

PFRDA wants banking correspondents to be associated with Atal Pension Yojna

Press Trust of India



Pension regulator asks banks to use services of BCs to extend the coverage of the scheme

New Delhi, October 30:

Pension regulator PFRDA has asked banks to employ their banking correspondents for increasing the coverage of Atal Pension Yojna among low-income groups.

The objective of the government's flagship Pradhan Mantri Jan-Dhan Yojana (PMJDY) is to provide banking facilities to the un-banked, not only banking accounts, but also credit facilities and bring them under the fold of insurance and pension, PFRDA said in a statement.

Atal Pension Yojana, one of the vital component of PMJDY, has a subscriber base of 37 lakh.

"However the country's eligible population which is in the age group of 18-40 years is more than 46 crore, hence, banks which are the critical links of the scheme should actively employ banking correspondents (BCs) for reaching wider and un-organised low-income people," said Pension Fund Regulatory and Development Authority (PFRDA).

There are over 1.70 lakh BCs operating in the country with different banks, but very few of them are actively associated with APY, it added.

PFRDA further said banks are sharing part of the promotional incentive provided by the government with BCs and hence BCs can build a sustainable revenue model by sourcing APY.

For activating the BC channel, PFRDA in association with country's largest bank SBI, had held a workshop in Gurugram near here.

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