stated as follows:

“The existing rate of assistance, eligibility criteria, coverage etc under NSAP have been approved for the 15th Finance Commission cycle i.e. up to FY 2025-26. During 2022-23, 2023-24 and 2024-25, out of the allocation of Rs.9652 crore, expenditure of Rs.9652 crore, Rs.9491.11 and crore Rs.9652 crore respectively have been incurred under NSAP.

An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/

recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.”

Comments of the Committee

1.8 The Committee note with dissatisfaction that the Department of Rural Development has not accepted the recommendation for enhancement of pension amounts and budgetary allocation under NSAP and has merely stated that the existing structure will continue till the end of the current Finance Commission cycle and an evaluation study of the proposal for enhancement is under way. The Committee view this as an inadequate step taken by the Department, in light of rising inflation and the long stagnation of central assistance. The Committee reiterate its earlier recommendation in wake of existing central assistance remaining stagnant for more than a decade, not reflecting the present cost of living and increasing vulnerability of the target groups. The Committee, therefore, strongly urge DoRD to expedite the ongoing evaluation and submit a concrete proposal to the Cabinet within a time-bound manner for substantial enhancement of pension amounts and overall allocations under NSAP which is a basic level of financial support.

II. Institution of an Indexation Mechanism for Pension Revisions

Recommendation (Serial No. 2)

1.9 With regard to institution of an Indexation Mechanism for Pension Revisions, the Committee had recommended as follows:

"The Committee are of the considered opinion that the absence of a mechanism to revise pensions in line with inflation and cost of living has contributed to the erosion of the real value of assistance under NSAP. Given the projected 18% increase in the elderly population over the coming decade and the recommendations of various expert committees and evaluation study including those of NITI Aayog, the Committee recommend that a principle-based mechanism should be created/ instituted to automatically index pensions to inflation and revise them on an annual or biennial basis."

1.10 The DoRD in their action taken reply have stated as under:

"An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/

recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle."

Comments of the Committee

1.11 The Committee observe that the Department of Rural Development has not agreed to the recommendation for instituting an automatic indexation mechanism and has instead stated that the matter is under evaluation. The Committee are of the considered view that absence of an indexation mechanism continues to erode the real value of assistance provided under NSAP. The Committee, therefore, reiterate their earlier recommendation and urge the DoRD to evolve a principle-based indexation mechanism linked to inflation or cost-of-living indicators and incorporate the same in the next phase of the scheme without further delay.

III. Ensuring Uniformity in Pension across States

Recommendation (Serial No. 3)

1.12 In the context of ensuring uniformity in Pension across States, the Committee had recommended as below:

“The Committee note that several States supplement the central pension provided under the National Social Assistance Programme (NSAP) with additional top-up contributions, which vary significantly from as low as ₹50 to as high as ₹3,716 per month per beneficiary. The Committee appreciate such efforts made by State Governments which is a clear reflection of the States’ intent and commitment to strengthen social security of the deprived section of the society. However, at the same time, the Committee are concerned that this wide disparity in pension amounts across States undermines the principle of equity and results in similarly placed beneficiaries receiving vastly different levels of support solely based on their state of residence. The Committee are of the view that the absence of a uniform framework for state contributions risks distorting the core objectives of NSAP, which is intended to serve as a minimum national guarantee of social security. To address this, the Committee recommend that the Ministry prescribe a standard cost-sharing framework, in line with other centrally sponsored schemes—60:40 for most states and 90:10 for North Eastern and Himalayan states. Such a normative framework would preserve the essence of equity of the scheme, prevent excessive divergence across states, and ensure that NSAP fulfils its intended role as an assured guarantee of support for elderly persons, widows, and persons with disabilities, rather than becoming a fragmented or unevenly implemented welfare scheme. The Committee, therefore,

further recommend that the Ministry should establish clearly defined minimum and maximum permissible limits for top-up contributions, below and above which states should not be permitted to contribute.”

1.13 The following Action Taken Reply has been given by DoRD:

“As social security, invalid and old age pensions figure as items 23 and 24 in the Concurrent List (7th Schedule) of the Constitution, both the Central Government and States/ UTs have the responsibility for working in tandem in rolling out a comprehensive social security framework for the country. Accordingly, as per NSAP guidelines, the State/ UTs are encouraged to provide top up amounts at least an equivalent amount to the assistance provided by the Central Govt. so that the beneficiaries could get a decent level of assistance.

