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भारत सरकार
स्वास्थ्य एवं परिवार कल्याण मंत्रालय
निर्माण भवन, नई दिल्ली - 110108
Government of India
Ministry of Health & Family Welfare
Nirman Bhavan, New Delhi - 110108

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Dear

Government of India has constantly been in discussions with stakeholders to improve various aspects of the National Rural Health Mission (NRHM) to ensure timely and effective delivery of health services to the target groups. Having health activists on the ground with familiarity of local conditions is proving to be an effective delivery mechanism for health related activities. ASHA workers have been at the forefront of this initiative and have been successfully providing support and succor to the needy.

Amongst various initiatives being considered by the Government of India to improve the engagement conditions of ASHA workers deployed by State governments, old age income security occupies a special place.

Ministry of Finance had announced the "Swavalamban Scheme" for providing pension to the economically disadvantaged sections of the society. This scheme is operationalized through low cost feature optimized model of National Pension System (NPS) regulated by the Pension Fund Regulatory & Development Authority. The scheme provides for a co-contribution of ₹ 1,000/- per annum for pension accounts of the unorganized sector workers. NPS/Swavalamban could be ideally suited to provide pension coverage to ASHA workers engaged under NRHM. I am enclosing herewith a brief background note on NPS/Swavalamban and experiences of various State Governments in implementation of NPS/Swavalamban for identified occupational groups.

I am endorsing a copy of this letter to The Pension Fund Regulatory & Development Authority (PFRDA). In case you need any further information/clarification, you may contact Shri A.G. Das, General PFRDA (email: ag.das@pfrda.org.in; M: 9810269333) or Shri Rakesh Sharma, General Manager (Email: rakesh.sharma58@pfrda.org.in; M: 9818002077).

With regards,

Yours sincerely,

(Manoj Jhalani)

Principal Secretary/Secretary,
Department of Health & Family Welfare

✓ Copy to : Shri Rakesh Sharma, GM, PFRDA, New Delhi.

National Pension System (NPS)/ Swavalamban Scheme

1. About NPS:

- The 'National Pension System' (NPS) based on defined contributions was adopted by the Government of India for all its employees with effect from 1st January, 2004
- Most States/UTs have adopted NPS for their employees
- In 2009 the NPS platform was made available to all citizens on a voluntary basis
- In October 2010 GoI launched the Swavalamban scheme on the NPS platform for the unorganized sector wherein GoI co-contributes Rs1000 p.a for eligible subscriber accounts
- The total number of subscribers registered in NPS as on date is almost 40 Lakhs

Pension Fund Regulatory and Development Authority (PFRDA) was constituted as a regulator for the pension sector and oversees NPS

2. Swavalamban- a novel incentive scheme from Govt. of India:

- "Swavalamban Yojana" is a novel endeavour by GoI to support individuals in the unorganized sector in achieving old age security and dignity. Any citizen of India, belonging to the unorganized sector, is eligible to open a NPS -Swavalamban account subject to the following:
 - Should be between 18 – 60 years of age
 - Should not be covered under social security scheme social security scheme like Employees' Provident Fund & Miscellaneous Provision Act , The Coal Mines Provident Fund and Miscellaneous Provision Act etc
- GoI will contribute Rs 1000 per annum to all eligible NPS Swavalamban accounts where the subscriber deposits a minimum of Rs 1000 to maximum Rs. 12000 per annum. The incentive is presently available till 2016-17
- The state government can co-contribute in the scheme however, the subscriber eligibility for GoI incentive will be based on subscriber's own contribution as detailed above
- State governments like Andhra Pradesh, Karnataka, Jharkhand, Haryana and Rajasthan have adopted the scheme for different subscriber groups like anganwadi workers, construction workers, dairy farmers etc
- The total enrolment under NPS/Swavalamban has exceeded 1 million of which 6.5 lakhs have received the GoI Swavalamban incentive

3. NPS/Swavalamban

- NPS/Swavalamban is a low cost feature optimized model aimed at economically disadvantaged sections of society with a limited investment potential
- NPS/Swavalamban is operated through grass root level intermediaries called 'Aggregators' who provide the interface between the subscriber and the NPS architecture. They are responsible for providing services to the customer on the ground as per PFRDA regulations
- PFRDA registers these aggregators after a stringent due diligence procedure and the incentive for providing services under NPS-Swavalamban is borne by GoI