
PENSIONSCHEMES, SOCIO-ECONOMIC CHALLENGES, AND LIFE SATISFACTION AMONG SENIOR CITIZENS IN INDIA: AN EMPIRICAL INVESTIGATION

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ABSTRACT

Background: The rapid ageing of India's population has underscored the critical role of pension systems in securing the socio-economic wellbeing of senior citizens. Despite several government-initiated pension schemes, persistent financial hardship, declining health, and social isolation continue to afflict the elderly, particularly those dependent on social security pensions.

Objective: This study examines the socio-economic profile of pension beneficiaries, investigates the nature and adequacy of pension schemes, analyses the socio-economic problems faced by senior citizens, and evaluates the influence of pension type on problem severity and life satisfaction.

Materials and Methods: A cross-sectional, descriptive survey design was employed with a purposive sample of 100 pension recipients. Primary data were collected through a structured interview schedule in 2026. Statistical tools including one-sample t-tests and the non-parametric Friedman test were applied to test the research hypotheses.

Results: The majority of respondents were aged 60–69 years (63%), male (55%), OBC (68%), and resided in rural areas (51%). Social security pension recipients (66%) constituted the largest group, receiving a mean monthly pension of Rs. 1,013, far below subsistence levels. Financial hardship was the most critical problem among social security pensioners (mean = 4.23), while service pensioners reported physical immobility as their primary concern (mean = 3.00). The Friedman test confirmed a statistically significant variation in problem severity across pension categories ($\chi^2=23.570, p=0.002$). Despite these disparities, overall satisfaction levels

did not differ significantly across pension types ($\chi^2 = 14.733$, $p = 0.138$).

Conclusion: The findings highlight the structural inadequacy of India's social security pension schemes and the urgent need for upward revision of pension amounts, expanded health coverage, and community-based social integration programmes. Policy reforms targeted at marginalized and low-income elderly populations are imperative for ensuring dignified ageing in India.

KEYWORDS: *Pension Schemes; Senior Citizens; Socio-economic Problems; Life Satisfaction; Social Security; Ageing; India.*

INTRODUCTION

Background and Global Context

Population ageing is one of the most transformative demographic phenomena of the twenty-first century. The United Nations projects that by 2050, the global population of individuals aged 60 years and above will reach approximately 2.1 billion, nearly double the 2019 estimate of 1.0 billion (United Nations, 2020). This demographic shift, driven by declining fertility rates, improvements in public health, and advances in medical care, places unprecedented pressure on social protection frameworks worldwide (WHO, 2021). In low- and middle-income countries, where formal social security systems are underdeveloped or reach only a fraction of the population, the challenge is particularly acute (ILO, 2021).

Pensions, as a mechanism for securing post-retirement income, form the cornerstone of elder welfare systems globally. The World Bank's three-pillar framework for pension systems comprising mandatory public pensions, occupational schemes, and voluntary private savings has guided policy reform across several nations (World Bank, 2022). However, this model presupposes sustained formal employment and contributory capacity, conditions that are absent for a significant proportion of elderly individuals in developing economies (Holzmann & Hinz, 2005).

Indian Context

India, home to over 140 million persons aged 60 years and above as of 2021, faces a formidable challenge in ensuring dignified ageing (Census of India, 2021). The country's elderly population is projected to reach 319 million by 2050, accounting for approximately 20 percent of the total population (UNFPA India, 2023). Unlike developed nations, India does not have a universal contributory pension system. The retirement income landscape is fragmented,

encompassing the Civil Service Pension for government employees, the Employees' Provident Fund (EPF) and Employees' Pension Scheme (EPS) for organized sector workers, and a range of non-contributory social security pensions under the National Social Assistance Programme (NSAP) for the poor and vulnerable elderly (Ministry of Labour and Employment, 2023).

The Indira Gandhi National Old Age Pension Scheme (IGNOAPS), a key component of NSAP, provides a monthly pension of Rs. 200 for individuals aged 60–79 years and Rs. 500 for those aged 80 years and above, amounts widely regarded as woefully insufficient to meet even basic subsistence needs (Dreze & Khera, 2017; Shankar & Gaiha, 2013). State governments supplement this with varying amounts; however, the cumulative pension in most states remains far below the poverty line expenditure threshold (Narayana, 2019). Despite expansion of welfare schemes, a significant portion of India's elderly population remains unprotected or inadequately protected against the financial risks of old age (James, 2022).

