

ANALYSIS OF MICRO PENSION INITIATIVES OF SELECT MICRO FINANCE INSTITUTIONS IN WEST-BENGAL

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Abstract : The word Financial Inclusion means Financially inclusion in the list of Bank Account Holder of those Rural poor people who are excluded in the list or unreachable for accessing this facility. For Financial Inclusion Micro Finance Stretch out it's hand to the Unreached Rural poor people through it's branches i.e. Micro Credit, Micro Insurance & Micro-Pension. Micro-Pension is a tool of providing Pension facility to safeguard the interest of those Rural poor people who are unable to get Formal Pension Facility. This paper consider only Micro Pension as a tool of Financial Inclusion by analyzing Micro Pension Initiatives of select Micro Finance Institutions in West-Bengal by conducting Field Survey on the basis of convenience sampling methodology on the holder of Micro pension of Select MFIs in West-Bengal and also by accessing different Articles, Journals etc. It is concluded that though Micro-Pension just started it's Journey but it is able to include the unreached people under the purview of Financial Inclusion.

Key-Words : financial Inclusion, Micro-Finance, Pension Scheme ,Micro-Pension, MFIs

Introduction :

Though Financial Inclusion is in the Progress line but it is far away to reach the Unreached on. Micro Finance able to enter in the heart and soul of the Unreached Rural People through it's smart Communication technology i.e CRM (Customer Relationship Manager). The First Branch of Micro Finance which the Micro Finance Institutions Utilized is Micro-Credit Business. Micro-Credit give them Opportunity to Running up their Business and other Socio-Economical need of then Micro-Insurance. After that Micro Pension knock on the door of them. **Micro Pension is a long term voluntary savings scheme for low income earner Informal Sector Workers with an objective of financial inclusion and building savings habit by giving an opportunity of small contributions .**

Background of the study :

In rapidly aging countries, the rising life expectancy associated with low productivity poses an increasing threat on the poor. India (Ranked the second in the world in terms of its population, with 1.21 billion people according to the 2011 census. This is around one-sixth of the world's population. India is expected to be the world's most populous country by 2025, outstripping China, according to a UN report, "World population prospects", published in 2012) ,is such a rapidly aging country which has a state pension for the poor, nevertheless the majority of workers in the informal sector, cannot rely on this provision for reasons of unawareness, corruption or logistical barriers. Presently, only about a fifth of India's 460 million strong labor force and about a quarter of its 90 million elderly benefit from at least one of the components of India's social security system. A majority of the working poor and low-income workers in rural India are excluded from formal pension schemes. This segment is vulnerable to old age poverty as barely 5 per cent of it has saving habit. The workers have irregular income and the savings capacity is limited and hence the retirement payout is also limited. With life expectancy increasing, people in India live for an average of 17 years after retirement. With the joint family system gradually disappearing, 67 per cent of households are nuclear families who need economic security at old ages when flow of income is less. As per NSS & NCEUS Employment in formal sector still accounts for 29% of the working population, who are covered under pillar two. Consequently, 71% of the population (mainly comprising informal sector employees) does not have a reliable post-retirement support system. Nearly 70% of rural and urban elderly females are fully

dependent. In contrast to females, elderly males are in a better position, since more than half of them (51%) in rural and (56%) in urban populations are not dependent on others. **To consider these informal sector people under the provision of pension “Micro Pension” scheme has emerged.**

Analysis of Problem from the point of view of Elders :

Challenges faced by Old Aged people :

Economic Challenges :

1. Small regular stream of cash : For most of the people, meeting basic needs of food, shelter and clothing is the biggest challenge in old age. The issue is not high cost of consumption but to find planning to ensure a small and steady cash flow to meet these basic needs. This problem is more acute in the low income group. Inability to invest funds properly.
2. Inability to invest funds properly : Those people privileged enough to retire with a pension from a company or the government often receive a lump sum. In many cases, lack of knowledge on investment opportunities or of business acumen leads to the loss of the whole amount within a very short time.
3. Access to credit, health insurance and medical services : The aged are often willing to shift to some work / business that demands less physical labour. As a result they may want credit (and related products like reverse mortgage) to start a business but lack the necessary collateral in the form of assets or savings. This is true for most Low Income Clients Older people need access to some form of health/medical services, as their health is rather weak / fragile. Access to risk/vulnerability reduction products like health insurance could also be useful.