Based on various recommendations and evaluation studies, a proposal for revamp of NSAP, which inter-alia included revision in eligibility criteria, rate of assistance and sharing arrangement with the States was considered during continuation of NSAP for the 15th Finance Commission cycle (2021-26). However, the Government has approved continuation of NSAP schemes in its present form. An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance, Central/State sharing pattern etc. during its continuation in 16th Finance Commission cycle.”

Comments of the Committee

1.14 The Committee note from the Action Taken Reply that social security pensions fall under the Concurrent List and States/ UTs are encouraged to provide top-ups over the central assistance. The Department of Rural Development has informed that proposals regarding revision of eligibility criteria, rate of assistance and Centre–State sharing arrangements were considered during the continuation of NSAP for the 15th Finance Commission cycle (2021–26); however, the scheme was continued in its existing form. The Committee further note that an evaluation study has been initiated to examine issues relating to coverage, eligibility criteria, rate of assistance and sharing arrangements for the next Finance Commission cycle. The Committee remain concerned that the absence of a structured framework governing State top-ups has resulted in wide disparities in the total pension amounts received by beneficiaries across different States. The Committee reiterate that NSAP is intended to provide a minimum national social security guarantee and that

large variations in pension levels may undermine the equity and uniformity of the scheme. The Committee, therefore, once again recommend that the DoRD on priority basis should take steps to utilise the findings of the ongoing evaluation study to formulate and place before the Government a comprehensive proposal for a more balanced framework of Central and State contributions, along with indicative minimum pension norms, so as to ensure greater equity and uniformity in the benefits provided under NSAP across the country for further strengthening of the programme through measures such as improving adequacy of assistance, ensuring timely and regular payments, enhancing beneficiaries verification and monitoring systems etc.

IV. Adoption of a Unified Eligibility Framework and Beneficiary Database

Recommendation (Serial No. 4)

1.15 In the context of adoption of a unified eligibility Framework and Beneficiary Database, the Committee had recommended as below:

“The Committee note with concern that the current system of determining beneficiaries under the National Social Assistance Programme (NSAP) continues to rely on the outdated 2001 Below Poverty Line (BPL) list. This antiquated methodology fails to reflect present-day socio-economic realities and excludes a substantial number of genuinely eligible individuals. At the same time, the Committee observe that while the Centre supports 3.09 crore beneficiaries under NSAP, various state governments have recognised and extended support to an additional 5.86 crore individuals from their own resources. This parallel structure wherein the Centre and States implement effectively two separate beneficiary groups under the similar schemes—creates significant administrative inconsistencies and opens the door to both exclusion of deserving individuals and inclusion of ineligible beneficiaries. It also results in duplication of efforts, fragmented monitoring, and dilution of accountability. The Committee are of the considered view that a unified and transparent beneficiary identification system is essential to effectively implement the NSAP schemes in letter and spirit. The Committee, therefore, recommend that the Ministry of Rural Development should take concerted efforts to establish a single consolidated list of beneficiaries, determined through a uniform set of eligibility criteria based on recent and verifiable socio-economic data—such as the SECC 2011 or some other welfare databases so as to ensure that assistance reaches to those who are genuinely in need, while avoiding arbitrary ceilings and outdated classifications. The creation of a single list, guided by a common national standard, would enhance transparency, reduce administrative

burden, and bring coherence between Central and State interventions under NSAP.”

1.16 The following Action Taken Reply has been given by DoRD:

“At present NSAP schemes cater to 3.09 crore beneficiaries (2.97crore pensioners). The allocation of funds under NSAP schemes to States/ UTs is done on the basis of ceiling of beneficiaries (State Cap) or the number of beneficiaries digitized on the NSAP portal, whichever is lower. For calculating the State Cap for each State/ UT, the population figures as per the census of 2001 and the poverty ratio (2004-05) determined by NITI Aayog (erstwhile Planning Commission) have been taken into account.

In September, 2022, the State Caps were revised up to the actual number of digitized beneficiaries in respect of the States/ UTs which had digitization equal to or less than their ceiling in all the three pension schemes and the excess number of beneficiaries of these States/ UTs consequent to this revision was re-allocated to States/ UTs that had digitization equal to or higher than their State Cap in all the three pension schemes on a pro-rata basis. As a result, all the three pension schemes of under NSAP have achieved 100% saturation in September, 2022.

In view of the limitation of fund available, as per scheme guidelines of NSAP, if there are more deserving beneficiaries, the State has the option to give them pension from its own resources. These beneficiaries are beyond the number of beneficiaries supported under NSAP.