Research Gap and Problem Statement

While a growing body of literature has examined the health and social dimensions of ageing in India (Rajan & Mishra, 2020; Bose, 2016; Prakash, 2018), comparative empirical studies that specifically investigate how different categories of pension schemes influence the socio-economic problems and satisfaction levels of elderly beneficiaries remain limited. Most existing studies either focus on a single pension type or examine generic welfare outcomes without distinguishing the differential impact of pension adequacy across scheme categories. Furthermore, the intersection of financial security, health, social relationships, and subjective wellbeing among elderly pensioners in India's semi-urban and rural contexts has received insufficient scholarly attention (Rao & Bhatt, 2021).

Objectives of the Study

The present study was undertaken with the following specific objectives:

- (i) To describe the socio-economic and demographic profile of pension beneficiaries; (ii) to document the nature and quantum of pension schemes and supplementary benefits received;
- (iii) to examine the socio-economic problems faced by senior citizens; (iv) to determine whether the type of pension significantly influences the socio-economic problems experienced by pensioners; and (v) to assess the level of life satisfaction among senior citizens across different pension categories.

MATERIALS AND METHODS

Research Design and Study Area

A cross-sectional, descriptive survey design was adopted for this study. The research was conducted in 2026 across both rural and urban localities, with the study area encompassing a geographically representative sample of pension beneficiaries drawing from multiple pension scheme categories prevalent in India.

Sampling Method and Sample Size

A purposive sampling technique was employed to identify pension-receiving senior citizens (aged 60 years and above) who had been availing government-sponsored pension benefits. A total of 100 respondents were selected, comprising beneficiaries from four broad pension categories: service pensioners (n = 24), social security pensioners (n = 66), EPF pensioners (n = 6), and other pensioners (n = 4). Sample adequacy was ensured by maintaining proportional representation across pension types and residential categories (rural: 51%; urban: 49%).

Data Collection Instrument

Data were gathered through a structured, pre-tested interview schedule administered directly to respondents. The instrument encompassed modules on: (a) socio-demographic characteristics; (b) health and asset status; (c) income, expenditure, and liability profiles; (d) types and amount of pension benefits received; (e) socio-economic problem assessment using a five-point Likert scale (1 = Very Low, 5 = Very High); and (f) life satisfaction measurement across eleven validated dimensions using a five-point scale.

Variables

The independent variable was the nature of pension scheme (service, social security, EPF, other). Dependent variables included: (i) severity of nine socio-economic problem domains (financial problems, loneliness, health problems, physical immobility, rude behaviour of children, economic exploitation by children, lack of friends, unfinished tasks, and other problems); and (ii) life satisfaction across eleven dimensions including happiness, social relations, income adequacy, health, social security, and individual freedom.

Statistical Analysis

Descriptive statistics including frequencies, percentages, means, and standard deviations were computed for all profile and problem variables. A one-sample t-test (test value = 3, the theoretical mean of the five-point scale) was used to assess whether mean problem scores

differed significantly from the scale midpoint. The non-parametric Friedman test was employed to evaluate (H_{01}) whether socio-economic problem severity varied significantly across pension categories, and (H_{02}) whether satisfaction levels differed significantly across pension types. All analyses were conducted using SPSS 26.0 and the significance level was set at $p < 0.05$.

RESULTS AND DISCUSSION

Socio-economic and Demographic Profile of Respondents

Table 1 presents the socio-economic and demographic characteristics of the study sample.