Social Challenges :

1. Excess financial costs : In some cases, the shifting of much of the responsibility for taking care of children to the grandparents - who themselves are often in old age and have meagre income – is a problem. In such cases, elderly are faced with the task of again raising children and finding money for clothes, food, school fees etc Medical expenses also tend to burgeon at old age.
2. Social Challenges : At old age, the lack of engagement in work makes people feel unwanted, a problem often exacerbated by the disintegration of extended and traditional family structures, which have left parents and grand-parents often uncared for.

From both (National & State) Demographic point of view and challenging situation of Elderly people we understand that the Old Age People Are in Distressed situation. To provide and extend the social security scheme and the mission of Financial Inclusion it is important to discover the performance of MFI's in the platform of micro pension.

Review of Literature :

Sl.No.	Findings	Contributor(s)
1 1.	There is a strong need to provide lifelong financial security for the self-employed poor individuals living in low-income countries. With no old-age income support, the working poor are	BoudewijnSterk(2011) - “Micro pension: Helping the poor to save for the future”

	extremely vulnerable to falling into the old-age poverty trap. Social protection can be used as a tool both for the reduction of old-age related poverty and for national development. Social policies not only strengthen social cohesion but they also promote productivity, protect individuals from social risks and serve as a vital instrument for poverty reduction.	
2.	The ongoing increase in longevity is making retirement income a crucial aspect of lifetime revenues for each individual, while the growth of pension funding is increasing the share of pension assets in households' net worth.	Bodie and Davis (2000), "The Foundations of Pension Finance"
3.	Certain groups among the older generation are particularly vulnerable, especially widows. Old-age provisions in the form of pensions are an effective way of reducing income poverty and other forms of poverty among older people. Regular cash transfers also increase poor older people's access to services, particularly health care.	Caroline Dulleman and Jeanne Bruijn, 2011
4.	Expanding coverage to informal sector workers through mandatory systems is unlikely to work. Alternative, voluntary arrangements are need. However, because informal sector workers tend to have lower savings capacity and high discount rates, targeted subsidies might be required to encourage enrolment.	Mackeller Landis (2009) pension system for the informal sector in Asia
5.	Micro-pensions are a series of small payments (Mickles) over one's life to provide for either a large payment (Muckles) or series of small payments (Mickle) or combination of both (muckles and mickles), at old age. Further, industry experts suggest that there are two typical objectives of such micropension systems: (i) reducing poverty and eliminating the risk of rapidly falling living standards at old age, and (ii) protecting the elderly from economic and social crisis.	Stuart Rutherford, a senior microfinance practitioner,

Objective of the Study :

The Objective of the Study are :

