



(In Special Consultative Status with the ECOSOC at United Nations since 2011)

-Associated NGO Status with UN-DPI-

**FINANCIAL STATUS OF
OLDER PEOPLE IN INDIA
- An ASSESSMENT**

OCTOBER 2016



RESEARCH & ADVOCACY CENTRE
(For Needs & Rights of Older people)

FINANCIAL STATUS OF OLDER PEOPLE IN INDIA

- An ASSESSMENT

Agewell Foundation

(In **Special Consultative Status** with the ECOSOC at **United Nations** since 2011)
-Associated NGO Status with **UN-DPI**-

M-8A, Lajpat Nagar-II,
New Delhi-110024, India.
+9111-29836486, 29840484
agewellfoundation@gmail.com
www.agewellfoundation.org

<https://www.facebook.com/AgewellFoundation/>



CONTENTS

| | | |
|-------|--|----|
| I. | Introduction | 04 |
| II. | Overview | 05 |
| III. | Aims & Objectives of the Study..... | 07 |
| IV. | Hypotheses..... | 08 |
| V. | Research Areas | 09 |
| VI. | Scope & Methodology of Study..... | 10 |
| VII. | Major Findings..... | 13 |
| | a. Income of older persons..... | 13 |
| | b. Financial dependence in old age..... | 18 |
| | c. Source of net worth value..... | 22 |
| | d. Increase in net worth..... | 24 |
| | e. Major problems in old age..... | 27 |
| | f. Impact of financial status in old age..... | 30 |
| | g. Relationship between net worth and medical problems..... | 31 |
| | h. Expenditure pattern of high net worth elderly..... | 32 |
| | i. Fast growing concerns in Old Age..... | 33 |
| | j. Awareness about Financial Rights among Older Persons..... | 34 |
| VIII. | Representative statements | 36 |
| IX. | Observations..... | 37 |
| X. | Conclusion..... | 39 |

FINANCIAL STATUS OF OLDER PEOPLE IN INDIA

- An ASSESSMENT

I. Introduction

India, a demographic billionaire, has been witnessing burgeoning growth of elderly population. Every tenth person in the country i.e. above 1.2 billion population has crossed sixty. Though majority of the older persons continues to be reeling under confronting socio-economic, health and psychological problems, significant number has witnessed net worth value increasing dramatically over the years.

India is a country full of diversity, where, people professing different religious communities, speaking different languages co-exist. People from different castes and creeds, diverse geographical regions and varied socio-economic, educational and family backgrounds live together. It is discernible from the peep into their such cultural pluralities and diversities that there is wide ranging disparity in financial status of old people in India.

Traditionally, in Indian Societies, there lied inheritance rights of land, house property and other ancestral property with elderly members of family. However, the rapid increase in price of land owing to fast increasing population, the ongoing process of industrialization, generation of infrastructure, increasing investment in real estate, Liberalization, Privatization and Globalization (LPG) of economy and consequent individualism & materialism and host of other factors contributed in the net worth of the people in general and the older persons in particular.



As compared to people inhabiting rural areas, the net worth of older persons increased comparatively much higher among those residing in urban and semi-urban locations. Now older people have started earning higher monthly income in terms of rent on land/house properties, interests, dividends on investments, etc particularly in the urban settings. Whereas inhabitants in the rural areas tend to earn higher incomes than ever before owing to higher growth of cash crops and ever increasing demand of their produce nationally and internationally. Still there is significant number of older persons, who face social, financial, and psychological problems due to unusual poor-rich gap as well as urban/rural divide.

Owing to the change in financial status and ever increasing independence of older persons, particularly belonging to middle, upper middle and upper classes, their role in financial activities has also undergone significant change. Today, they can be observed to be active consumers of various products and services and embarking on other financial activities.

II. Overview

In India majority of older persons face financial hardship in old age as most of them are not in a position to earn their livelihood. Their savings, if any, are not enough to meet their day to day, particularly the medical expenses. Many a times their family members and relatives exploit them due to their vulnerability. Exhaustive data collected over the years by Agewell Helplines across the country show that in India more than About 65 per cent of the aged had to depend on others for their day-to-day maintenance. Less than 20% of elderly women but majority of elderly men were economically independent.



Among economically dependent elderly men 6-7% was financially supported by their spouses, almost 85% by their own children, 2% by grand children and 6% by others. Of elderly women, less than 20% depended on their spouses, more than 70% on their children, 3% on grand children and 6% or more on others including the non-relations.

(Agewell Helplines are operational since 1999 and presently it has 7500 primary and 80000 secondary volunteers spread across 640 districts of India. Agewell Foundation interacts with over 25000 older persons on daily basis.)

It is estimated that almost 2/3rd elderly population who undergo financial crisis usually belong to middle, lower-middle or lower classes. Four fifth of them depend on their children/ relatives/others in old age. This section of elderly population has already suffered a lot of problems, particularly due to their miserable financial condition even in their younger age. Contrary to that, approx. 1/3rd of elderly population enjoys sound financial status; however most of them may still have other age related problems in their old age.



Financial status of older persons is directly linked with their financial independence. With the increasing nuclearization of family, particularly in the urban settings, more and more older persons tend to be choosing to live on their own and want to utilize their net-worth value to the maximum. The growing individualistic and materialistic considerations among the younger generations due to academic and professional pursuits, the older persons are eventually finding less attached with the younger member of family.

Attitude of older persons with sound financial status also appears to have changed dramatically which can be gauged from the fact that they don't want to be dependent on their family members. So much so, significant proportion of them does not wish to avail governmental medical facilities for their health care. Rather, they choose to visit private medical institutions for better services.

Older people, particularly inhabiting urban and semi-urban areas have higher level of awareness about their financial interests and rights. However, financial rights and interests of older women and elderly men (75+) are often jeopardized by their family members, etc., particularly when they are widowed.

For older persons, who have earned money with their hard work and efforts and have self-acquired net-worth, value of money matters most. Older persons with sound financial status live to the fact that consumer is the king and tend to have good value for their money. It has also been observed that financially well-settled older persons prefer to utilize their purchasing power for sake of better life in old age.

III. Aims & Objectives of the Study

Fast changing socio-economic conditions in the country, ongoing open market policies, liberalization of economy and host of other factors have eventually changed financial status of the people in general and the older people particularly. To some extent these factors are responsible for growing rural-urban divide and disparity in financial status of older persons from different social, financial, religious or regional backgrounds. The main objective of this research endeavour is to cull out the nuances of these changes as these impacts the lives of the elderly persons through an in-depth qualitative study. To further explore and understand the realism, the following are a set of specific objectives that have been framed to undertake a research on the conditions of the older persons in the study area:



1. To assess the net-worth value of older persons.
2. To assess the changing financial status of the older persons.

3. To undertake a socio-economic situational study of the elderly persons.
4. To examine financial issues and associated problems of the older persons.
5. To assess the impact of financial status on healthcare of elderly persons.
6. To analyze the financial status of rural and urban elderly.
7. To assess the expenditure pattern of high net-worth elderly.
8. To identify the fast growing concerns of older persons.
9. To assess the major problems of older people in old age.
10. To enlist opinions and views of the older people regarding the determinants of financial status and their net-worth value.

IV. Hypotheses

Following hypotheses are formulated to pursue this research endeavour

1. The financial status of the older persons is improving in the urban areas. However, it is deteriorating in case of the informants inhabiting in the rural areas.
2. Most elderly persons face financial hardship during their old age.
3. Older Persons with higher income tend to incur higher expenses on their health care.
4. Elderly persons in the rural areas feel more secure as compared to their urban counterparts.
5. The elderly women have greater sense of financial insecurity in their Sun set years.
6. Ever increasing expenditure to meet day to day expenses is a matter of concern for the elderly persons.
7. Higher expenses on health care consistently keeps the older person in a state of anguish.
8. Members of family violate financial rights more than non-family members.
9. The older persons strongly suggest having free healthcare as a measure of social welfare, particularly during old age.



V. Research Areas:

This being a wide-ranging study focusing on financial and healthcare challenges faced by the older persons during their sun set years, a research area of probe was developed for the research to include the following questions:

1. What is the financial status of older persons in terms of their net-worth value and annual/monthly income?
2. What are major factors responsible for increase in net-worth value of elderly?
3. What is the relationship between financial and health status of older people?
4. How, good financial status of older persons affects healthcare in old age?
5. What are major concerns of elderly persons about their financial status?
6. What is the income and expenditure pattern of older persons?
7. What are changing needs of older persons living in rural & urban areas?
8. What financial undependability mean to older persons?
9. Are financial rights and interests of older persons are protected?
10. What are major problems of older people in old age

Critical Parameters:

- a. Age and Gender
- b. Residence (Rural /Urban)
- c. Type of Family (joint/nuclear)
- d. Class status (income) Regular Source of Income?
- e. Poor-rich divide in old age
- f. Net-worth value in terms of properties
- g. Whether there is availability of medical services/facilities
- h. Dependence on social security schemes in old age
- i. Status of protection of financial rights and interests
- j. Financial independence
- k. Health care management in old age
- l. Major old age related problems
- m. Financial awareness among older persons



VI. Scope & Methodology

Scope of this Study:

This study is an attempt to understand financial dynamics, highlighting the patterns that emerge in relation to the contemporary financial issues and challenges faced by the older persons. It has been endeavored explore the relationship between high net-worth value and quality of life of elderly people.

Universe & Units of the Study

The entire country constituted universe of the study. Therefore, rural and urban areas were selected for this study. All the **male and female above sixty** were taken as unit of this study.

Sampling Frame

India is a country of about one hundred million elderly persons as 8.6% of the total of 1210 million population in the country have crossed sixty years of their age. Further, of the total older persons, 8.3% are males and 9% females. Therefore, it would not be possible to study all the older persons inhabiting in the country.

However, a list of older persons who were willing to be part of the study was first prepared. As the literature review suggests the older people are faced with diverse issues, problems and challenges ranging from frailty to functional inadequacies; physical & health problems; social isolation & loneliness; neglect, economic insecurity etc. Therefore, while developing this list of respondents or the sampling frame the representation of this diversity was kept in mind so that vast variety of challenges, particularly financial concerns that older people face are culled out from this research.

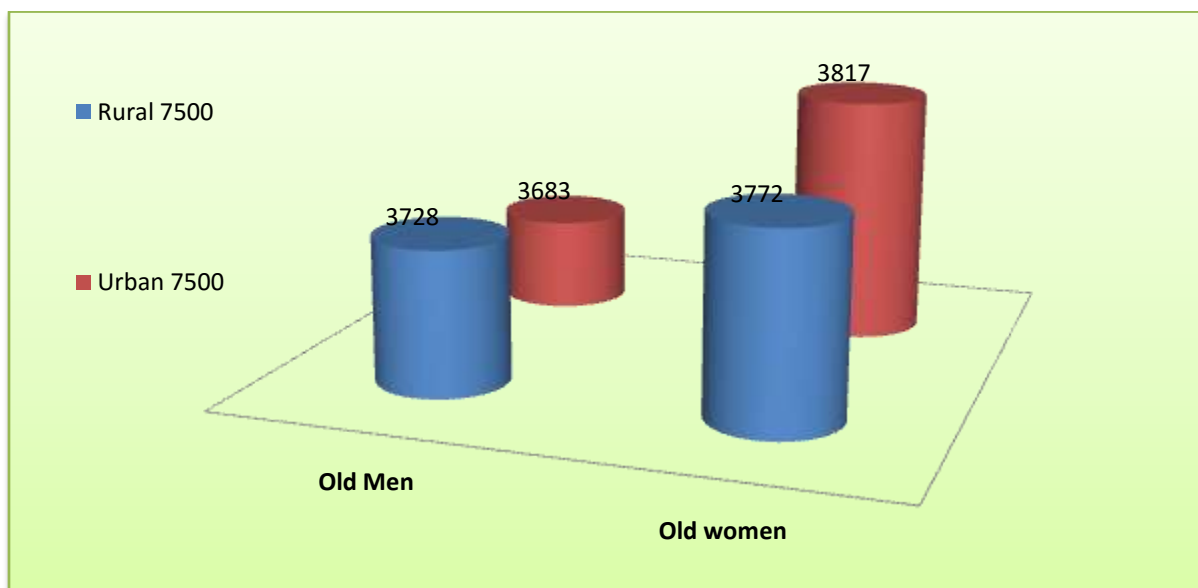


Sampling Method, Sample Size & Duration

The respondents who comprised the sample for the study were selected on the basis of **random sampling** made on the basis of gender , community (rural-urban), age-group etc.

Sample Size: A total of **15000 respondents** were studied by 500 volunteers across all the five regions of Northern, Southern, Western, Eastern and Central India. The survey was conducted during the month of **August-September 2016**.