Table 1. Socio-economic and Demographic Profile of Pension Beneficiaries (N=100)

Characteristic	Category	Percentage(%)
Age	60–69 years	63
	70–79 years	28
	80 years and above	9
Gender	Male	55
	Female	45
Religion	Hindu	56
	Muslim	30
	Christian	14
Caste	Forward	21
	OBC	68
	SC/ST	11
Marital Status	Married	70
	Widowed	24
	Unmarried	4
	Separated/Divorced	2
Number of Children	Two	48
	More than two	20
	One	18
	None	14
Educational Qualification	Primary	48
	Secondary	33
	Graduate and above	19
Place of Residence	Rural	51
	Urban	49
Occupation (Previous)	Government Service	35
	Business	25
	Private Sector	20
	Daily Wage (Coolie)	20
Current Occupation	Not Working	60
	Daily Wage (Coolie)	17
	Business	13
	Private Sector	10

Source: Primary data (2026)

The majority of respondents (63%) were in the 60–69 years age cohort, with 28% in the 70–79 age group and 9% aged 80 and above. This age distribution is consistent with national trends where the young-old (60–69) constitute the numerically dominant segment of the elderly population (Census of India, 2021). The slight gender skew towards males (55%) likely reflects higher male survival rates and greater historical participation of men in formal employment-linked pension schemes, corroborating observations by Rajan and Mishra (2020) regarding gender differentials in pension access.

Religiously, Hindu respondents dominated (56%), followed by Muslims (30%) and Christians (14%), reflecting the broader religious composition of the sample geography. The predominance of OBC beneficiaries (68%) underscores that pension schemes particularly social security pensions disproportionately serve socially and economically disadvantaged communities, a finding aligned with Dreze and Khera's (2017) analysis of NSAP targeting. A majority of respondents (70%) were married, while 24% were widowed, the latter group being particularly vulnerable due to the loss of a co-breadwinner and potential social isolation (Bose, 2016).

Educational attainment was predominantly low, with 48% having only primary education and 33% secondary education, leaving only 19% as graduates. This educational profile is characteristic of India's rural elderly, where historical access to formal education was limited (Prakash, 2018). Post-retirement, 60% of respondents had completely withdrawn from the labour market, rendering them wholly dependent on pension income—a circumstance that amplifies the critical importance of pension adequacy.

Health Status of Respondents

Table 2 summarises the self-reported health status of respondents.

Table 2. Self-reported Health Status of Respondents. (N=100)

Health Status	Percentage (%)	Mean	SD	t-value	Sig.
Very Poor	5				
Poor	36				
Fair	34	2.63	0.85	-4.636	0.000
Good	25				
Total	100				

Source: Primary data (2026); t-test with test value = 3 (scale midpoint)

The mean health status score of 2.63 (SD = 0.85) was significantly below the scale midpoint

of 3 ($t = -4.636$, $p < 0.001$), indicating that the overall health of the sample was poor. Forty-one per cent of respondents rated their health as poor or very poor, with only 25% reporting good health. These findings are consistent with the National Sample Survey data indicating that chronic morbidity and functional limitations increase sharply with age in India (NSSO, 2018). Poor health not only diminishes quality of life but also increases expenditure on healthcare, thereby compounding financial vulnerability among low-income pensioners a dynamic documented in the literature on ageing and poverty traps (Rao & Bhatt, 2021).

Asset and Liability Profile

Tables 3 and 4 present the asset and liability status of respondents, respectively.

Table 3. Asset Status of Pension Beneficiaries. (N=100)

Asset Type	No (%)	Yes (%)	Mean Value (Rs.)	SD
House	68	32	12,21,342	8,55,989
Land	48	52	18,21,444	23,48,444
Gold	25	75	50,348	88,936
Investment/Deposits	53	47	1,00,550	1,36,333
Vehicle	74	26	2,75,452	1,73,792

Source: Primary data (2026)

Table 4. Liability Status of Pension Beneficiaries. (N=100)

Liability Type	No (%)	Yes (%)	Mean Amount (Rs.)	SD
Bank Loan	51	49	1,53,436	1,20,848
Private Financial Institution	78	22	53,218	50,113
Personal Loan/Other Liabilities	82	18	38,449	63,574
Co-operative Society Loan	50	50	10,113	19,775

Source: Primary data (2026)

Gold emerged as the most widely held asset (75% of respondents), with a mean value of Rs. 50,348. Land ownership was reported by 52% of respondents (mean value: Rs. 18,21,444), while only 32% owned a house. These asset profiles suggest modest accumulation of wealth across working lifetimes. However, asset illiquidity particularly for land and gold means that these holdings do not readily translate into livelihood or healthcare expenditure capacity in old age. Simultaneously, nearly 49% of respondents carried bank debt (mean: Rs. 1,53,436) and 50% held cooperative society loans, demonstrating that indebtedness persists well into old age. These co-existing asset and liability patterns reflect a precarious financial equilibrium that pension income alone is frequently inadequate to balance (James, 2022).