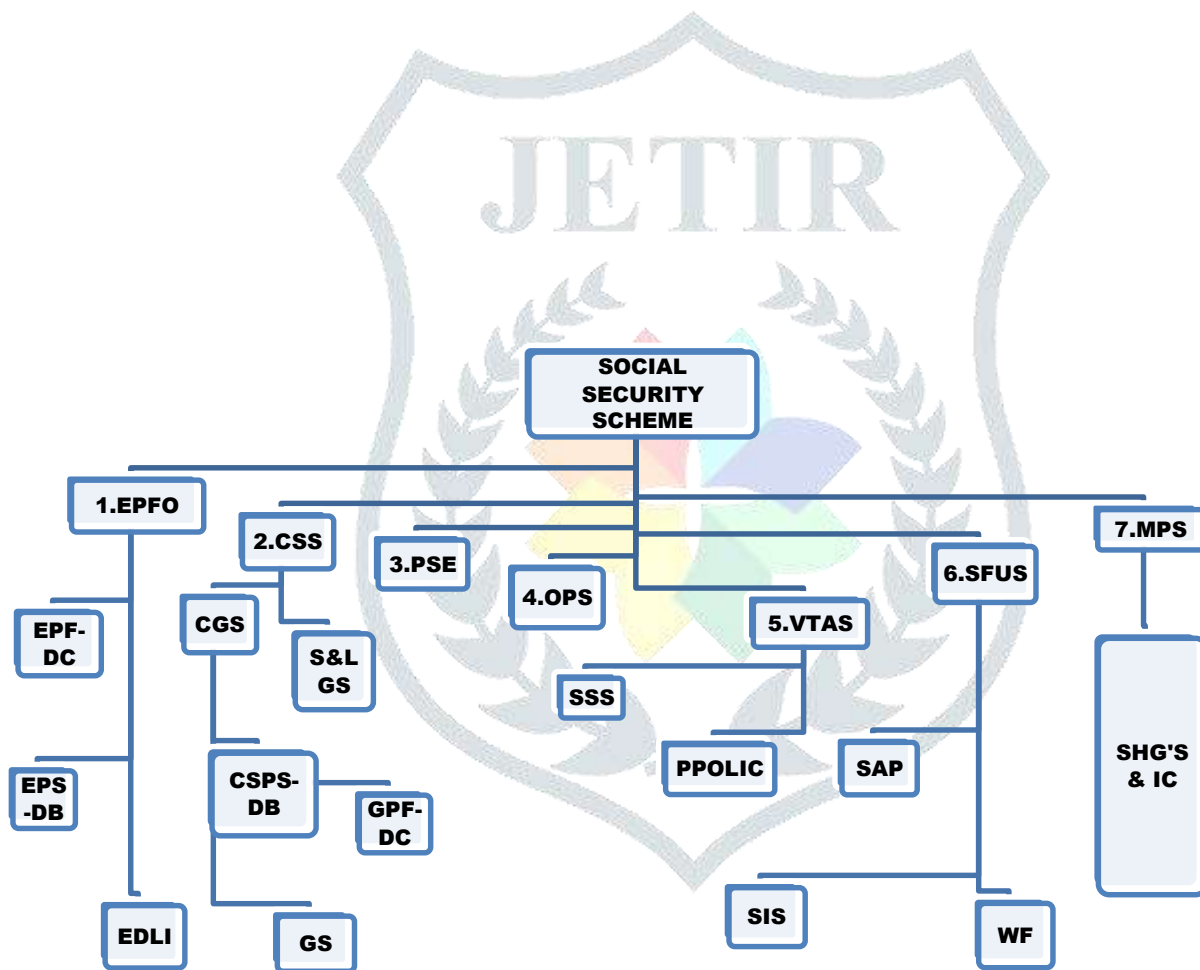
1. To know the Social Security Scheme of India at a glance .Emphasis focus on the social Security Scheme of Unorganised Sector.
2. To know the Social Security Scheme of West-Bengal.

3. To make Analysis of the Micro Pension Scheme of Select Micro Finance Institutions in West-Bengal .

Databases and Research Methodology :

The Study was based on both primary and Secondary data. Primary data was collected by conducting a Field Survey on the Beneficiary of MP scheme of Select MFIs in West-Bengal based on a structured Questionnaire consisting both open ended and closed ended questions. Convenience Sampling methodology has been used for data collection. Secondary Data was collected from different Articles, Journals etc.

Social Security Scheme in India: (see below)



SOCIAL SECURITY SCHEME OF INDIA :**Abbreviations Used**

<u>EPFO</u>	Employees' Provident Fund Organization
<u>EPF</u>	Employees' Provident Fund
<u>EPS</u>	Employees' Pension Scheme
<u>EDLI</u>	Employees' Deposit Linked Insurance Scheme
<u>CSS</u>	Civil Service Pensions scheme
<u>CGS</u>	Central Government's scheme
<u>S&LGS</u>	State and Local Government's Scheme
<u>CSPS</u>	Civil Servant's Pension Scheme
<u>GPF</u>	Government's Provident Fund
<u>GS</u>	Gratuity Scheme
<u>PSE</u>	Pension Plans of Public Sector Enterprises
<u>OPS</u>	Occupational Pension Plans
<u>VTAS</u>	Voluntary Tax-advantaged Schemes
<u>SSS</u>	Small Saving Schemes
<u>PPOLIC</u>	Pension Products of LIC's
<u>SFUS</u>	Scheme For Unorganised Sector
<u>SAP</u>	Social Assistance Programme
<u>SIS</u>	Social Insurance Scheme
<u>WF</u>	Welfare Bodies
<u>MPS</u>	Micro Pension Scheme