Equal number of respondents was drawn from rural and urban areas. As for as gender wise composition of the sample is concerned, out of 15000 total respondents, 7411 respondents were older men and 7589 older women. However, the number of older women respondents from urban areas was comparatively higher (3817) as is depicted in the diagram.

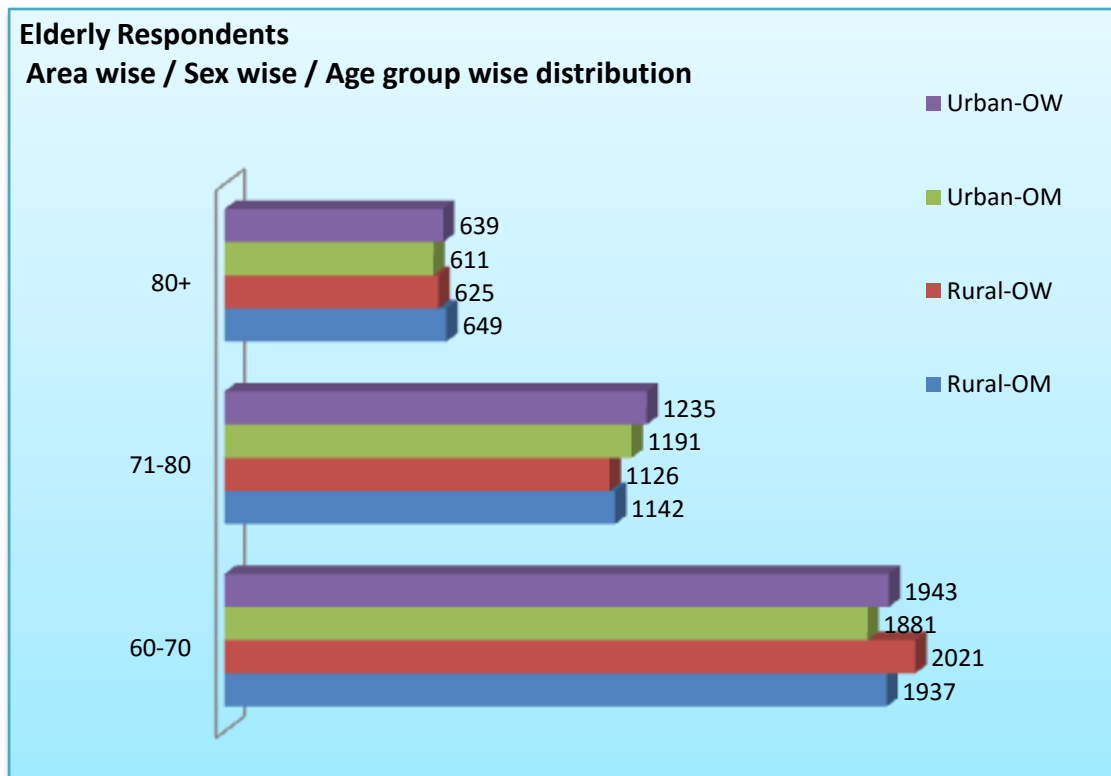
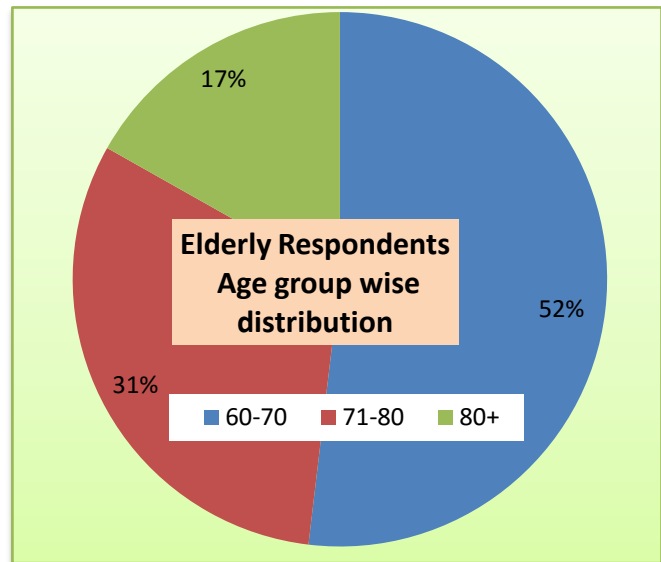


Tools and techniques for data collection

Main emphasis was on qualitative information therefore, a **more intuitive Approach** was adopted for the research so as to arrive at an understanding of this problem to cull out a pattern. The information was enriched with the help of focused group discussions and **in-depth interviews**.

- Out of 15000 subjects interviewed during the survey, 7782 respondents (51.9%) were found to be in the age group of 60-70 years, 4694 respondents (31.3%) were between 71-80 years and the remaining 2524 (16.8%) respondents comprised the oldest old group (81+ years).

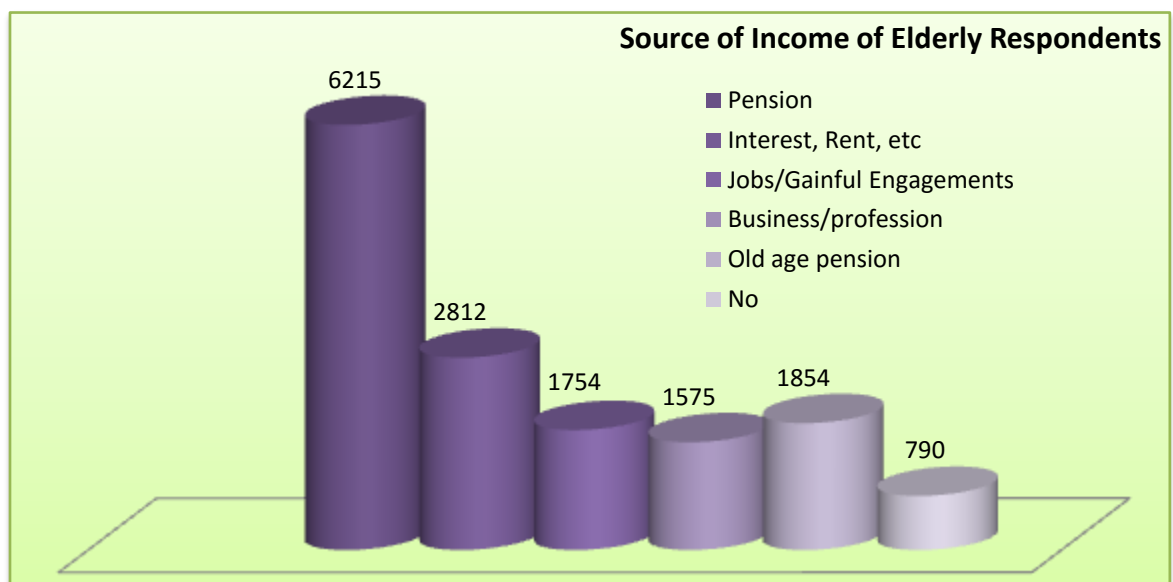
- Elderly respondents were divided into 4 categories on the bases of gender and community of the respondents. Each of the category, rural older men (24.85%), rural older women (25.15%), urban older men (24.55%) and urban older women (25.45%) consisted of nearly one fourth of the total subjects.



VI. Major Findings:

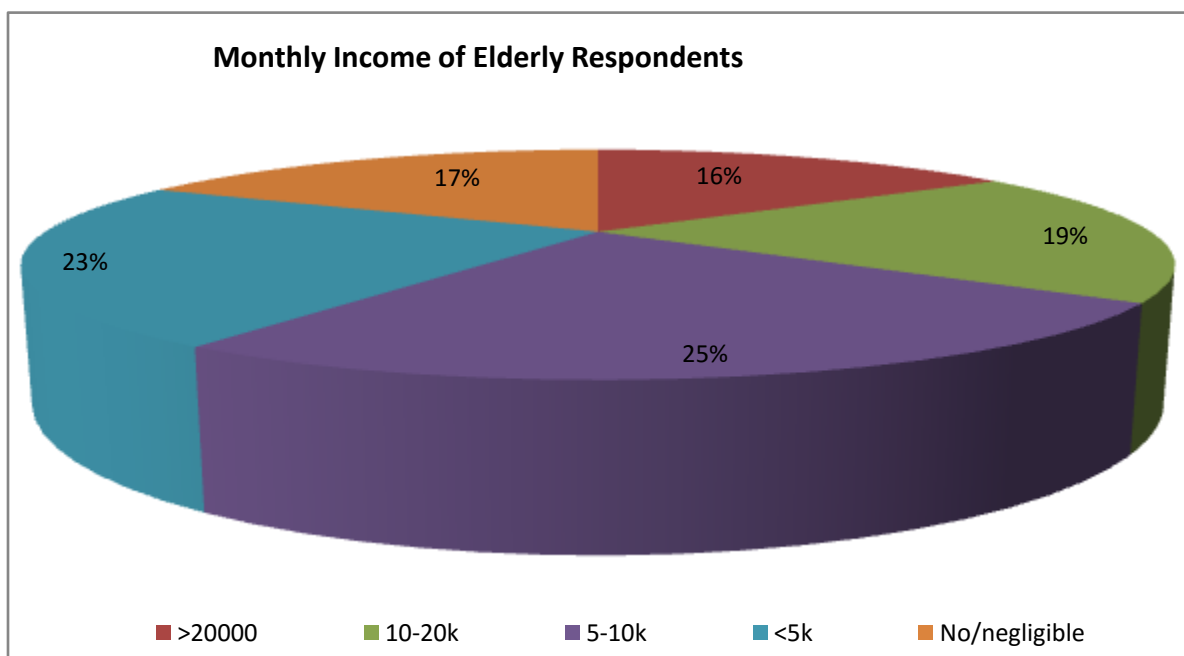
Income of older persons

- Pension/family pension has been main source of income of two fifth of the respondents (41.43%).
- Interest on deposits, dividend on savings and rent from house properties etc. their main source of income has been found to be main source income w.r.t. 18.75% (2812) respondents.



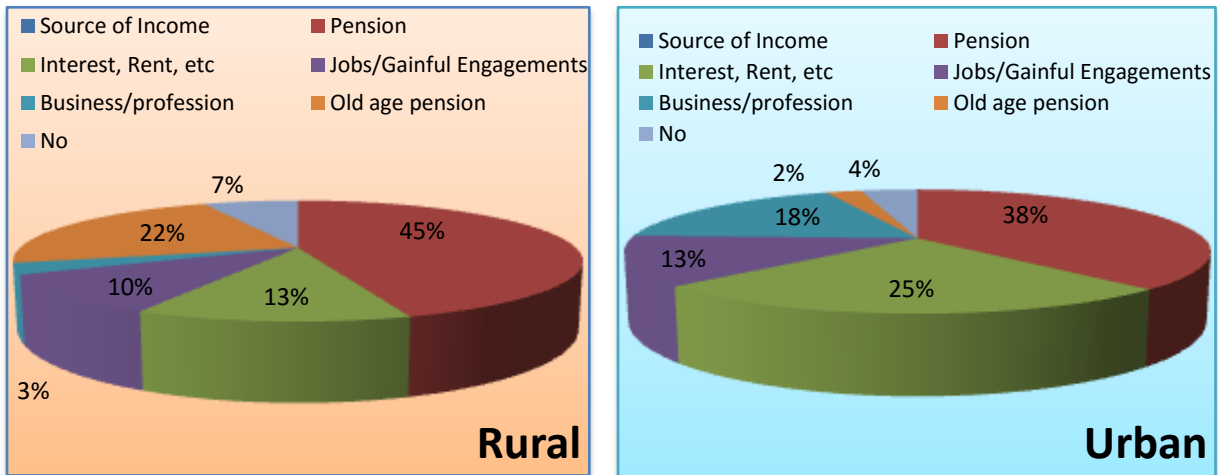
- For 12.36% elderly respondents, old age pension was found to be the main source of income.
- About every eighth subject (11.69%) informed that they were working or engaged in some gainful assignment and income from such activities as main source of their income.
- The percentage of respondents who claimed to be earning their income mainly from businesses/professions was 10.5%.
- There was no source of income for 5.27% (790) respondents.

- As regards monthly income, it was observed that almost more than one third of the informants (34.6%) earned fairly good monthly income age (more than Rs. 10,000 per month) during sun set years.
- Two fifth of the respondents (40.63%) stated to have their monthly income up to Rs. 5000/-.
- 15.63% respondents (20.97 % older men and 10.42% older women) accepted that their monthly income is above Rs. 20,000/-, approx. 18.97% elderly respondents (29.09% older men and 9.11% older women) said that they earn between Rs. 10000-20000 every month.