The Government while deciding the continuation of the NSAP schemes for the 15th Finance Commission cycle (2021-26), inter alia, considered the proposal of revising coverage (by adopting SECC criteria in place of BPL criteria). However, the Government had approved the continuation of NSAP schemes in its present form. As per information received from States/ UT's, some of the States have taken into consideration of the deprivation criteria of SECC, in addition to eligibility criteria prescribed in the guidelines, for identification of most deserving beneficiaries.

An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.”

Comments of the Committee

1.17 The Committee note from the Action Taken Reply that NSAP presently covers about 3.09 crore beneficiaries, with allocation of funds to States/ UTs based on the beneficiary ceiling (State Cap) or the number of beneficiaries digitised on the NSAP portal, whichever is lower. The Committee, further note

that the State caps are determined using Census- 2001 population figures and poverty ratios of 2004–05, and that although adoption of SECC-based criteria was considered while continuing NSAP for the 15th Finance Commission cycle (2021–26), the scheme was approved in its present form. The Committee also note that an evaluation study has been initiated to examine issues relating to coverage, eligibility criteria and quantum of assistance for the next Finance Commission cycle. The Committee note with concern that the Ministry has not agreed to adopt a unified eligibility framework and continues to rely on existing beneficiary caps and outdated criteria. The Committee are of the considered opinion that the absence of a consolidated and updated beneficiary database leads to exclusion of deserving persons from the intended benefits. The Committee, therefore, reiterate their earlier recommendation and urge the Department to take concrete steps towards a more updated and consolidated beneficiary identification framework based on recent socio-economic data, and place before the Committee a time-bound roadmap for improving the beneficiary database under NSAP.

V. Upward Revision of Assistance under the National Family Benefit Scheme (NFBS)

Recommendation (Serial No. 6)

1.18 In the context of upward revision of assistance under the National Family Benefit Scheme (NFBS), the Committee had recommended as below:

“The Committee also note that the one-time assistance of ₹20,000 provided under the National Family Benefit Scheme (NFBS) has not been revised in recent years, despite significant changes in the economic landscape. This amount is intended to support families who have lost their primary breadwinner, often under vulnerable and distressing circumstances. Given the rise in living costs and inflation, the Committee are, of the view that the current level of assistance is inadequate to meet the immediate needs of such families. The Committee, therefore, recommend that the Ministry of Rural Development should undertake to review the NFBS assistance amount and submit a proposal to the Cabinet seeking a substantial upward revision, so as to ensure that bereaved families receive timely and meaningful support during periods of hardship.”

1.19 The following Action Taken Reply has been given by DoRD:

“The existing rate of assistance, eligibility criteria, coverage etc under NSAP have been approved for the 15th Finance Commission cycle i.e. up to FY 2025-26. An evaluation study of NSAP schemes has

been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.”

Comments of the Committee

1.20 The Committee find from the Action Taken Reply that the one-time assistance of ₹20,000 under the National Family Benefit Scheme (NFBS) continues to remain unchanged and that the existing rate of assistance, eligibility criteria and coverage under NSAP have been approved for continuation up to the 15th Finance Commission cycle (2021–26). Further, an evaluation study of NSAP schemes has been initiated to assess their impact and to suggest a roadmap, including issues relating to coverage, eligibility criteria and quantum of assistance for the next Finance Commission cycle. The Committee, however, reiterate that the assistance under NFBS—intended to provide immediate relief to families that have lost their primary breadwinner—is grossly inadequate in the present economic context, particularly in view of rising living costs and the financial distress faced by such households. The Committee, therefore, reiterate their earlier recommendation and urge the Department to expedite the ongoing evaluation and place before the Government a proposal for substantial enhancement of the NFBS assistance, so as to ensure meaningful support to bereaved families under the scheme.

VI. Ensuring Compliance with 10% Earmarking for the North East

Recommendation (Serial No. 8)

1.21 In the context of Ensuring Compliance with 10% earmarking for the North East, the Committee had recommended as below:

“The Committee observe that less than 5% of the NSAP budget is currently being utilised for the North Eastern Region, despite the mandatory earmarking of 10%. Although a temporary exemption was granted by the Ministry of DoNER in 2022, the Committee emphasise that such exemptions should remain exceptional and not set a precedent. The Committee recommend that the Ministry should ensure strict adherence to the 10% earmarking requirement and take proactive steps to support states in the North Eastern Region to facilitate timely submission of proposal and fund absorption/ utilisation.”