Schemes for the Unorganized Sector :

In 2006, the National Commission for Enterprises in the Unorganized Sector (NCEUS) published a Report which advocated a comprehensive social insurance-based, government run program covering health benefits (hospitalization, sickness allowance, maternity benefits, life insurance, and provident fund, with provision for non-Social assistance and social pension schemes such as the Old Age Pension (OAP) scheme, financed jointly by the Center and the states, but administered at the state level are usually means-tested. However, their coverage is fairly low (10 to 15 percent of the target population), and the benefit levels are also fairly low (Vaidyanathan, 2005). These schemes need to be strengthened, in terms of the delivery mechanisms, better targeting and larger level of benefits. An encouraging recent development has been the introduction of co-contribution schemes such as the Abhayastham for women members of Self Help Groups (SHGs) in Andhra Pradesh; and the Vishwakarma Unorganised Sector Pension Scheme for low-income unorganized sector workers in twenty occupations in Rajasthan. Under these schemes, a member's contribution is matched, within limits, by the state. It is projected that under the Vishwakarma pension scheme a co-contribution INR 1,000 per annum for a member contributing an equal sum over a period of 25 years could result in a monthly pension of INR 1,275 per month which is significantly higher than the present Rs.400 paid under the tax-financed national old age pension scheme. These schemes are utilizing more modern pension management practices, such as not permitting pre-retirement withdrawals; and electronic-based service delivery systems. As these are largely targeted at women members, they also help address the survivors' benefit and gender issues. The efficacy of the social assistance and pensions as well and co-contribution schemes depends on the fiscal capacity of the Center and the states, and the efficiency with which individual state governments can deliver pension benefits. Thus, fiscal and public sector governance reforms are intricately linked with the broader use of this component.

A. Social Assistance Programmes :

▪ Food-based transfer programmes : (Mid Day Meals Scheme (1995),Community Grain Bank Scheme (1996),Targeted Public Distribution System (1997),Antyodaya Anna Scheme (2000)).

▪ Income transfer programmes : (Food for Work Programme Jawahar Rozgar Yojana ,Sampoorna Gram Swarozgar Yojana ,Jawahar Gram Samridhi Yojana ,Employment Assurance Scheme,Pradhan Mantri Gram Sadak Yojana ,Food for Work Programme for Calamity Hit States,**Mahatma Gandhi National Rural Employment Guarantee Act**).

▪ Cash-transfer programmes : (**National Social Assistance Programme - Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit Scheme (NFBS) and ,Annapurna**) .

B. Social Insurance Schemes : (Janshree Bima Yojana ,Aam Admi Bima Yojana ,**Rashtriya Swasthya Bima Yojana or National Health Insurance Scheme**),and

C. Welfare Funds : (**The Mica Mines Labour Welfare Fund Act, 1946; The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972; The Iron Ore, Manganese Ore and Chrome Ore Mines Labour Welfare Fund Act, 1976; The Beedi Workers' Welfare Fund Act, 1976; and The Cine Workers' Welfare Fund Act, 1981**) .

Social Security Schemes in West-Bengal (Present Performance Report as on 15/5/2016)

Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY) :

A term life insurance policy that can be renewed either on a yearly basis or for a longer period of time.It will provide life insurance coverage on the death of the policyholder.The Life Insurance Cooperation of India (LIC) is offering this plan .However, other life insurers who are eager to take part in the programme,can join it through tie-ups with specific banks.The plan is initially being launched from june 1, 2015 to may 31, 2016 .The Subscribers will need to enrol as well as provide the option for auto-debiting their premium on or before 31 may 2015.This date will extended to 31st august 2015.Eligibility:The PMJJBY will be made available to anyone between the age group of 18-50 years.The concerned person should also have a bank account. People who avail this policy before they are 50 years old, will be allowed to enjoy the risk of life cover till the age of 55 years. However, they will need to pay the premium on a consistent basis in order to provide that benefit. Premium Amount :The policyholders will need to pay INR 330 per year. The amount will be deducted each year from their bank account in a single instalment.This will be done by the bank from where the policy is being opened.Tenure:The policy will come to an end once the holder reaches the age of 55 Years. However ,for this to be effective the policyholder will need to keep renewing the policy till that time.