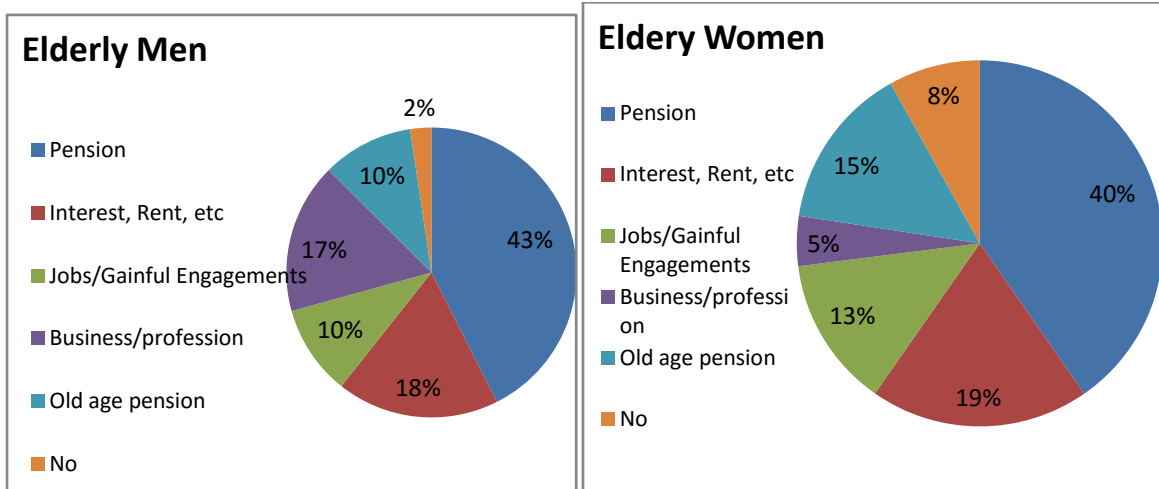


- Almost 1/4th elderly respondents (24.77% respondents – 19.46% older men and 29.95% older women) said that their monthly income lies between Rs. 5000-Rs. 10000/-.
- 16.3% i.e. 2451 older persons said that their monthly income is below Rs. 5000 and 17.6% elderly i.e. 2644 respondents claimed that they have no or negligible monthly income.
- In comparison to rural area's 44.83% respondents 38.04% urban elderly respondents said that they get pension as their main source of income.
- In rural areas 22.33% respondents claimed that they get old age pension, whereas in urban areas only 2.39% respondents were getting old age pension.

- In urban areas approx. 1/4th respondents were earning income as interest/rent, etc. whereas in rural areas number of such respondents was 12.72%.
- In urban areas 18.05% respondents claimed that their major part of income comes from their business/professions, whereas in rural areas only 2.95% elderly respondents were earning money from business/professions.



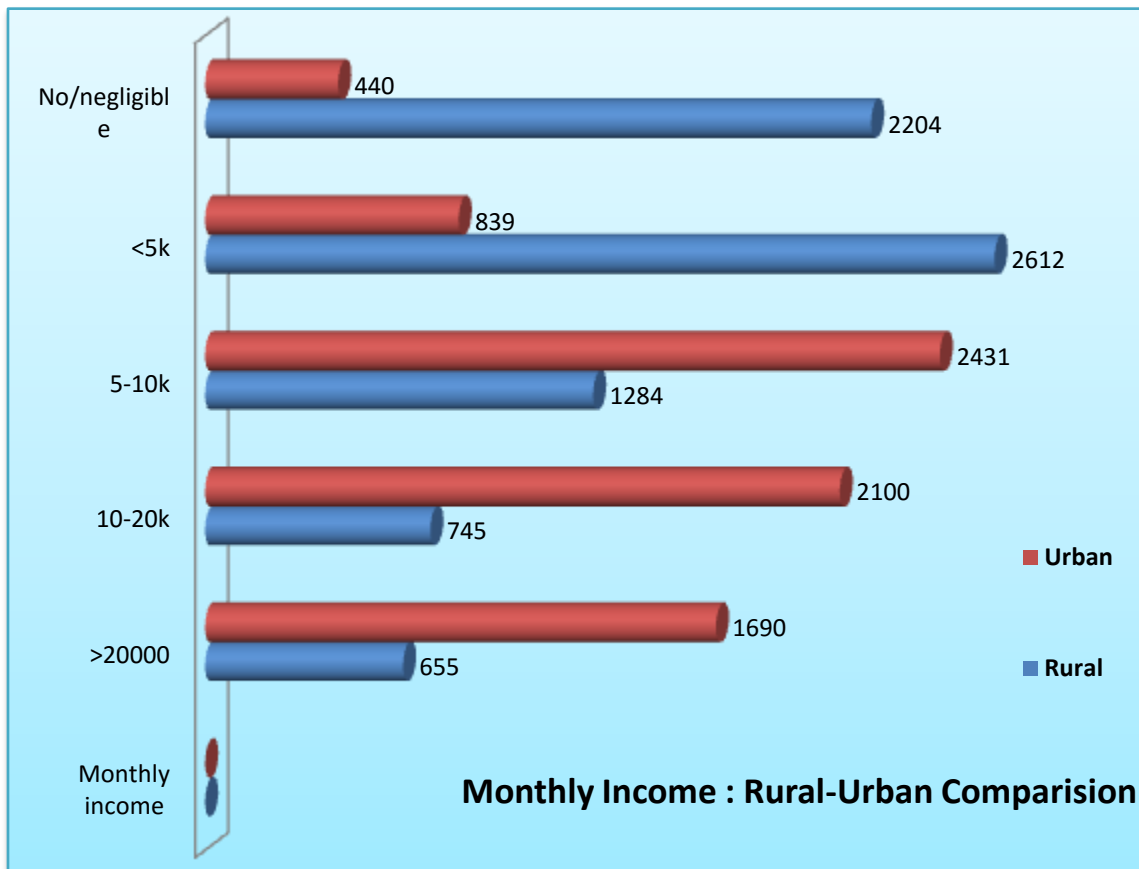
- When data further analyzed on gender basis, it was found that 42.56% elderly men claimed that pension is their major source of income among elderly women 40.33% said that pension is their main source of income. Overall percentage of such older persons was 41.43.



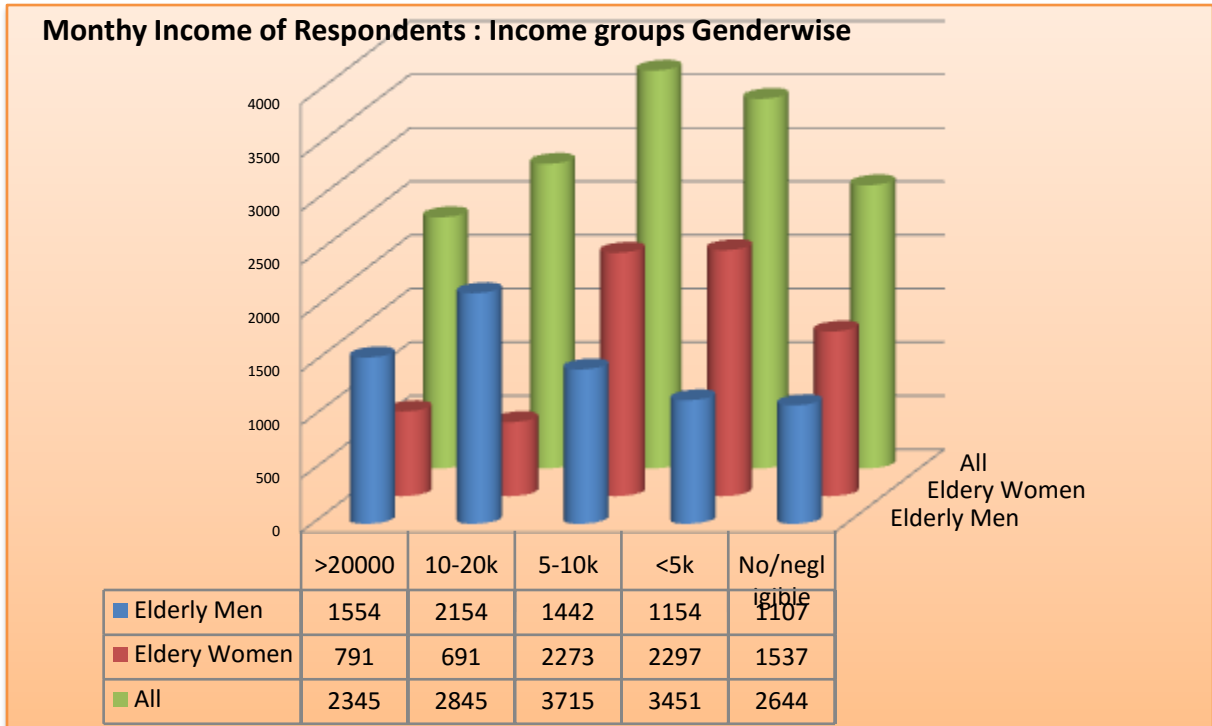
- In comparison to overall 18.75% older persons, 18.11% elderly men and 19.37% elderly women said that interest, rent, etc. is their main source of income.
- 13.3% older women i.e. 1009 out of total 7589 older persons reportedly said that major part of their income comes from their gainful engagements while

10.05% older men said that their major source of income is their jobs/gainful engagements.

- In rural areas most elderly, almost 1/3rd respondents (34.83%) claimed that their monthly income is <Rs. 5,000/-, whereas in urban areas most elderly almost 1/3rd respondents (32.41%) reportedly said that their monthly income was between Rs. 5,000/- to Rs. 10,000/-.



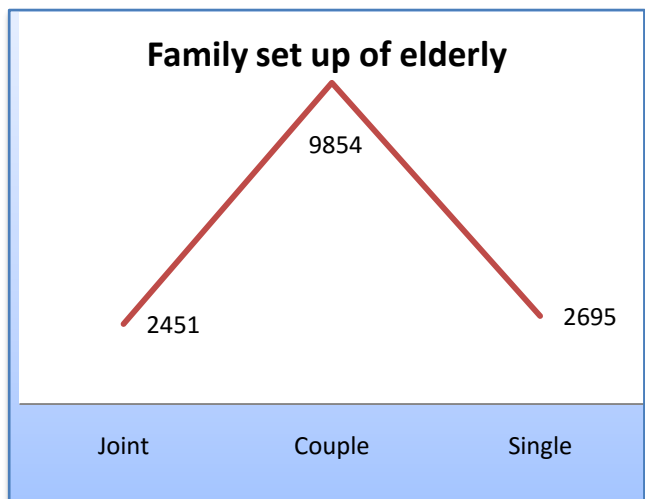
- **In urban areas, every second elderly respondent (50.27%) was earning monthly income of Rs. 10,000/- and above, whereas in rural areas, only 18.67% respondents were earning Rs. 10,000+ per month.**
- Significant proportion of older men (29.06%) claimed that their monthly income is between Rs. 10,000/- & Rs. 20,000/-, while a little more than older male folk, the older women (30.27%) claimed that their monthly income falls in the category of Rs. < Rs. 5,000/-.



- 20.97% older men and 10.42% older women said that their monthly income is above Rs. 20,000/-, while 14.94% older men and 20.25% older women claimed that their monthly income is nothing or negligible.

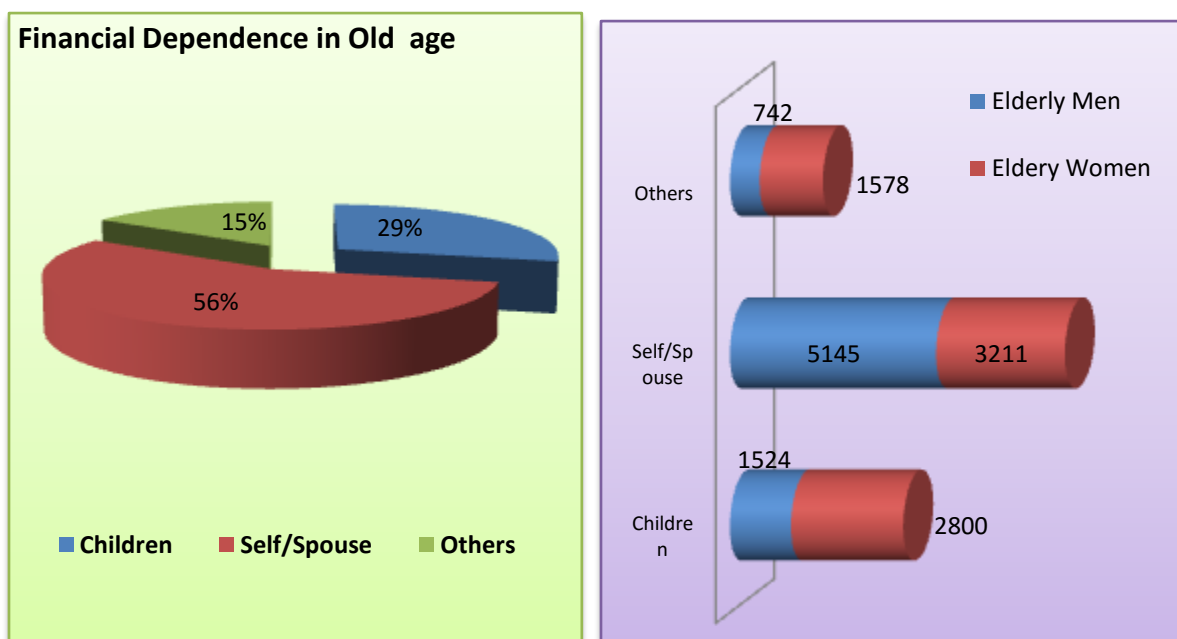
Family setup of elderly respondents

- Two third of the informants (65.7%) were found to be living with their respective spouses only.
- Every sixth subject (18%) claimed to be living all alone, as their family members were settled abroad or living in other places.
- Almost every sixth subject (16.34%) stated to be living in their respective joint families or their children's families.