1.22 The following Action Taken Reply has been given by DoRD:

“The allocation of funds under NSAP schemes to states/ UTs is done on the basis of the ceiling of beneficiaries (State Cap) or the number of beneficiaries digitized on the NSAP portal, whichever is lower. For calculating the State Cap for each State/ UT, the population figures as per the census of 2001 and the poverty ratio (2004-05) determined by NITI Aayog (erstwhile Planning Commission) have been taken into account. An amount of Rs 457.83 crore has been allocated for release to NE States during FY 2025-26, which is approx. 5% of the total budget outlay of the NSAP scheme. The mandatory allocation of 10% of funds to NER could not be achieved due to a fixed state cap on the eligible beneficiaries under NSAP. Also, the release of funds to North East States is dependent upon proposals from the state/ UT concerned in compliance with scheme guidelines/ MoF guidelines.

In this connection, M/o DoNER has clarified that mandatory allocation and utilization of 10% GBS holds good for the entire Ministry or Department, as a whole. In case the Department is unable to spend 10% of the Budget provision under any particular scheme(s) of the Department, it can always consider re-appropriation to other schemes of the Department so as to attain the overall target of at least 10% GBS expenditure for NER for the Department as a whole.”

Comments of the Committee

1.23 The Committee note from the Action Taken Reply that allocation of funds under NSAP to States/ UTs is based on the ceiling of beneficiaries (State Cap) or the number of beneficiaries digitised on the NSAP portal. North Eastern States in FY 2025–26 have been allocated 5% of the total NSAP budget outlay. The Ministry has further stated that the mandatory 10% earmarking for the North Eastern Region could not be achieved due to the fixed State caps on beneficiaries and that releases are dependent on submission of proposals by the concerned States/ UTs. It has also been indicated that the 10% expenditure requirement is to be achieved at the level of the Ministry/ Department as a whole, and not necessarily under each individual scheme. The Committee are of the considered view that statutory or policy earmarking provisions should not be diluted due to administrative constraints. The Committee remain concerned that utilisation of less than the mandated proportion of funds under NSAP for the North Eastern Region undermines the objective of equitable regional development. The Committee, therefore, reiterate their recommendation that the Department should review the beneficiary caps and allocation methodology, and take proactive measures to facilitate timely

submission of proposals by the concerned States so as to progressively move towards ensuring compliance with the 10% earmarking for the North Eastern Region.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 5)

2.1 The Committee observe that access to avail the benefits under the National Social Assistance Programme (NSAP), particularly for vulnerable populations, is often hindered by procedural complexities. In several regions, the process of form filling and beneficiary selection under NSAP has become increasingly agent driven, leading to the exploitation of illiterate or uninformed applicants. The Committee are concerned that this has resulted in the exclusion of many eligible individuals who are either unable to understand the application processes or cannot afford to pay intermediaries. The Committee, therefore, recommend that the Ministry of Rural Development should review and simplify the procedural guidelines for enrolment under NSAP, and consider relaxing certain documentation or verification requirements to improve accessibility, especially for beneficiaries belonging to vulnerable and marginalised groups.

Reply of the Government

2.2 As per NSAP guidelines, responsibility of implementation of NSAP schemes, identification/ verification of beneficiaries, disbursement of pension to beneficiaries, stoppage of pension, annual verification of beneficiaries lies in the hand of States/ UTs. Further, as per NSAP guidelines the States may prepare a simple format in the local language and make the application forms available widely, free of cost. Also, it should be downloadable from the website. While individuals can file applications, it is incumbent on the authorized officials to reach out to potential beneficiaries on an 'out today' approach and get the application forms filled up and provide assistance to get the relevant records. Field level workers/ officials should be entrusted with the task of identifying beneficiaries and getting the forms filled up. Also, support should be provided to get the requisite certificates from the authorities concerned.

In order to further streamline and simplify the process of enrolment of beneficiaries, NSAP-PPS portal has been operationalized by the Centre and made available for the use of States/ UTs.

Further, as per NSAP guidelines, States are mandated to develop a careful plan sensitive to the special needs of the beneficiaries to enable them to get Aadhaar numbers through proactive outreach. This should be followed up by seeding the Aadhaar numbers in the Bank/ Post Office accounts. Also, there is a provision in the guidelines that no beneficiary should be denied his or her

entitlements for the reason that she has no bank/ Post Office account and/ or Aadhaar number.

The recommendation of the Committee has since been shared with the States/ UTs for necessary action.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Recommendation (Serial No. 7)

2.3 The Committee express deep concern over persistent implementation gaps in several states, particularly in the North Eastern Region. Notably, no funds have been released to Arunachal Pradesh and Sikkim due to non-submission of proposals, while Arunachal Pradesh and Nagaland have not yet onboarded the MIS system. The Committee recommend that the Ministry should intensify engagement with these states, conduct special review meetings, and provide targeted technical assistance to expedite onboarding and ensure the effective utilisation of funds without any further delay.