Income Sources Beyond Pension

Table 5 presents supplementary income sources.

Table 5. Supplementary Income Sources of Pension Beneficiaries. (N=100)

Income Source	No(%)	Yes(%)	Mean (Rs./month)	SD
Agriculture	85	15	4,117	3,236
Local Sales	86	14	2,041	2,775
Rental Income	85	15	2,561	1,723
Interest from Savings	85	15	2,042	678
Livestock/ Animals	88	12	1,389	1,111
Poultry Farming	71	29	254	123
Part-time Employment	97	3	4,818	2,899

Source: Primary data (2026)

Supplementary income from sources beyond pension was marginal for the overwhelming majority of respondents. Poultry farming, the most commonly reported income activity (29%), yielded a mean monthly income of merely Rs. 254 barely sufficient to cover daily consumables. Agriculture (15%), rental income (15%), and interest from savings (15%) contributed modest supplementary amounts. Part-time employment, the highest-yielding supplementary source (mean: Rs. 4,818), was accessed by only 3% of respondents. These patterns corroborate findings by Narayana (2019) that elderly individuals in India face a near-total contraction of income-generating capacity, making pension adequacy non-negotiable for basic subsistence.

Monthly Expenditure Patterns

Table 6. Monthly Expenditure Pattern by Pension Category. (N=100)

Monthly Expenditure (Rs.)	Service Pension (%)	Social Security Pension (%)	EPF Pension (%)	Other Pension (%)	Total (N=100)
Upto 1,000	8	36	33	50	30
1,001–5,000	42	58	50	50	53
5,001–10,000	33	3	17	0	11
Above 10,000	17	3	0	0	6
Total (%)	100	100	100	100	100

Source: Primary data (2026)

A clear correspondence between pension type and expenditure capacity was evident. Among social security pensioners, 36% spent up to Rs. 1,000 per month and 58% between Rs. 1,001–5,000, with only 6% capable of exceeding Rs. 5,000. In contrast, service pensioners demonstrated markedly higher expenditure: 33% spent Rs. 5,001–10,000 and 17% above Rs.

10,000 monthly. The EPF and other pension categories were similarly constrained to lower expenditure brackets. These differential expenditure patterns are structurally determined by pension quantum, confirming the thesis that income adequacy directly governs consumption capacity in old age (World Bank, 2022; Holzmann & Hinz, 2005).

Saving Habits

Table 7. Saving Habits by Pension Category. (N= 100)

Pension Category	Save(%)	Do Not Save(%)
Service Pension	87	13
Social Security Pension	34	66
EPF Pension	92	8
Other Pension	83	17
Overall	53	47

Source: Primary data (2026)

While 53% of respondents maintained some saving practice, the distribution was highly unequal across pension categories. EPF pensioners demonstrated the highest propensity to save (92%), followed by service pensioners (87%) and other pensioners (83%). Strikingly, only 34% of social security pensioners, the largest and most financially vulnerable group, reported any savings, reflecting the near-impossibility of accumulating financial buffers at a monthly pension of approximately Rs. 1,013. This finding has important policy implications: without minimal surplus income, social security pensioners remain perpetually exposed to financial shocks with no safety net (Shankar & Gaiha, 2013).

Nature and Quantum of Pension Schemes

Table 8. Nature and Amount of Pension Schemes Received. (N=100)

Pension Scheme	Mean Monthly Amount (Rs.)	SD	N
Service Pension	20,118	5,323	24
EPF Pension	4,200	4,936	6
National Old Age Pension	1,013	85	45
Widow Pension	1,234	196	10
Pension for Unmarried Women (>50 yrs)	1,117	0	4
Pension for Physically Challenged	1,128	0	2
Pension for Mentally Challenged	1,112	0	1
Agricultural Labour Pension	1,053	50	3
Other Pensions	4,117	5,777	5
Total/ Overall Mean	7,228	9,738	100

Source: Primary data (2026)

Table9. Supplementary Benefits Other Than Pension Received by Respondents.

