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Government of India  
Ministry of Rural Development  
Department of Rural Development (RL Division)

7<sup>th</sup> Floor, NDCC -II Building,  
Jai Singh Road, New Delhi -110001

Date: 7<sup>th</sup> December, 2018

To,

The SMDs/CEOs of SRLMs of all States/UTs

**Subject: Implementation of Insurance & Pension under DAY-NRLM.**

Sir/Madam,

Deendayal Antyodaya Yojana–National Rural Livelihood Mission (DAY-NRLM), Ministry of Rural Development vide its letter no. I-12011/31/2016-RL(C) dated 15<sup>th</sup> June 2018 has shared guidelines on implementation of Insurance & Pension. Since then, there has been some experiences, observations & feedback provided by SRLMs, LIC & Pension Fund Regulatory & Development Authority (PFRDA) on captioned subject. The relevant observations and feedback should be included in our strategy for scaling up the mentioned initiatives on Insurance & Pension. Following arrangements should be adopted in addition to strategy mentioned in the letter dated 15<sup>th</sup> June 2018:

**I. Scaling up of Insurance:**

- 1. Training of staff:** Orientation & training of SRLM staff especially district, block & sub block level is important for better understanding of the scheme (PMJJBY & PMSBY). Hence, 1-2 days training programme should be organized for the staff.
- 2. SRLM as nodal agency for PMJJBY & PMSBY:** Effort should be made to designate SRLM as nodal agency for PMJJBY & PMSBY. Once SRLM become nodal agency, 50% premium of PMJJBY & PMSBY will be funded through Social security fund of Govt. of India. The State govt/UT administration designate respective department/agency in state as nodal agency for PMJJBY & PMSBY and hence SRLMs are advised to coordinate with concerned department (Labor/DWCD/revenue department) of State govt/UT administration for same. Some SRLMs (AP, Telangana, Bihar, Chattisgarh & Odisha) are already working as nodal agency for PMJJBY & PMSBY.
- 3. Intensive awareness drive during April–June:** Risk cover under PMJJBY & PMSBY commence from 1<sup>st</sup> June of every year, hence there should be intensive awareness drive during April–June in addition to regular drive throughout the year for maximum enrollment.



Financial literacy CRPs/other trained cadres may be used for awareness drive.

4. **Publicity Materials:** Minimum one poster each on PMJJBY & PMSBY containing details of scheme should be displayed in all CLFs/GPLFs and VO offices. Further, a leaflet in local language on PMJJBY & PMSBY should be distributed to all SHGs which will supplement the mass awareness drive.
5. **BimaSakhi/BimaMitra:** Experiences from AP, Telangana, Bihar & other SRLMs reflects that field cadres at block/sub block level play an important role in claim settlement, awareness drive, document preparation etc. It is suggested to place 2 - 4 field cadres as *BimaSakhi/BimaMitras* in a block after proper training on Insurance. *BimaSakhi/BimaMitras* may be selected from existing cadres (*Bank Sakhi, BC Sakhi, MCP CRPs, VO accountant, CLF accountant, other CRPs*) or create new cadres as per need. Contact details of all *BimaSakhi/BimaMitras* should be widely displayed in concern CLF and VO offices. It is advised that a proper guideline/policy should be formulated to provide adequate honorarium to *BimaSakhi/Bima* as per existing norms of respective SRLMs.

**Outcome - It is expected that at least member of SHG with Bank loan/CIF should be enrolled under PMJJBY & PMSBY.**

**II. Atal Pension Yojana (APY):** Assam, Bihar, Chattisgarh, Jharkhand, Haryana & Odisha SRLMs have selected blocks for roll out of Atal Pension Yojana. Rest of SRLMs are advised to select at least 2 blocks for same. Following steps should be followed for grounding APY for SHG members & their households.

1. **Training of field staff:** Orientation & training of SRLM staff especially cutting-edge staff at block/sub block level on APY is important for better understanding. One-day training programme should be organized for selected districts/blocks. During initial day, Pension Fund Regulatory and Development Authority (PFRDA) may support SRLMs in terms of resource person(s) for training. SRLMs may contact FI team of NMMU for resource persons.
2. **Awareness drive:** The concept of contributory pension (APY) is relatively new for SHG members and their households. It is important that SHGs' households should be made aware about features, benefits, contribution amount etc. of APY for ownership & generate interest among members along with informed financial decision. There should be intensive awareness drive on APY, especially in those blocks/districts where focused intervention on APY has been planned/started. Financial Literacy CRPs/other cadres may be used for awareness drive.
3. **Publicity Material:** In addition to awareness drive, APY posters & banners should be displayed in all CLF and VO offices. APY flyers/leaflet should be distributed to all SHGs for better understanding of the scheme. Different types of publicity materials are available on [www.pfrda.org.in](http://www.pfrda.org.in) which may be used for distribution.



4. **Role of Bank Sakhi/BC Sakhi/other cadres:** Banks are service provider of APY and enrollment under APY will take place through savings bank account of member. There is a common application form of APY available in English & Hindi which need to be filled up and submitted to the concerned bank branch:
- It is suggested that services of Bank Sakhi/BC Sakhi or any other cadres may be used to facilitate SHG members in filling up the form. These cadres should be oriented & trained on APY along with field staff before deployment.
  - Bank Sakhi/BC Sakhi/other cadres should regularly follow up with members to maintain required balance in their savings bank account for regular contribution towards APY.
  - Basic database in terms of details of members (name, SHG, village, account no, bank & branch etc) should be maintained by Bank Sakhi/BC Sakhi/Cadres.
5. **Role of Bank Branch:** After submission of APY application from to bank branch, APY account will be opened and they (members) will be provided acknowledgement slip containing details of Permanent Retirement Account No. (PRAN), name of member, date of birth, Pension amount & contribution. Members should keep the acknowledgement slip safely.
6. **Incentive to Bank Sakhi/BC Sakhi/cadres:** Mobilization of SHG members for APY, facilitate in completing the required documents for enrolment, regular follow up with members for maintaining balance in their savings bank account, MIS etc. are various activities which need to be executed by Bank Sakhi/BC Sakhi/cadres to ensure that members avail the benefit of the scheme. In order to ensure proper execution of various tasks, Bank Sakhi/BC Sakhi/cadres should be provided adequate honorarium/incentive by SRLMs. It is advised that a proper guideline /policy should be formulated to provide adequate honorarium to these cadres as per existing norms of respective SRLMs.
7. **MIS:** Proper MIS of the initiative (bank & branch wise enrollment) should be in place for effective monitoring.

**Outcome-** It is expected that in next one year, each SRLM will develop 2- 4 blocks as model blocks in terms setting up system, process for APY enrollment (minimum 500 enrolments in each block) which will help in scaling up the programme in coming years.

As advised earlier, I would like to reiterate that one staff should be designated at SMMU level to lead Insurance & Pension initiatives. You are requested to initiate action on above mentioned and keep the Ministry informed in this regard.

Yours faithfully,

  
(Leena Johri)

Joint Secretary to the Govt. of India