Financial dependence in old age

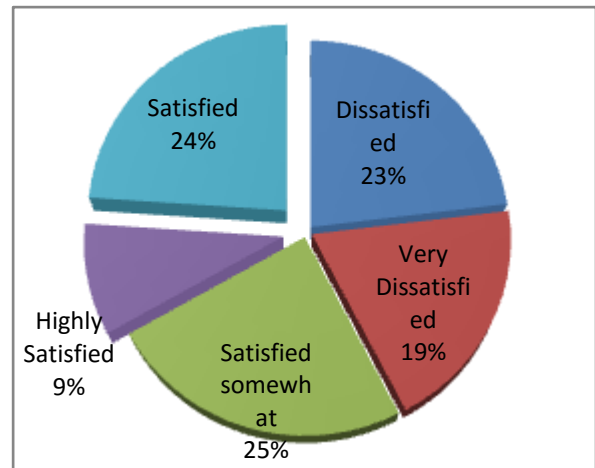
- More than half of the respondents (55.71% respondents including 69.42% older men and 42.31% older women) claimed that they were financially independent.
- The percentage of informants dependent on their children/close relatives for their financial needs is 28.83% (20.56% older men and 36.9% older women) whereas 15.47% informants (10.1% older men and 20.79% older women) were found to be dependent on others for financial needs.



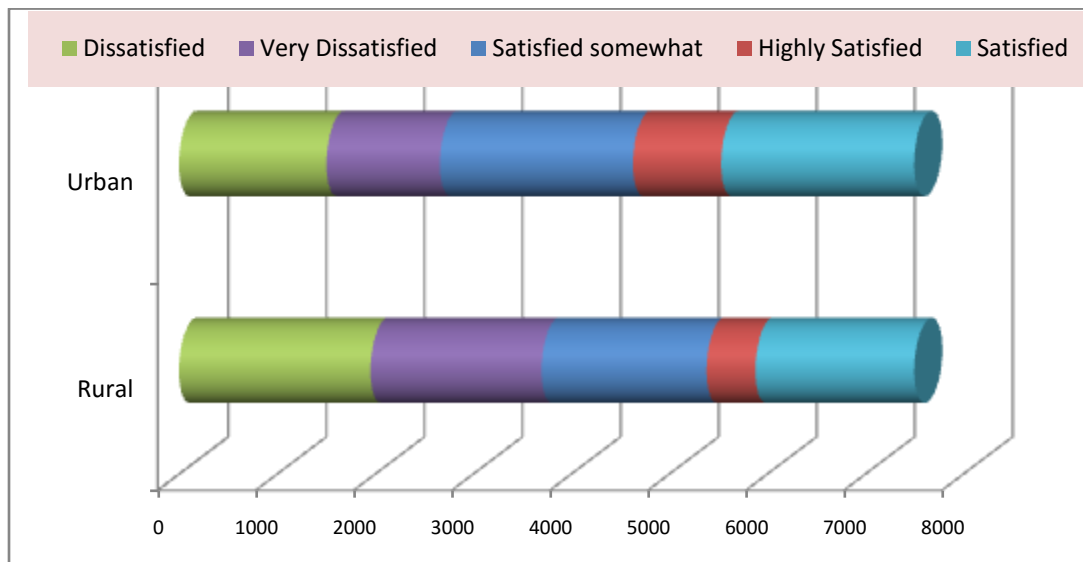
Satisfaction among older persons towards current financial status

- Approx. every tenth (9.31%) respondent claimed that he/she is happy with his/her current financial status, while approx. 1/4th respondents (23.92%) said that they are satisfied with their financial status. In urban areas 11.99% said that they are highly satisfied and 26.25% were found satisfied with their financial status. In rural areas these percentages were 6.64% and 21.59% for highly satisfied and satisfied respectively.

- Among respondents, 42.41% (in rural areas 49.32% and in urban areas 35.49%) disclosed that they are dissatisfied or very dissatisfied with their current financial condition. 19.35% older persons claimed that their financial status is very much critical.



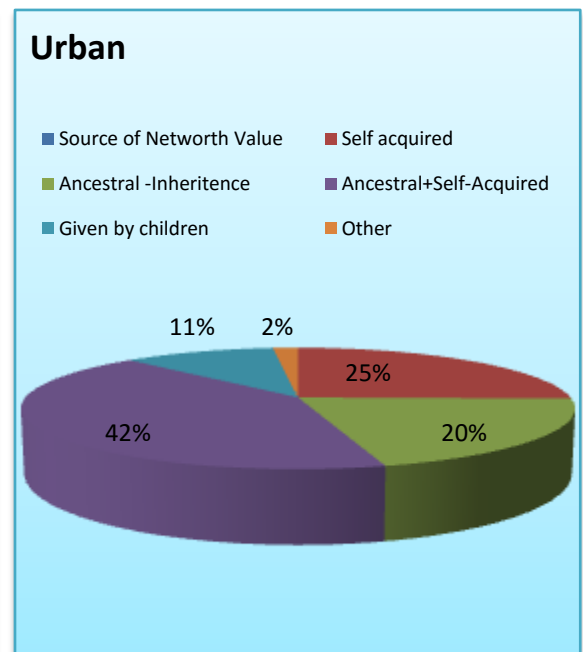
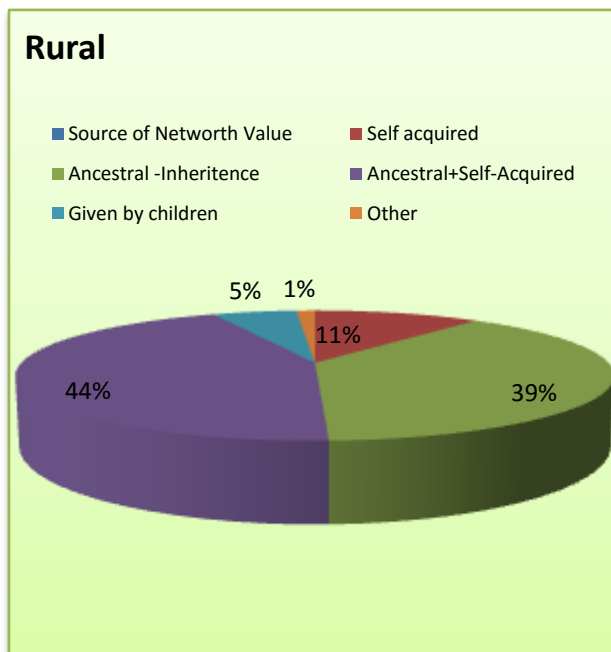
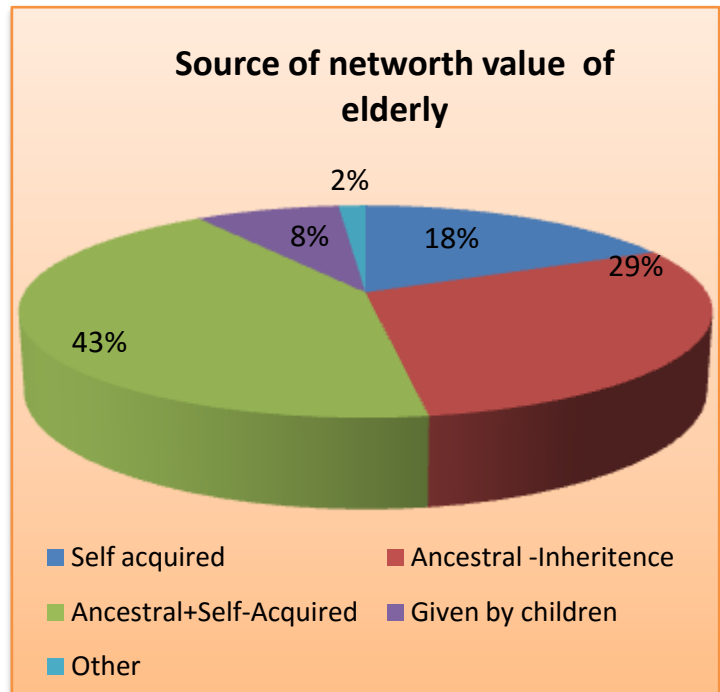
- 1/4th of the respondents, i.e. 24.36% (22.45% rural and 26.27% urban) expressed that they are somewhat satisfied with their financial status. Out of 15000 respondents, most older persons i.e. 3654 reportedly claimed that they are happy with their financial matters to some extent.



Source of Net-worth in old age Level of Satisfaction towards current financial status

To assess the source of major part of net-worth value of older persons, possible responses were classified in five categories i.e. self-acquired, ancestral inherited, ancestral & self-acquired and other.

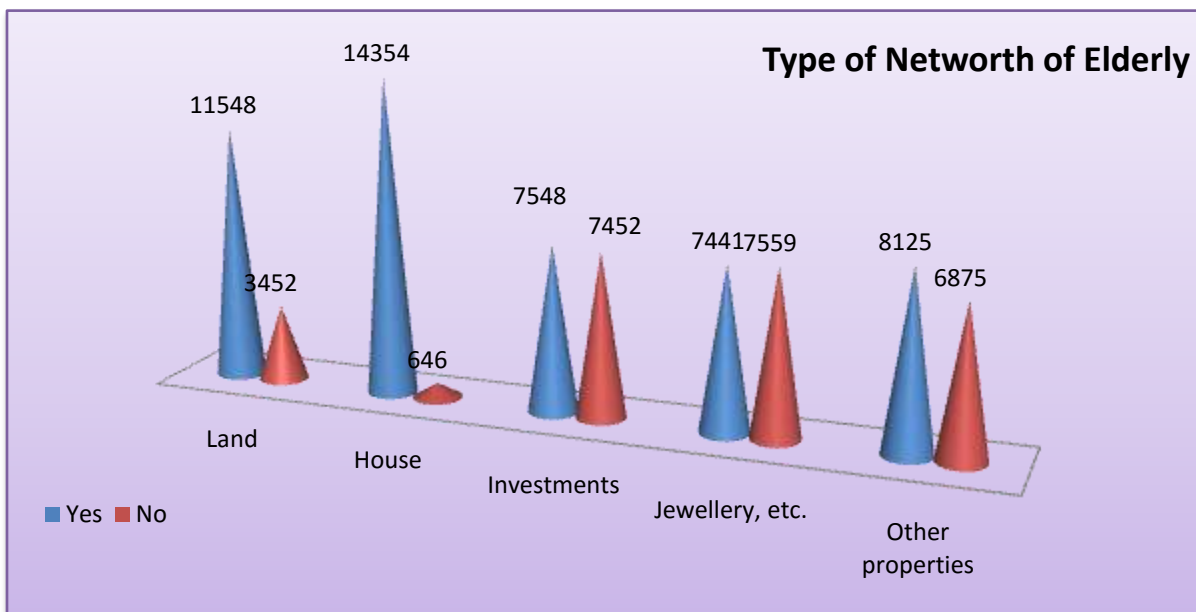
- Major part of net worth value of 43% respondents was drawn from inherited and acquired properties
- Net worth value w.e.t. 29.46% of the respondents consisted mainly of their ancestral land and house properties.
- 18.1% respondents reported that their self-acquired properties and investments make their major part of net worth value. Out of 15000 respondents 2715 elderly claimed that they made their net worth value.
- Net-worth value of 8% respondents was primarily due to properties gifted or transferred by their children, while 224 elderly respondents said that they received properties from other like relatives, friends, etc.