Benefit Type	Mean Value (Rs.)	SD	N (Beneficiaries)
Medical Assistance	5,777	1,328	26
Marriage Assistance	10,000	0	1
Insurance Coverage	1,28,775	82,637	11
Other Aid	5,000	0	2
Old Age Home Benefit			0

Source: Primary data (2026)

The mean monthly service pension of Rs. 20,118 (SD=5,323) was approximately twenty times greater than the national old age pension of Rs. 1,013 (SD = 85), the most prevalent form received by 45% of the sample. This extreme disparity within the same national pension architecture illustrates the deeply stratified nature of India's retirement income system, where former government employees enjoy relative financial security while the informal sector elderly struggle near subsistence levels. The EPF pension mean of Rs. 4,200 placed recipients in an intermediate financial position, though this too is considered inadequate relative to urban cost-of-living benchmarks (EPFO, 2023).

With respect to supplementary benefits, insurance emerged as the most financially significant non-pension benefit (mean: Rs. 1,28,775; n = 11), followed by medical assistance (mean: Rs. 5,777; n = 26). Notably, no respondent was availing old age home facilities, suggesting either a cultural preference for family-based care or inadequate availability and awareness of such institutional provisions. These findings align with Rajan and Mishra's (2020) observation that state-provided elderly care infrastructure in India remains nascent.

Socio-economic Problems of Senior Citizens

Table10. Socio-economic Problem Profile of Senior Citizens. (N=100)

Problem Domain	Very Low (%)	Low (%)	Avg (%)	High (%)	V.High (%)	Mean	SD	t	Sig.
Financial Problem	6	15	22	26	31	3.58	1.20	9.753	0.000
Loneliness	0	14	55	23	8	3.21	0.79	6.384	0.000
Rude Behaviour of Children	25	44	30	0	1	2.04	0.76	-23.743	0.000
Unfinished Tasks	4	19	54	19	4	3.03	0.82	0.283	0.879ns
Health Problems	0	14	31	46	9	3.45	0.84	11.726	0.000
Lack of Friends	0	45	35	18	2	2.76	0.80	-5.511	0.000
Physical Immobility	0	16	28	45	11	3.49	0.88	11.048	0.000
Economic Exploitation by Children	20	51	25	3	1	2.17	0.80	-20.921	0.000

Other Problems	19	18	29	31	3	2.79	1.15	-3.310	0.001
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Source: Primary data (2026); ns = not significant; test value = 3

Financial difficulty emerged as the most severe and pervasive problem among the respondents, with a mean score of 3.58 (SD = 1.20; $t = 9.753$, $p < 0.001$), significantly above the scale midpoint. Fifty-seven percent of respondents reported their financial problems as high or very high. This finding is consistent with the broader literature on elderly poverty in India, where inadequate retirement income is identified as the principal determinant of hardship (Dreze & Khera, 2017; James, 2022).

Physical immobility (mean = 3.49; $p < 0.001$), health problems (mean = 3.45; $p < 0.001$), and loneliness (mean = 3.21; $p < 0.001$) constituted the next tier of critical concerns. The strong co-occurrence of financial hardship and health deterioration supports the existence of a compounding vulnerability cycle wherein financial constraints limit healthcare access, accelerating functional decline and social withdrawal (Narayana, 2019; Rao & Bhatt, 2021). Loneliness, with 31% of respondents reporting high-to-very-high severity, reflects the broader global crisis of social isolation among the elderly, exacerbated in India by the rapid nuclearisation of the family structure and urban migration of adult children (Bose, 2016).

Conversely, the severity of rude behaviour by children (mean = 2.04; $p < 0.001$) and economic exploitation by children (mean = 2.17; $p < 0.001$) were both significantly below the scale midpoint, indicating that familial abuse was not an dominant problem in this sample. Finding consistent with Prakash (2018). Unfinished tasks registered a mean score of 3.03, which was not statistically different from the scale midpoint ($p = 0.879$, ns), suggesting this was a moderate and equivocal concern.

Influence of Pension Type on Socio-economic Problems

H₀₁: There is no significant influence of the nature of pension on the socio-economic problems faced by pensioners of different schemes.