Reply of the Government

2.4 The process of implementation of the schemes is constantly monitored/ reviewed by the Ministry of Rural Development through Performance Review Committee (PRC), quarterly review meetings, Area Officers visit and also monitoring by District Development Coordination and Monitoring Committees (DISHA) which have been constituted by Ministry of Rural Development at district levels. States are given necessary handholding for submission of the proposal for timely release of funds. Despite continuous follow ups and review, some States do not submit proposal, complete in all respects, in time. Also, some States lack in complying with the guidelines issued by D/o Expenditure on fund flow mechanism under Centrally Sponsored Schemes. These kinds deviation result in delayed release of funds to such States/ UTs. With consistent efforts, pending liabilities pertaining to various States/ UTs have been released during 2024-25 and efforts are underway to resolve the issues in release matter in respects States/ UTs having outstanding liabilities. In a specific case of Sikkim, relaxation for a deviation in complying with the guidelines on fund flow mechanism was referred to D/o Expenditure and obtained one time relaxation for disbursing the liabilities. Also, State level hand-holding training has been conducted in Sikkim during June, 2025 for completing the transition to pension disbursement completely through NSAP portal.

As a result of consistent follow up, Mizoram has been on-boarded on NSAP-PPS Portal during 2024-25. Nagaland & Arunachal Pradesh are also being pursued for on-boarding on the portal. The States have been advised for digitizing the beneficiary data, which is an important prerequisite for on-boarding on NSAP-PPS portal.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Recommendation (Serial No. 9)

2.5 Several states supplement the central pension amount under NSAP with additional top-up contributions ranging from ₹50 to ₹3,716 per month per beneficiary. As a result, NSAP beneficiaries in many states receive an average pension of approximately ₹1,000 per month. However, the Committee note with concern that the Union Territory of Lakshadweep has not been utilising funds allocated under the National Social Assistance Programme (NSAP) in recent years. Instead, the UT has been disbursing only the state-funded top-up amount without drawing the central assistance available under the scheme. This is particularly concerning given the small population size and high vulnerability of residents in the UT. The failure of Lakshadweep Administration to utilise the central allocation therefore, deprives not only its eligible beneficiaries of their rightful entitlements but also undermines the objectives of the scheme. The Committee, therefore, recommend that the Ministry of Rural Development should directly engage with the UT administration of Lakshadweep to identify and address the administrative or procedural bottlenecks that have led to non-utilisation of central share of funds. The Committee, also further, recommend that the Ministry should provide the necessary technical and operational support to the UT administration of Lakshadweep to facilitate the timely submission of proposals and utilisation certificates and ensure that eligible beneficiaries in Lakshadweep receive the dual benefits of both central and UT contributions, in parity with other beneficiaries in other parts of the country.

Reply of the Government

2.6 The report of the Committee has since been shared with the UT administration of Lakshadweep for necessary action. The matter relating to submission of proposal has been followed up with the UT administration regularly. However, no proposal has been received since 2012-13. UT is being extended necessary handholding support and regularly followed up for submission of proposal for release of funds.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Recommendation (Serial No. 10)

2.7 The Committee are concerned about the multiple access barriers faced by elderly beneficiaries in receiving their pensions under NSAP. A significant number of elderly persons, particularly those in advanced age or with disabilities, face challenges with Aadhaar-based biometric authentication due to the deterioration or

loss of fingerprints. There are also eligible persons but they do not have bank/post office account and an Aadhaar Number. This has led to transaction failures, denial of pensions, and a loss of trust in the delivery mechanism. The Committee also note that weak banking infrastructure in rural areas further exacerbates these challenges. Frequent disruptions in banking services particularly due to non-functional servers, connectivity issues, and the limited presence of functional branches in rural and remote areas have a disproportionate impact on beneficiaries who are often required to travel long distances to access their entitlements. The cost, effort, and physical strain involved in reaching distant post offices, bank branches or CSPs (Customer Service Points) frequently outweigh the value of the pension itself. The Committee recommend that a proper and inclusive mechanism should be developed to address these challenges in a systematic manner which should invariably include alternative means of inclusion, verification for elderly and disabled persons who do not have bank/ post office account, Aadhar number and also those who face difficulties with biometric authentication, and improvements in banking access to ensure uninterrupted pension delivery. The Committee, further, recommend that greater emphasis should be placed on developing last-mile delivery systems particularly in geographically isolated and underserved areas to ensure that the process of receiving pension is dignified, accessible, and responsive to the limitations faced by the most vulnerable sections of society.