- When data collected by volunteers, was analyzed on rural-urban divide, it was found that in urban areas every fourth elderly i.e. 25.32% respondents have self-acquired properties, whereas in rural areas approx. every tenth i.e. 10.88% older persons have self-acquired properties.
- In rural areas most elderly respondents i.e. 43.92% claimed that source of their net-worth value is primarily their ancestral and their self-acquired properties. In comparison to this, in urban areas 38.51% respondents claimed that major sources of their net worth value are their ancestral and their self-acquired properties.
- In rural areas, ancestral properties – inheritance was judged as main source of net worth value by 38.51% respondents, whereas in urban areas 20.41% respondents were found of the same view.

Type of Net-worth Value

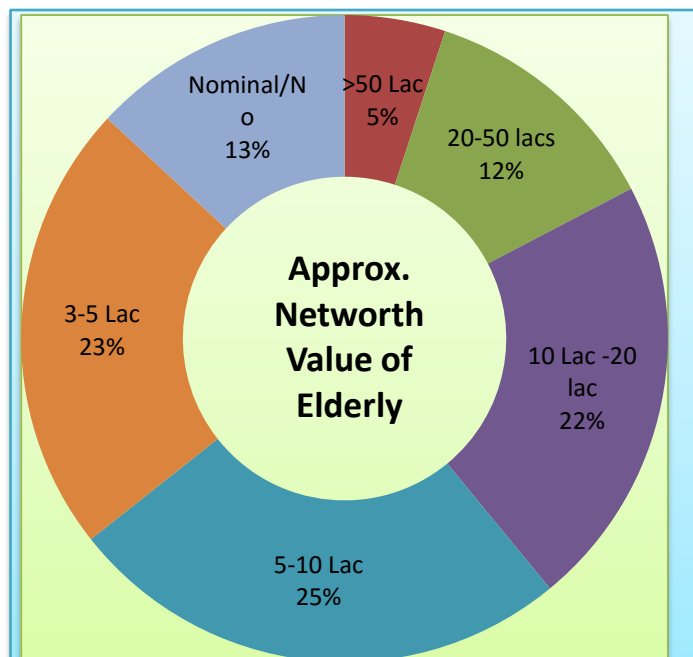
- Almost 3/4th elderly had land property as part of their net-worth value as 11548 out of 15000 elderly claimed that they have land in their name.
- Overwhelming majority of respondents (95.69%) claimed to have house property in their name.



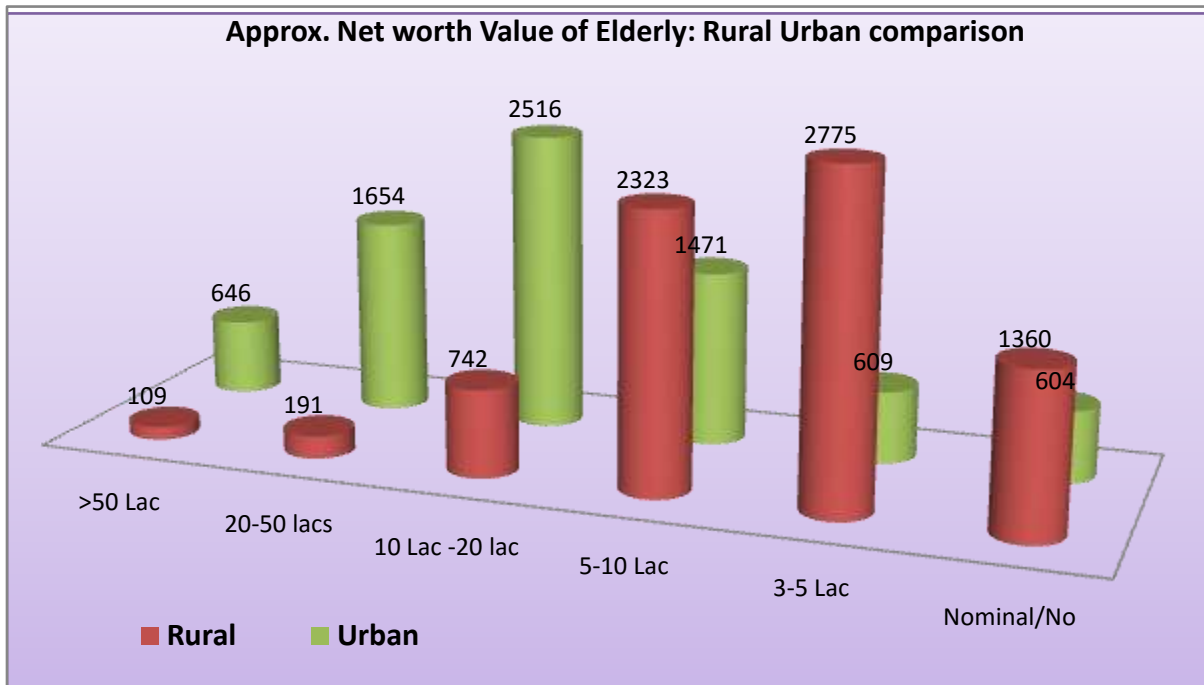
- Every second elderly respondent have savings / investments as their net-worth value whereas half of the respondents claimed that they have good amount of investments in financial products, etc.
- Half of the informants claimed that they have jewellery and other valuable items as considerable part of their net worth value.
- More than half of respondents (approx. 54%) claimed that properties other than land, house, investments and jewellery constitute their net-worth value.

Net-Worth of Older Persons

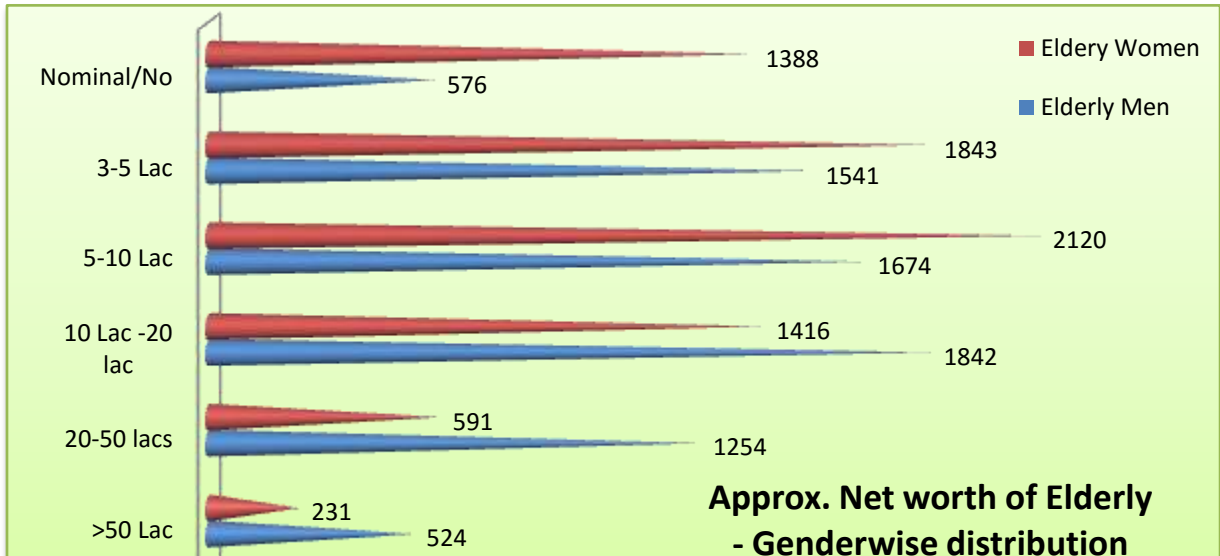
- It is discernible that every 6th elderly person is having property worth Rs. 20 Lacs or more in terms of their net worth value. Out of total 15000 elderly respondents, 17.33% i.e. 1300 elderly have properties worth Rs. 20 Lacs and above.
- 12.3% i.e. 1845 elderly have properties worth Rs. 20 Lacs - Rs. 50 Lacs. Over all 17.33% respondents (30.67% in urban and 4% in rural areas) have net-worth value of >Rs. 20 Lacs.
- 21.72% elderly respondents reportedly claimed their net worth value between 10 Lac to 20 Lacs.
- 25.3% respondents said that their net worth valued was in the range of Rs. 5-10 Lakhs.
- 22.6% elderly (3384 elderly respondents) had net worth value below Rs. 3 Lakh, while 13.1% elderly respondents claimed that their net-worth value is nil or negligible in terms of money.



- When it was attempted to assess net worth value of rural and urban elderly separately, it was found that in urban areas 35.79% respondents have net worth value less than Rs. 10 Lakh. In rural areas this percentage was 86.11 only.
- In urban areas, 64.21% respondents claimed that their net worth value is above Rs. 10 Lakh whereas in rural areas in this category there were only 13.89% respondents.



- When data obtained during survey, analyzed gender wise, it was found that most older men, approx. 1/4th older men have net worth value of Rs. 10 Lacs to Rs. 20 Lacs, while most older women i.e. 28.27% reported claimed their net worth between Rs. 5 Lacs to 10 Lacs.
- Approx. every fourth elderly men contacted during survey were having properties worth Rs. 20 Lacs and more, while approx. 1/10th elderly women claimed that their net worth is above Rs. 20 Lacs.
- 7.68% older men said that their net-worth value is nothing or nominal while 18.51% older women were of the same view that they have no or nominal properties in their name.

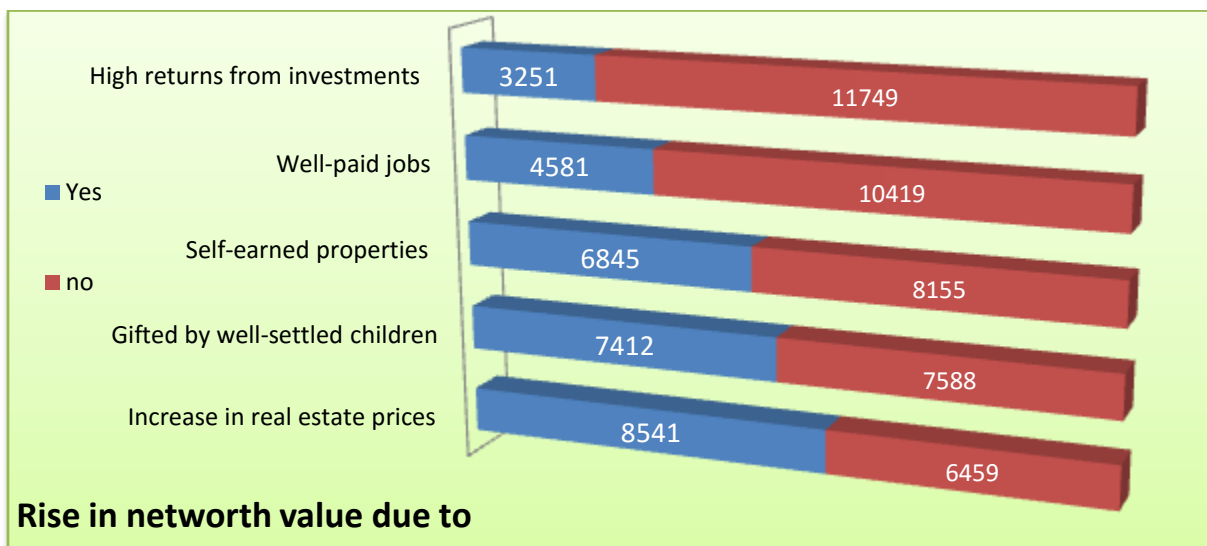
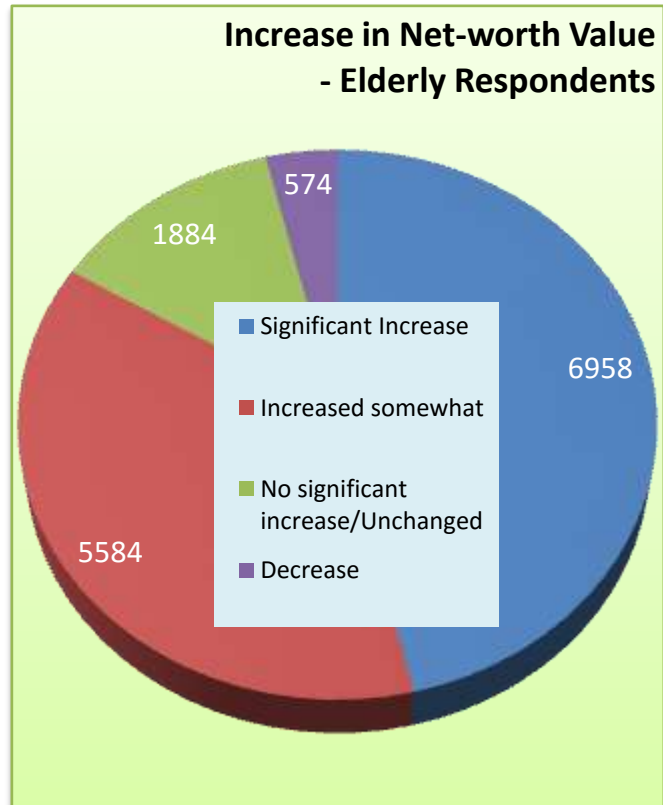