Table 11. Socio-economic Problem Profile by Nature of Pension. (Friedman Test)

Pension Type	Stat	Financial Problem	Loneliness	Rude Behaviour	Unfinished Tasks	Health Problems	Lack of Friends	Physical Immobility	Economic Exploit.	Mean Score
Service Pension	Mean	2.23	2.99	1.89	2.77	2.94	2.47	3.00	2.29	2.55
	SD	0.79	0.65	0.58	0.93	0.78	0.72	0.77	0.91	
	Rank	2	8	1	6	7	5	9	3	

Social Security Pension	Mean	4.23	3.34	2.14	3.16	3.76	2.88	3.65	2.10	3.14
	SD	0.82	0.80	0.82	0.77	0.75	0.80	0.88	0.73	
	Rank	9	6	2	5	8	3	7	1	
EPF Pension	Mean	2.45	3.07	1.82	2.45	3.07	2.53	3.70	2.03	2.55
	SD	1.13	0.73	0.69	0.58	0.71	0.77	0.68	0.54	
	Rank	4	7	2	4	7	6	9	3	
Other Pension	Mean	3.21	3.55	2.05	2.66	3.21	2.93	3.38	1.93	2.87
	SD	1.10	1.09	0.72	0.48	0.87	0.79	0.77	1.20	
	Rank	6	9	2	3	6	5	8	1	

Friedman Test	$\chi^2(8)=23.570, p=0.002$
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Source: Primary data (2026); $\chi^2(8) = 23.570, p = 0.002$

The Friedman test yielded a chi-square statistic of 23.570 (df = 8, p = 0.002), confirming a statistically significant variation in the pattern of socio-economic problems across pension categories. The null hypothesis H_{01} is therefore rejected.

Among social security pensioners, financial difficulty ranked as the most severe problem (mean = 4.23), followed by health problems (3.76) and physical immobility (3.65). This profile is consistent with the literature characterising recipients of non-contributory pensions as a multiply-deprived population where poverty, poor health, and functional limitation co-exist (Shankar & Gaiha, 2013). The high financial problem score reflects the structural inadequacy of the Rs. 1,013 monthly pension, which is insufficient even to meet daily nutritional requirements.

In contrast, service pensioners receiving a mean pension of Rs. 20,118 reported physical immobility (mean = 3.00) as their foremost problem, with financial difficulty ranking lowest (mean = 2.23). This inversion of the financial-health problem hierarchy between service and social security pensioners is theoretically coherent: income adequacy neutralises financial stress but cannot arrest biological ageing or associated functional limitations. These findings mirror the age-health gradient documented globally, wherein financial security in old age reduces economic vulnerability but does not eliminate health-related challenges (WHO, 2021).

EPF pensioners identified physical immobility (mean = 3.70) as their primary concern,

followed by health problems and loneliness. The relatively lower financial concern (mean = 2.45) for EPF pensioners, compared to social security recipients, reflects the partially better pension adequacy of the contributory scheme. Other pensioners predominantly experienced loneliness (mean = 3.55) and physical immobility (mean = 3.38), suggesting that social isolation potentially linked to smaller family networks is a distinguishing vulnerability in this category.

Life Satisfaction Levels Across Pension Categories

H₀₂: There is no significant variation in the level of satisfaction of pensioners of different schemes.

Table 12. Life Satisfaction Profile by Pension Category (Friedman Test)

Pension Type	Stat	Happ to be Elderly	Good Relations with Relatives	Proud of Children	Satisfaction with Life	Physical Health	Reasonable Income	Social Security	Social Integration	Individual Freedom
Service Pension	Mean	3.75	3.21	3.40	3.60	3.37	3.95	3.70	3.47	3.52
	SD	0.63	0.89	1.35	1.04	0.90	0.80	0.72	0.68	0.77
Social Security Pension	Mean	2.64	3.30	2.71	2.70	2.41	2.15	2.22	2.74	3.11
	SD	0.78	0.61	1.15	1.04	0.96	0.97	1.11	0.73	0.61
EPF Pension	Mean	3.45	3.70	3.41	3.78	3.16	3.41	3.57	3.41	3.45
	SD	0.65	0.68	1.27	0.92	0.91	1.13	1.13	0.57	0.65
Other Pension	Mean	3.55	3.38	2.55	3.21	3.05	3.16	2.93	3.32	3.32
	SD	0.69	0.49	1.24	0.93	1.29	0.85	1.15	0.83	0.48
Friedman Test	$\chi^2(10) = 14.733, p = 0.138$ (ns)									