Reply of the Government

2.8 As per NSAP guidelines, no beneficiary should be denied his or her entitlements for the reason that she has no bank/ Post Office account and/ or Aadhaar number. Further, States are mandated to develop a careful plan sensitive to the special needs of the beneficiaries to enable them to get Aadhaar numbers through proactive outreach. This should be followed up by seeding the Aadhaar numbers in the Bank/ Post Office accounts.

The Department had repeatedly requested States/ UTs on providing last mile benefits to NSAP beneficiaries who are very old, infirm, bed-ridden and disabled. As per information received from States/ UT's, some states have devised mechanism to disburse pension at doorsteps with the help Banking Correspondents, SHG members, Anganwadi workers, Banking Sakhis etc. to most vulnerable beneficiaries such as old age, infirm and divyangjan beneficiaries.

Also, under NSAP, almost all States/ UTs are DBT compliant except the States of Andhra Pradesh & Nagaland. In Andhra Pradesh, pension is dispensed to NSAP beneficiaries at doorstep in cash through biometric authentication and

Nagaland provides pension through cash mode to majority of its beneficiaries due to geographical terrain.

The Department through a DO letter dated 6th December, 2024 at the level of Secretary (RD) addressed to Chief Secretaries of all States/ UTs had advised that the use of technology and digitization should not impede implementation of NSAP scheme as beneficiaries under NSAP scheme are old age, widow and divyangjans belong to BPL Households.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

CHAPTER III

**RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE
IN VIEW OF REPLIES OF THE GOVERNMENT**

NIL

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 1)

4.1 The Committee note with concern that the budgetary allocation made for payment of pension under the NSAP have remained stagnant at approximately ₹9,500 crore per annum since 2015–16, with only a marginal increase to ₹9,652 crore in the Budget Estimates for 2025–26. This stagnation in allocation, despite inflation and rising beneficiary needs, has resulted in a real-term decline in assistance—wherein the value of the 2025–26 allocation, when adjusted for inflation, is estimated to be only ₹9,200 crore. As a percentage of the total Union Budget, the NSAP's share has fallen sharply from 0.58% in 2014–15 to just 0.19% in 2025–26. While the Centre continues to cap its support at 3.09 crore beneficiaries, state governments have taken on a disproportionate burden by covering nearly twice this number which is approximately about 5.86 crore additional beneficiaries. The Committee also note that the central contribution for various NSAP schemes has not been revised since the last more than 10 years and that the government does not have any proposal under consideration to revamp the NSAP with the result that the existing rates do not reflect actual demand and ground realities of the present time. The Committee, therefore, recommend that the Department of Rural Development should prepare and submit a revised proposal for Cabinet consideration and approval seeking a substantial enhancement in pension amounts and overall allocations under NSAP.

Reply of the Government

4.2 The existing rate of assistance, eligibility criteria, coverage etc under NSAP have been approved for the 15th Finance Commission cycle i.e upto FY 2025-26. During 2022-23, 2023-24 and 2024-25, out of the allocation of Rs.9652 crore, expenditure of Rs.9652 crore, Rs.9491.11 and crore Rs.9652 crore respectively have been incurred under NSAP.

An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Comments of the Committee

(Please see Paragraph No. 1.8 of Chapter I of the Report)

Recommendation (Serial No. 2)

4.3 The Committee are of the considered opinion that the absence of a mechanism to revise pensions in line with inflation and cost of living has contributed to the erosion of the real value of assistance under NSAP. Given the projected 18% increase in the elderly population over the coming decade and the recommendations of various expert committees and evaluation study including those of NITI Aayog, the Committee recommend that a principle-based mechanism should be created/instituted to automatically index pensions to inflation and revise them on an annual or biennial basis.

Reply of the Government

4.4 An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Comments of the Committee

(Please see Paragraph No. 1.11 of Chapter I of the Report)

Recommendation (Serial No. 3)

4.5 The Committee note that several States supplement the central pension provided under the National Social Assistance Programme (NSAP) with additional top-up contributions, which vary significantly from as low as ₹50 to as high as ₹3,716 per month per beneficiary. The Committee appreciate such efforts made by State Governments which is a clear reflection of the States' intent and commitment to strengthen social security of the deprived section of the society. However, at the same time, the Committee are concerned that this wide disparity in pension amounts across States undermines the principle of equity and results in similarly placed beneficiaries receiving vastly different levels of support solely based on their state of residence. The Committee are of the view that the absence of a uniform framework for state contributions risks distorting the core objectives of NSAP, which is intended

to serve as a minimum national guarantee of social security. To address this, the Committee recommend that the Ministry prescribe a standard cost-sharing framework, in line with other centrally sponsored schemes—60:40 for most states and 90:10 for North Eastern and Himalayan states. Such a normative framework would preserve the essence of equity of the scheme, prevent excessive divergence across states, and ensure that NSAP fulfils its intended role as an assured guarantee of support for elderly persons, widows, and persons with disabilities, rather than becoming a fragmented or unevenly implemented welfare scheme. The Committee, therefore, further recommend that the Ministry should establish clearly defined minimum and maximum permissible limits for top-up contributions, below and above which states should not be permitted to contribute.