Increase in net-worth value

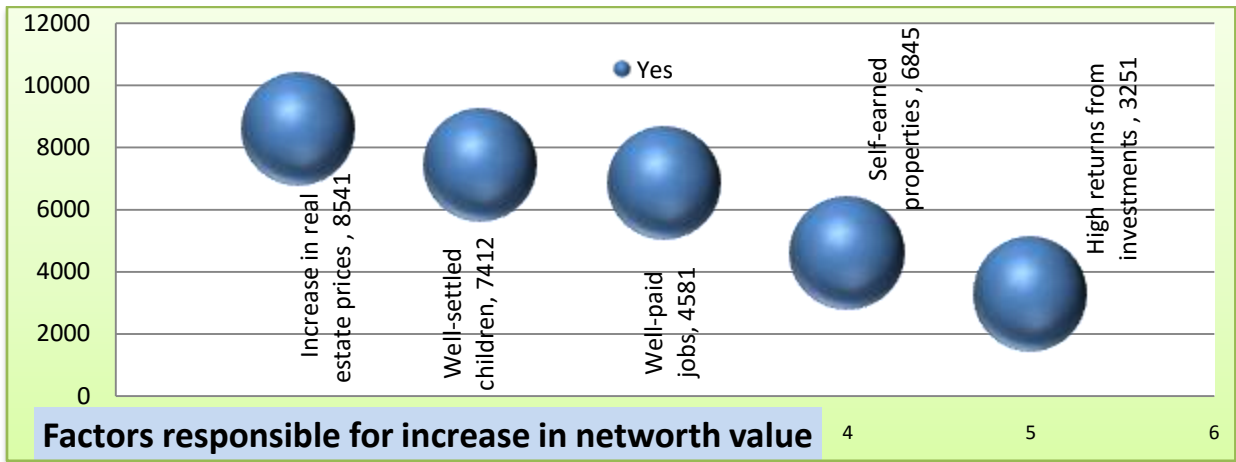
- 46.4% elderly respondents claimed that their net-worth value has increased remarkably in their old age.
- 37.2% respondents claimed that their net-worth value has increased fairly in their old age.
- 12.6% respondents claimed that there is no significant change or negative change in their net-worth value since they entered in their old age.

| Rise in net-worth value due to | Yes | no | Total | % Yes |
|---------------------------------|------|-------|-------|-------|
| Increase in real estate prices | 8541 | 6459 | 15000 | 56.94 |
| Gifted by well-settled children | 7412 | 7588 | 15000 | 49.41 |
| Self-earned properties | 6845 | 8155 | 15000 | 45.63 |
| Well-paid jobs | 4581 | 10419 | 15000 | 30.54 |
| High returns from investments | 3251 | 11749 | 15000 | 21.67 |

- Majority of the older persons (56.94%) claimed that their net-worth value had increased due to sharp increase in the price of real estate properties over the years.
- Almost half of the respondents said that they have good net-worth value because their well-settled children gifted or presented good chunk of their properties to them.
- 45.6% elderly said that they have created or self-earned properties for themselves over the years.
- A little less than 30.24% informant agreed that they earned their net-worth valued with their well paid jobs.



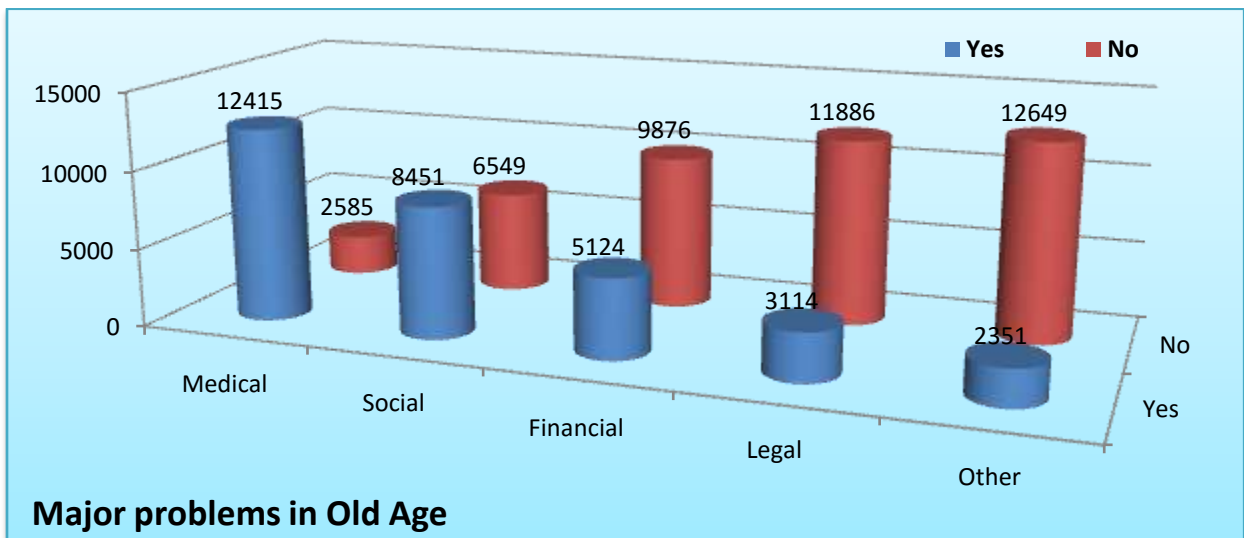
- 21.67% elderly respondents informed that they earned high returns from their investments which was also one of the major reasons for rise in their net-worth value.



Major problems in Old Age

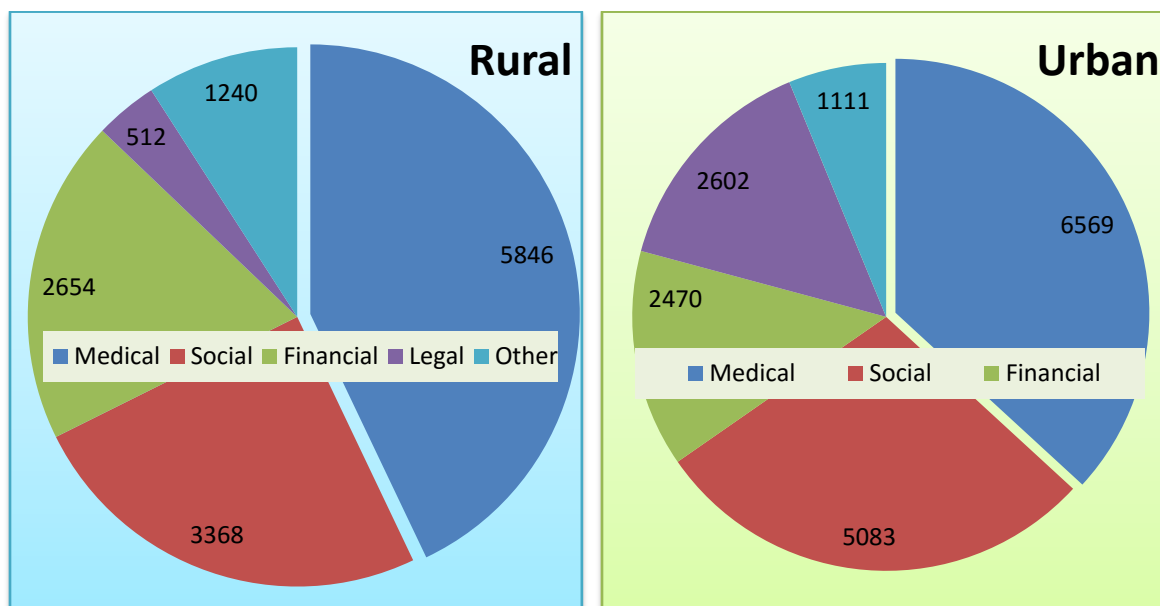
Study was also focused on major problems of older persons.

- More than four fifth (82.77%) of subjects shared the fact that their major problems were related to medical and healthcare.

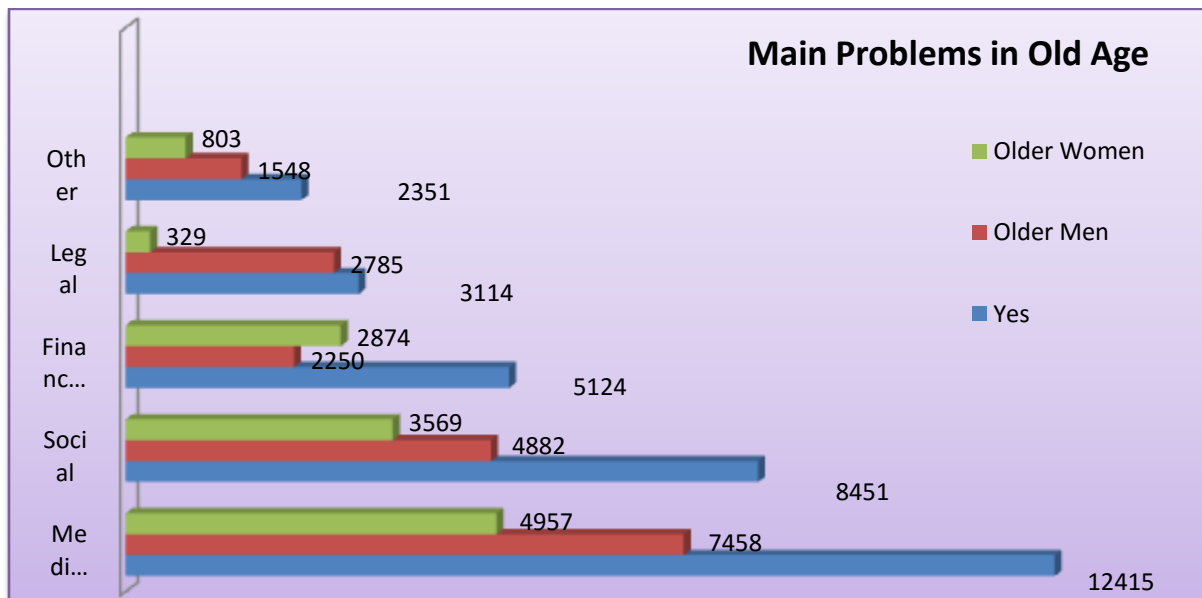


- 56.34% elderly respondents claimed that their major old age problems were related to social issues.

- About one third (34.16%) respondents have been facing problems primarily due to financial issues.
- Every fifth older person (20.76% elderly respondents) was found to be disturbed primarily due to legal matters and cases pending in various courts.
- 5.67% elderly said that their major problems in old age were related to other than medical, financial, social and legal matters.
- Out of total 5124 older persons who claimed financial problems as their major problem, 51.8% older persons were from rural areas, while 48.2% were from urban areas.



- Out of 12415 older persons, who termed medical problems as their most prominent problem, 47.09% were from rural areas while 52.91% were from urban areas.
- In comparison to rural elderly, urban elderly were suffering from social problems as their share in such social problems was 60.15% in comparison to 39.85%.
- In legal problems, share of urban elderly was quite high (83.56%) in comparison to rural elderly (16.44%).