Source: Primary data (2026); ns = not significant; $\chi^2(10) = 14.733, p = 0.138$

The Friedman test for the satisfaction hypothesis yielded $\chi^2(10) = 14.733$ ($p = 0.138$), a value that does not reach statistical significance at the 0.05 level. Accordingly, the null hypothesis *H₀₂* is retained: there is no significant variation in overall life satisfaction across pension scheme categories.

Service pensioners recorded the highest mean satisfaction score (3.50), followed by EPF pensioners (3.39), other pensioners (3.15), and social security pensioners (2.65). Among service pensioners, the highest satisfaction was reported for reasonable income (mean = 3.95) and happiness about being elderly (mean = 3.75), while the lowest score pertained to good relationships with relatives (mean = 3.21) – a counterintuitive finding possibly reflecting social distance associated with higher economic status. Social security pensioners, conversely, derived relatively higher satisfaction from family relationships (mean = 3.30) despite the lowest income-related satisfaction (mean = 2.15), suggesting that relational and emotional resources partially compensate for financial deficits – a pattern consistent with the 'paradox of subjective wellbeing' documented in the positive psychology and ageing literature (Diener et al., 2018).

The statistical non-significance of the Friedman test across satisfaction dimensions implies that the adaptation level theory wherein individuals calibrate expectations to their available resources may be operative here (Brickman & Campbell, 1971). Pensioners at varying income levels appear to derive satisfaction from different domains (income vs. relationships vs. social integration), resulting in broadly comparable aggregate satisfaction scores. This has important implications for welfare policy: subjective satisfaction measures alone may mask critical inter-group disparities in objective living standards, necessitating multi-dimensional welfare assessment frameworks (Sen, 1999).

CONCLUSION

This study provides empirical evidence on the socio-economic profile, problem burden, and satisfaction levels of elderly pension beneficiaries in India, with particular attention to the differential experiences associated with pension scheme type. The findings reveal a deeply stratified pension landscape in which service pensioners enjoy relative financial security while social security pension recipients constituting the majority of the elderly poor struggle with severe financial hardship, deteriorating health, and social isolation on a pension of approximately Rs. 1,013 per month.

The Friedman test confirmed that the type of pension significantly shapes the nature and severity of socio-economic problems experienced ($\chi^2 = 23.570$, $p = 0.002$), with financial difficulty dominating among social security pensioners and physical immobility being the primary concern of service and EPF pensioners. Concurrently, overall life satisfaction did not differ significantly across pension categories ($\chi^2 = 14.733$, $p = 0.138$), suggesting a form of

hedonic adaptation or compensatory reliance on social relationships among lower-income pensioners a finding that warrants caution in using subjective satisfaction as the sole criterion for policy adequacy assessment.

Policy Implications and Recommendations

Based on the findings, the following policy interventions are recommended: (i) An urgent upward revision of the IGNOAPS/NSAP monthly pension to a level consistent with the national poverty line, ideally Rs. 2,000–3,000, accounting for regional cost-of-living differentials; (ii) Universal coverage of elderly health insurance, including free outpatient and inpatient care, given the high burden of poor health among social security pensioners; (iii) Establishment of community-based social integration programmes including senior citizen clubs, vocational rehabilitation, and intergenerational engagement initiatives to address loneliness and social isolation; (iv) Strengthening the physical accessibility infrastructure in rural areas to address mobility limitations; and (v) Digitisation and simplification of pension disbursement processes to reduce transaction costs and improve timely receipt of benefits for rural beneficiaries.

Future Research Directions

Future research should adopt longitudinal designs to track the dynamic relationship between pension adequacy, health deterioration, and quality of life over time. Comparative multi-state studies would illuminate the role of state-level supplementation in moderating the impacts of NSAP pension inadequacy. Additionally, gendered analyses focusing on widowed elderly women a particularly vulnerable sub-group and studies incorporating objective wellbeing indicators alongside subjective satisfaction measures would enrich the empirical base for evidence-informed policy reform in India.

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