Reply of the Government

4.6 As social security, invalid and old age pensions figure as items 23 and 24 in the Concurrent List (7th Schedule) of the Constitution, both the Central Government and States/ UTs have the responsibility for working in tandem in rolling out a comprehensive social security framework for the country. Accordingly, as per NSAP guidelines, the State/ UTs are encouraged to provide top up amounts at least an equivalent amount to the assistance provided by the Central Govt. so that the beneficiaries could get a decent level of assistance.

Based on various recommendations and evaluation studies, a proposal for revamp of NSAP, which inter-alia included revision in eligibility criteria, rate of assistance and sharing arrangement with the States was considered during continuation of NSAP for the 15th Finance Commission cycle (2021-26). However, the Government has approved continuation of NSAP schemes in its present form. An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance, Central/ State sharing pattern etc. during its continuation in 16th Finance Commission cycle.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Comments of the Committee

(Please see Paragraph No. 1.14 of Chapter I of the Report)

Recommendation (Serial No. 4)

4.7 The Committee note with concern that the current system of determining beneficiaries under the National Social Assistance Programme (NSAP) continues to rely on the outdated 2001 Below Poverty Line (BPL) list. This antiquated methodology fails to reflect present-day socio-economic realities and excludes a

substantial number of genuinely eligible individuals. At the same time, the Committee observe that while the Centre supports 3.09 crore beneficiaries under NSAP, various state governments have recognised and extended support to an additional 5.86 crore individuals from their own resources. This parallel structure wherein the Centre and States implement effectively two separate beneficiary groups under the similar schemes—creates significant administrative inconsistencies and opens the door to both exclusion of deserving individuals and inclusion of ineligible beneficiaries. It also results in duplication of efforts, fragmented monitoring, and dilution of accountability. The Committee are of the considered view that a unified and transparent beneficiary identification system is essential to effectively implement the NSAP schemes in letter and spirit. The Committee, therefore, recommend that the Ministry of Rural Development should take concerted efforts to establish a single consolidated list of beneficiaries, determined through a uniform set of eligibility criteria based on recent and verifiable socio-economic data—such as the SECC 2011 or some other welfare databases so as to ensure that assistance reaches to those who are genuinely in need, while avoiding arbitrary ceilings and outdated classifications. The creation of a single list, guided by a common national standard, would enhance transparency, reduce administrative burden, and bring coherence between Central and State interventions under NSAP.

Reply of the Government

4.8 At present NSAP schemes cater to 3.09 crore beneficiaries (2.97 crore pensioners). The allocation of funds under NSAP schemes to States/ UTs is done on the basis of ceiling of beneficiaries (State Cap) or the number of beneficiaries digitized on the NSAP portal, whichever is lower. For calculating the State Cap for each State/ UT, the population figures as per the census of 2001 and the poverty ratio (2004-05) determined by NITI Aayog (erstwhile Planning Commission) have been taken into account.

In September, 2022, the State Caps were revised up to the actual number of digitized beneficiaries in respect of the States/ UTs which had digitization equal to or less than their ceiling in all the three pension schemes and the excess number of beneficiaries of these States/ UTs consequent to this revision was re-allocated to States/ UTs that had digitization equal to or higher than their State Cap in all the three pension schemes on a pro-rata basis. As a result, all the three pension schemes of under NSAP have achieved 100% saturation in September, 2022.

In view of the limitation of fund available, as per scheme guidelines of NSAP, if there are more deserving beneficiaries, the State has the option to give them

pension from its own resources. These beneficiaries are beyond the number of beneficiaries supported under NSAP.

The Government while deciding the continuation of the NSAP schemes for the 15th Finance Commission cycle (2021-26), inter alia, considered the proposal of revising coverage (by adopting SECC criteria in place of BPL criteria). However, the Government had approved the continuation of NSAP schemes in its present form. As per information received from States/ UT's, some of the States have taken into consideration of the deprivation criteria of SECC, in addition to eligibility criteria prescribed in the guidelines, for identification of most deserving beneficiaries.