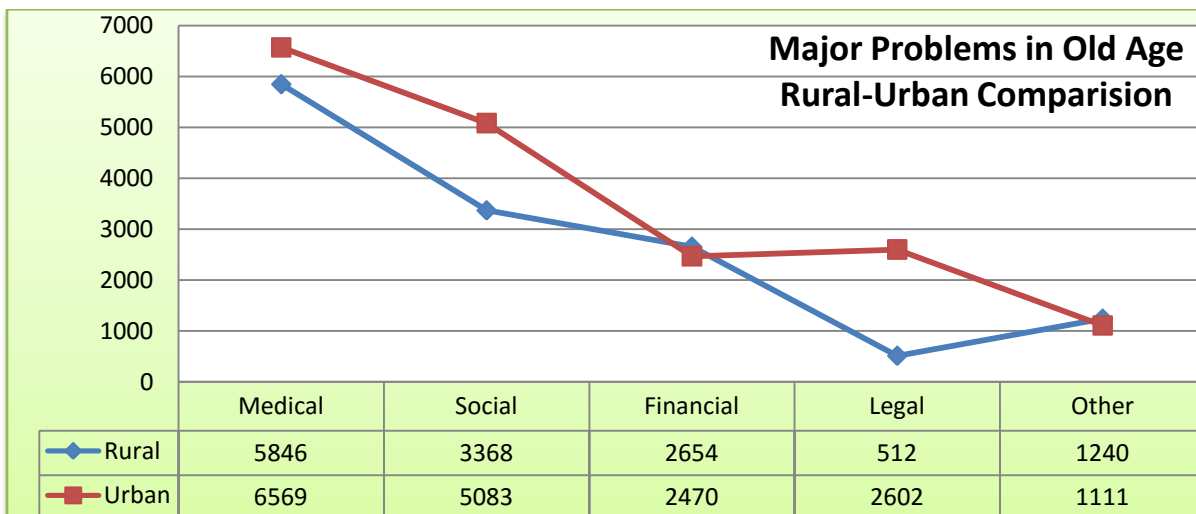
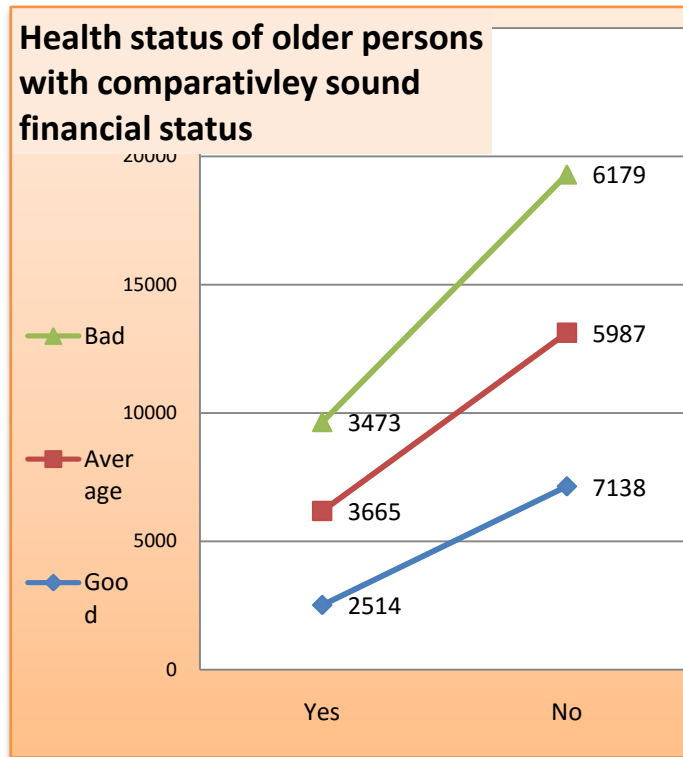


- When data further analyzed, it was found that older men was facing more problems in all categories i.e. medical, social, legal, other; except financial problems, where out of 5124 older persons , who ranked financial problems as No. 1, 56.09% (2874) were older women in comparison to 2250 older men.
- Among 12415 older persons who termed medical problems as their major problem, 60.07% were older men against 39.93% older women.

Impact of Financial Status on Healthcare Status in old age

- Almost a quarter of respondent (26%) with good financial status shared that they were enjoying good health condition due to their sound financial position. Out of 9652 elderly with sound financial condition, 2514 informed that their health condition was also good.
- In this category 38% respondents claimed that their health condition was average whereas 36% claimed their health condition to be in a bad shape, although their financial condition continued to be good.

- Out of 9652 elderly respondents, 3665 respondents' health status was average whereas 3473 respondents were found to be in a bad health condition.
- In rural areas, 77.95% respondents said that their major problem in old age is healthcare related, whereas in urban areas 87.59% elderly were found suffering from medical problems.
- In rural areas 44.91% respondents claimed that they are also facing social problems, whereas in urban areas 2/3rd elderly respondents were facing social problems in old age.
- In urban areas legal problems was also major issue for 34.69% elderly whereas in rural areas 6.83% elderly said that they have legal issues as their major problem in old age.

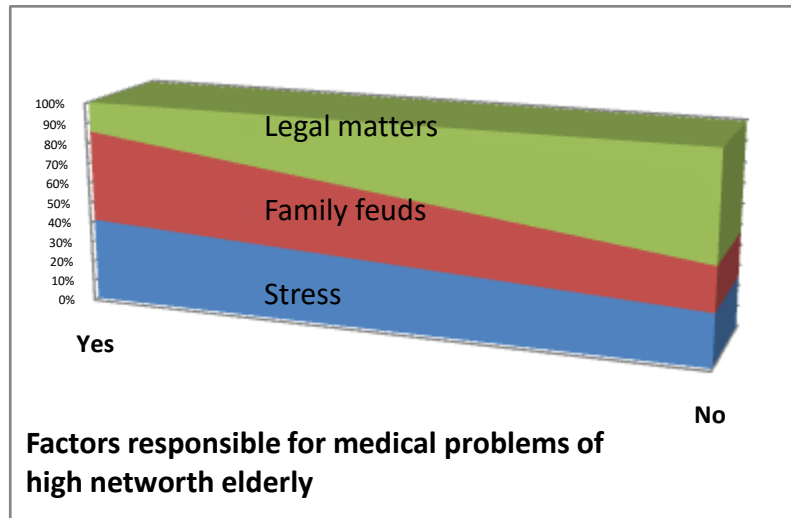


Interviewers Observations

Though health status of majority of older persons with comparatively sound financial status was good, good financial status does not always guarantee good healthcare in old age.

Relationship between Net-worth value and medical problems

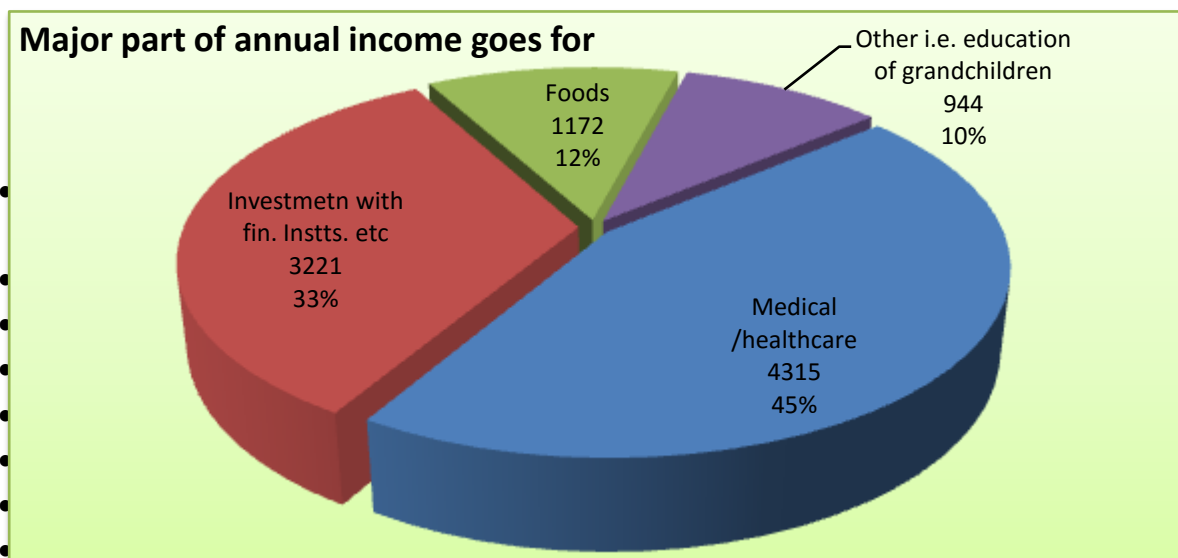
- On being endeavored to assess the relationship between Net-worth value and medical problems, it was observed that almost two third of informants with high net-worth were facing problems due to family feuds. 68.21% elderly respondents with comparatively high net-worth value (6584 older persons out of 9652 older persons) complained that family feuds were major factor responsible for their critical health condition.



- At the same time 62% subjects with high net-worth claimed that they were suffering due to a lot of stress in their life, which affects their life adversely.
- Legal matters are third major factor responsible for poor health condition in old age, even after having high net-worth value in old age. Out of 9652 financially well off. 2154 informed with anguish that legal issues had spoiled their health.

Expenditure pattern of high net-worth value older persons

- 44.7% elderly with high net-worth value claimed that major part of their annual income was spent either on their or their family members' medical/healthcare requirements. Out of 9652 high net worth elderly, 4315 elderly respondents informed that their medical expenditures were comparatively higher than other expenditures.

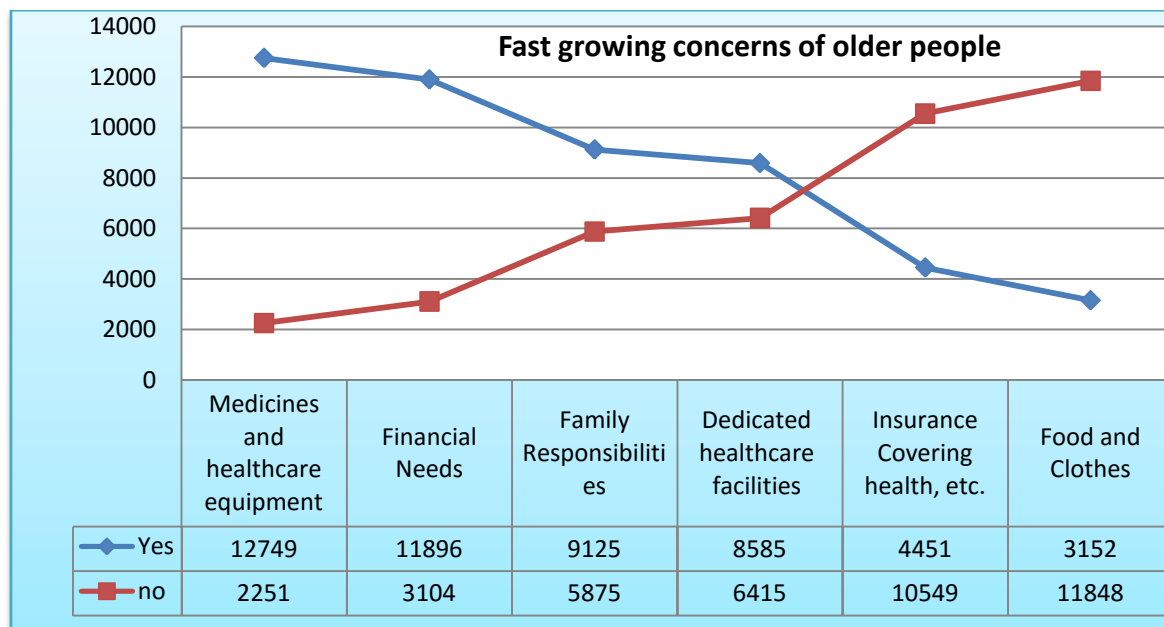


- One third (33.34%) respondents (3221 of 9652) said that investments with various financial institutions and other comprised major part of their annual income. In fact they don't spend but invest their major part of annual income.
- 12.14% elderly respondents (1172) out of the ones having high net worth value (9652) shared that their major part of annual income goes for foods and daily utilities of their respective families.
- Almost every tenth elderly with sound financial position spend major part of the annual income on overheads like education of their grandchildren, etc.

Fast growing concerns of older people in changed socio-economic scenario

On the opinion being solicited about fast changing socio-economic scenario, the following facts were unearthed;

- Majority of informants (84.99%) mentioned medicines and healthcare equipment as their fast growing concern in old age. However, 12749 of the total of 15000 respondents termed it as their one of the primary concerns in old age.

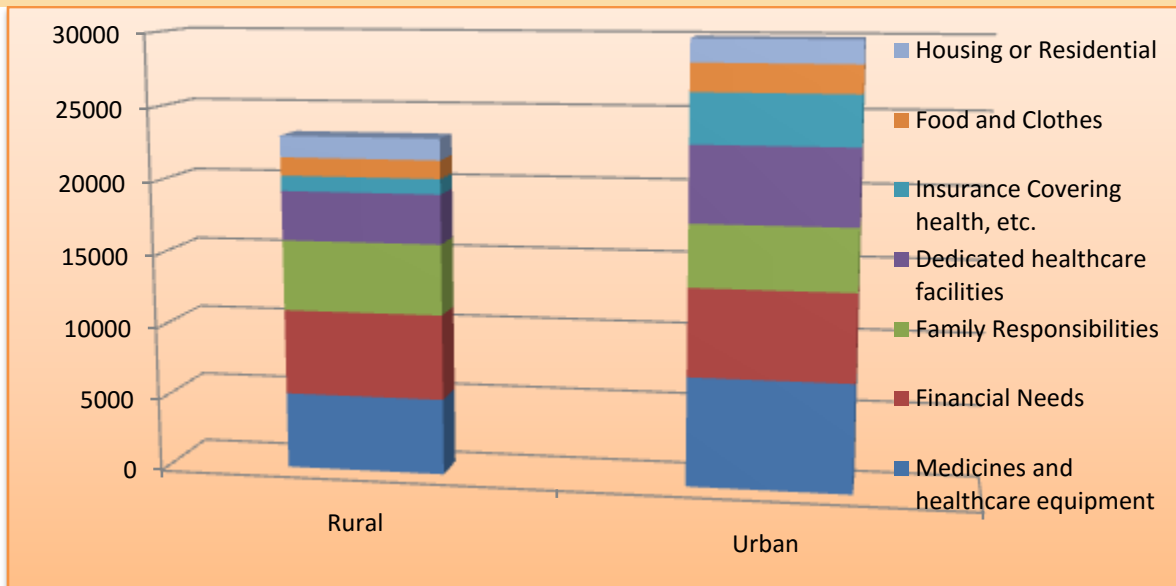


- 79.31 % elderly respondents (11896 elderly persons out of 15000 selected respondents) termed their concern related to financial needs as fast growing concerns in old age.
- Majority (60.83%) of respondents asserted that even in old age family responsibilities have become their primary concern.
- 4451 elderly respondents reportedly said that insurance, covering health insurance, etc. was their top ranked fast growing concerns in old age as there are virtually no life insurance schemes for older persons in India.

- 57.23% respondents also termed dedicated healthcare facilities as their one of the major fast growing concerns in old age.
- 21.01% elderly respondents claimed that food and clothes in old age was also their fast growing concern in old age.



- When data analyzed further, it was found that out of 12749 older persons, who termed medicines and healthcare equipment as their fast growing concern in old age, 41.1% rural elderly claimed that medicines and healthcare equipment are their fast growing concern in old age in comparison to urban older persons (58.9%). Thus the hypothesis that persons strongly suggest having free healthcare as a measure of social welfare, particularly during old age proves to be right. It might be due to the fact that during the old age the person feels more insecure with the dwindling of income.

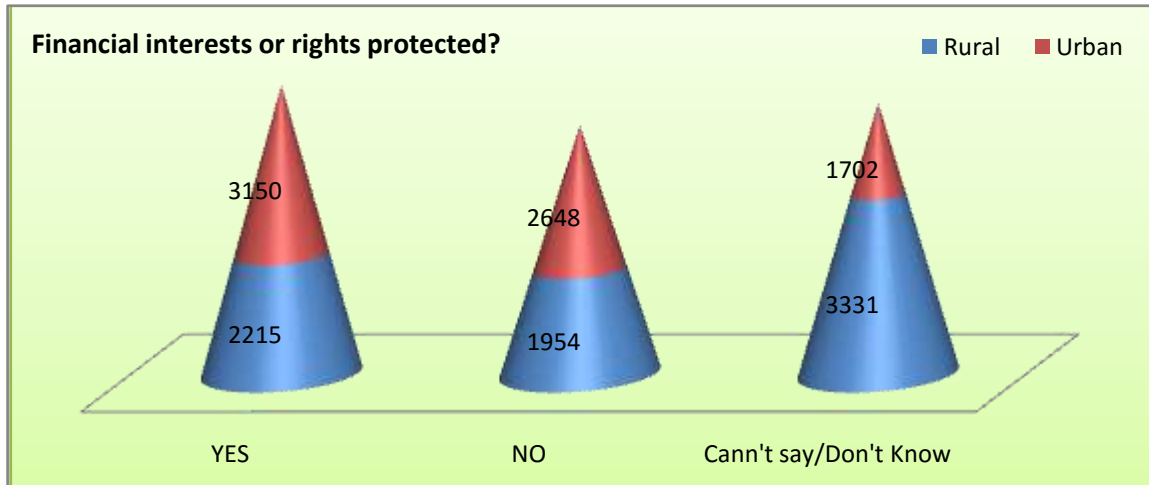


- Out of 11896 elderly respondents who reported financial needs as their fast growing concern, 50.76% belonged to rural areas.
- Out of 9125 elderly respondents, who said that family responsibilities in old age is their fast growing concern, 53.17% were from urban areas.
- In rural areas dedicated healthcare facilities was termed as fast growing concern in old age by 60.52% respondents in comparison to 39.48% urban respondents. Thus the hypothesis that ever increasing expenditure to meet day to day expenses is a matter of concern for the elderly persons proves to be right.
- In urban areas insurance related issues in old age were termed as fast growing concerns in old age by more than 76.52% urban respondents. Rural elderly were found comparatively less serious about these issues, as less than 23.48% said that insurance is their fast growing concern in old age.

Awareness about Financial Interests/Rights among older persons

- As per 35.77% older persons (29.53% rural and 42%, urban elderly) their financial rights/interests are protected while 30.68% elderly claimed that their financial interests/rights are not protected. 33.55% respondents (44.41% rural and 22.69% urban) did not reply to this question as they were not aware of their financial rights/interests or wanted to ignore this question.

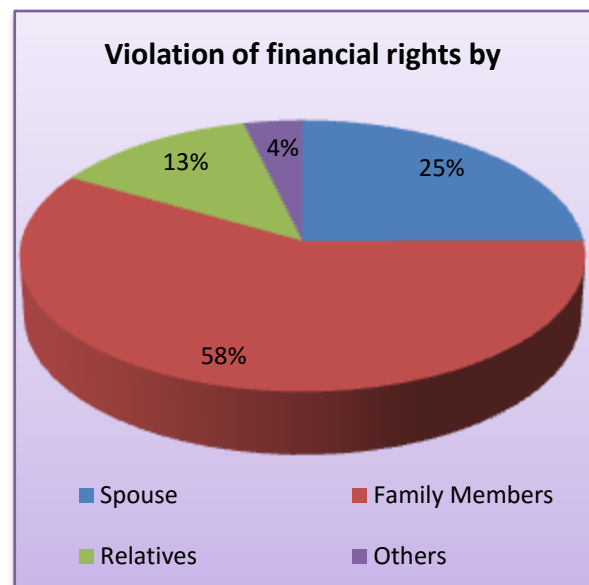
- Further it was also analyzed that 47.93% older men as compared to 23.89 older women said that their financial rights/interests are safe, while 32.26% older women and 29.06% older men said that their financial rights are not protected. It proves the hypothesis that elderly women have greater sense of financial insecurity in their Sun set years.



- Among older women 43.85% did not reply or could not respond to this question in comparison to 23.1% older men.

- When data further analyzed it was found that financial rights of older persons are violated by family members in 58.34% cases of violation of financial rights.

- 24.95% older persons also claimed that their financial rights are violated by their respective spouse only, while 12.97% respondents claimed that their relatives violate their financial interests. Hence the hypothesis that members of family violate financial rights more than non-family members proves to be right.



VIII. Representative Statements

"Over the years, prices of my house and land properties have increased many times and now I earn a good monthly income in form of rent and return from investments. But I am unable to maintain my health and I have to visit doctors and hospitals regularly. I spent my most of income on my medicines/medical treatment as I have no option to negotiate the prices of medicines or to buy from other affordable sources."

-Radhakrishna Gupta, 68, Noida, Uttar Pradesh

"We are going through a very tough time in our life. Both of us (me and my wife) worked as agricultural labour throughout our working life. Now we have no regular source of income except paltry old age pension from government. Our children are settled in big cities and hardly support us financially. Due to poor financial condition I cannot afford medicines for my wife."

-Om Prakash Purohit, 69, Betwa, Madhya Pradesh

"Most of my money goes for clearing my fat medical bills. I can't visit good hospitals/clinics as their charges are high. I want to buy medical insurance policies so that I can get proper treatment in good hospitals, but insurance agent says that they don't sell medical policies to people of my age."

-Suryakant Taneja, 75, Mumbai



"I have been living all alone for almost 8 years after the demise of my wife. My sons are settled abroad and they hardly come to visit me. I always remain in fear of robbers and criminals. I want my household goods to be insurance so that I can live with peace of mind, but there is no insurance service available around."

-Sukhbir Singh, 65-year-old retired govt. pensioner, Chandigarh

"After death of my husband, I got her entire house property worth almost a Crore in my name as per his will. Now my children started ignoring my daily needs and they don't take care of my financial needs. I want to utilize my house property in a way so that I can get some monthly income on a regular basis to meet my daily needs. I don't want to sell this house."

-Sarangi Devi, 63-year-old widow, Bangalore

IX. Observations

- Majority of older persons, particularly in rural areas, still suffering from financial problems and poor financial status is major factor responsible for their miserable situation in old age. This observation goes in line with the finding of Surroch, Anita. Further the hypothesis that financial status of the older persons is improving in the urban areas it is deteriorating in case of the informants inhabiting in the rural areas is substantially proved.
- Net-worth value of older persons has increased primarily due to sharp increase in real estate prices over the past two decades. During the survey it was also observed that property entitles remain in the name of older persons for longer years as their life span has also increased significantly over the years.
- It has been observed, that attachment of older people towards their financial resources and properties has increased over the years due to comparatively longer life span in old age. Ever increasing role of money in modern lifestyle is also seen as major factor responsible for older people's attachment towards financial resources.
- With high net-worth value, older persons have higher purchasing power, but they hardly use their discretion while exercising such powers. Younger family members often manipulate their decisions. That's why in spite of major role and active participation of older persons in country's economy, they are still considered as negligible consumers in comparison to the younger generation.



- With changed socio-economic and demographic scenario, mindset of older persons have also changed towards utilization of their net-worth as majority of them are forced to live away from their children and their families and they are less attached to their family members in comparison to old times. Hence, they also want to avail benefits of their increase net-worth value.
- Older persons suffer from a lot of medical, social and financial problems even after having good net-worth value, because there are hardly any dedicated and elderly sensitive schemes for senior citizens which can ensure comfortable and respectable old age.
- Older persons seem to be more aggressive towards their needs & rights with significant increase in their net-worth value.
- It is observed that older persons in the category of 60-70 years are looked after well by their children, but with further advancement in their age, children find it difficult or they are unable to look after them because of their own growing age and ever-increasing responsibilities towards their own children, etc. Therefore, senior citizens (70+) are marginalized / isolated to a large extent. Despite good a net-worth value majority of elderly (70+) lead lonely / neglected and miserable lives and some of them have to live in inhuman circumstances.
- In urban areas, net-worth value of older persons is comparatively much higher than their counterparts living in rural areas, but there seems no direct relation between high net worth value and financial problems.



X. Conclusion:

The net worth value with respect to about fifty million older persons has increased dramatically over the years. It is a well known fact that in the traditional society of India inheritance rights of land, house property and other ancestral property lied with elderly family members (primarily older people). With fast growing individualism, materialism, focus on personal growth, migration to pursue higher education or to take up jobs in the corporate sector resulting in fast changing socio-economic scenario, rising real estate values, demand of land property for infrastructural development across the country, etc. are among major factors that increased net worth value of older persons.

In urban areas net worth value of older persons increased comparatively much higher. Simultaneously, older people have started earning good monthly income in terms of rent on land/house properties, interests, dividends on investments, etc.

Major factors responsible for rise in net-worth value of older people

- Increase in real estate prices
- Well-settled children
- Self-earned properties
- Well-paid jobs/assignments
- High returns from investments



On the other hand, with increased life expectancy due to the advancement of medical science, health awareness among older persons, healthy lifestyle, etc. Life span of older people has also increased vehemently. Due to this movable / immovable properties (ancestral or self-earned) remain with them for a comparatively longer period of time.

Concerns of older persons have also changed with the change in their financial position and longer life span.

In nut shell, it has been observed that following are imperative needs of the older persons in India:

- Coverage under existing and/or new social security schemes
- Life insurance for more years for financial security in old age

- Medical insurance to meet increasing medical expenses in comparatively longer old age
- Covering of properties, movable/immovable under general insurance schemes
- Financial planning so that they can earn good income in old age
- Spreading of awareness about medicines and healthcare equipment beneficial to them in old age, particularly in rural and semi-urban areas
- Dedicated healthcare facilities, particularly in rural and semi-urban areas

Older persons with good net-worth value are in search of good short-term financial planning to earn a good income from their finance. With the popularity of the nuclear family system, many older persons live alone and therefore, they want to utilize their net-worth value to the maximum throughout their life.

Unlike financially weaker section of elderly, older persons with sound financial position don't want to depend on governmental medical facilities for their medical/health care related requirements in old age. Instead, they prefer to visit private institutions for better services.

Transparency in medical services and affordable medical products for older persons are urgently required. It is also important that various Pharmaceutical companies must embark of manufacturing elderly friendly products.

Older persons with good net-worth value also expect elderly friendly measures e.g. life insurance and medical insurance in old age, elderly friendly investment plans, pension plans, etc.





Agewell Foundation

(In **Special Consultative Status** with the ECOSOC at **United Nations** since 2011)
-Associated NGO Status with **UN-DPI**-

M-8A, Lajpat Nagar-II,
New Delhi-110024, India
+9111-29836486, 29840484
agewellfoundation@gmail.com

www.agewellfoundation.org

<https://www.facebook.com/AgewellFoundation/>