An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Comments of the Committee

(Please see Paragraph No. 1.17 of Chapter I of the Report)

Recommendation (Serial No. 6)

4.9 The Committee also note that the one-time assistance of ₹20,000 provided under the National Family Benefit Scheme (NFBS) has not been revised in recent years, despite significant changes in the economic landscape. This amount is intended to support families who have lost their primary breadwinner, often under vulnerable and distressing circumstances. Given the rise in living costs and inflation, the Committee are, of the view that the current level of assistance is inadequate to meet the immediate needs of such families. The Committee, therefore, recommend that the Ministry of Rural Development should undertake to review the NFBS assistance amount and submit a proposal to the Cabinet seeking a substantial upward revision, so as to ensure that bereaved families receive timely and meaningful support during periods of hardship.

Reply of the Government

4.10 The existing rate of assistance, eligibility criteria, coverage etc under NSAP have been approved for the 15th Finance Commission cycle i.e. up to FY 2025-26. An evaluation study of NSAP schemes has been initiated for assessing its overall impact on its objectives and to suggest road map/ recommendations including coverage/ eligibility criteria/ quantum of assistance during its continuation in 16th Finance Commission cycle.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Comments of the Committee

(Please see Paragraph No. 1.20 of Chapter I of the Report)

Recommendation (Serial No. 8)

4.11 The Committee observe that less than 5% of the NSAP budget is currently being utilised for the North Eastern Region, despite the mandatory earmarking of 10%. Although a temporary exemption was granted by the Ministry of DoNER in 2022, the Committee emphasise that such exemptions should remain exceptional and not set a precedent. The Committee recommend that the Ministry should ensure strict adherence to the 10% earmarking requirement and take proactive steps to support states in the North Eastern Region to facilitate timely submission of proposal and fund absorption/ utilisation.

Reply of the Government

4.12 The allocation of funds under NSAP schemes to states/ UTs is done on the basis of the ceiling of beneficiaries (State Cap) or the number of beneficiaries digitized on the NSAP portal, whichever is lower. For calculating the State Cap for each State/ UT, the population figures as per the census of 2001 and the poverty ratio (2004-05) determined by NITI Aayog (erstwhile Planning Commission) have been taken into account. An amount of Rs 457.83 crore has been allocated for release to NE States during FY 2025-26, which is approx. 5% of the total budget outlay of the NSAP scheme. The mandatory allocation of 10% of funds to NER could not be achieved due to a fixed state cap on the eligible beneficiaries under NSAP. Also, the release of funds to North East States is dependent upon proposals from the state/ UT concerned in compliance with scheme guidelines/ MoF guidelines.

In this connection, M/o DoNER has clarified that mandatory allocation and utilization of 10% GBS holds good for the entire Ministry or Department, as a whole. In case the Department is unable to spend 10% of the Budget provision under any particular scheme(s) of the Department, it can always consider re-appropriation to other schemes of the Department so as to attain the overall target of at least 10% GBS expenditure for NER for the Department as a whole.

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

Comments of the Committee

(Please see Paragraph No. 1.23 of Chapter I of the Report)

CHAPTER V

**RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF
THE GOVERNMENT ARE STILL AWAITED**

NIL

(O.M. No. H-11013/02/2017-NSAP-Part (2) dated 03.07.2025)

NEW DELHI
01 April, 2026
11 Chaitra, 1948 (Saka)

Saptagiri Sankar Ulaka
Chairperson
Standing Committee on Rural Development and
Panchayati Raj

ANNEXURE I

[Vide para 4 of Introduction of Report]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE NINTH REPORT (18TH LOK SABHA) OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT AND PANCHAYATI RAJ

- | | | |
|------|--|------------------------------|
| I. | Total number of recommendations: | 10 |
| II. | Observations/ Recommendations which have been accepted by the Government: | |
| | Serial Nos. 5, 7, 9, 10 | |
| | | Total: 04
Percentage: 40% |
| III. | Observations/ Recommendations which the Committee do not desire to pursue in view of replies of the Government: | |
| | Serial No. NIL | |
| | | Total: NIL
Percentage: 0% |
| IV. | Observations/ Recommendations in respect of which replies of the Government have not been accepted by the Committee: | |
| | Serial No. 1, 2, 3, 4, 6, 8 | |
| | | Total: 06
Percentage: 60% |
| V. | Observations/ Recommendations in respect of which final replies of the Government are still awaited: | |
| | Serial No. NIL | |
| | | Total: NIL
Percentage: 0% |