Pradhan Mantri Suraksha Bima Yojna (PMSBY) :

An accidental Death & Disability Insurance Scheme for a large part of Indian Population who lives in Rural area and are not covered under any kind of Social Security Schemes, (They has not even gained the benefits of the Banking System and most are still unaware of various Governmental Schemes that are launched from time to time) has launched in Kolkata on 9th May 2015.Premium : By joining the PMSBY Scheme and paying a nominal premium of Rs.12/- per person per year, he or she will get an insurance cover for a sum of Rs. 200000/- in case of accidental death or permanent full disability or a sum of Rs. 100000/- in case of partial but permanent disability. The Scheme will be valid for a year and it can be renewed every year.All

Government-Sponsored general Insurance companies will offer the Scheme, while the other insurance companies will have the option to join the program delivery by signing-up with banks. Eligibility: Any person between the age of 18 and 70 with a Savings Bank Account and Aadhaar Card can join the Scheme.

Atal Pension Yojana :

To address the longevity risks among the workers in unorganised sector and to encourage the workers in unorganised sector to voluntarily save for their retirement,

The Government announced the introduction of universal social security schemes in the Insurance and Pension sectors for all Indians, specially the poor and the under-privileged, in the Budget for the year 2015-16. Therefore, it has been announced that the Government will launch the Atal Pension Yojana (APY), which will provide a defined pension, depending on the contribution, and its period. The APY will be focussed on all citizens in the unorganised sector, who join the National Pension System (NPS) administered by the Pension Fund Regulatory and Development Authority (PFRDA).

Benefit of APY : Fixed pension for the subscribers ranging between Rs. 1000 to Rs. 5000, if he joins and contributes between the age of 18 years and 40 years. The contribution levels would vary and would be low if subscriber joins early and increase if he joins late.

Eligibility for APY : Atal Pension Yojana (APY) is open to all bank account holders. The Central Government would also co-contribute 50% of the total contribution or Rs. 1000 per annum, whichever is lower, to each eligible subscriber account, for a period of 5 years, i.e., from Financial Year 2015-16 to 2019-20, who join the NPS between the period 1st June, 2015 and 31st December, 2015 and who are not members of any statutory social security scheme and who are not income tax payers. However the scheme will continue after this date but Government Co-contribution will not be available. The Government co-contribution is payable to eligible PRANs by PFRDA after receiving the confirmation from Central Record Keeping Agency at such periodicity as may be decided by PFRDA. **Age of joining and contribution period** APY is 18 years and maximum age is 40 years. The age of exit and start of pension would be 60 years. Therefore, minimum period of contribution by the subscriber under APY would be 20 years or more.

Enrolment agencies : All Points of Presence (Service Providers) and Aggregators under Swavalamban Scheme would enrol subscribers through architecture of National Pension System. The banks, as POP or aggregators, may employ BCs/Existing non - banking aggregators, micro insurance agents, and mutual fund agents as enablers for operational activities. The banks may share the incentives received by them from PFRDA/Government, as deemed appropriate.

Operational Framework of APY : It is Government of India Scheme, which is administered by the Pension Fund Regulatory and Development Authority. The Institutional Architecture of NPS would be utilised to enrol subscribers under APY. The offer document of APY including the account opening form would be formulated by PFRDA.

Funding of APY : Government would provide (i) fixed pension guarantee for the subscribers; (ii) would co-contribute 50% of the total contribution or Rs. 1000 per annum, whichever is lower, to eligible subscribers; and (iii) would also reimburse the promotional and development activities including incentive to the contribution collection agencies to encourage people to join the APY.

Penalty for default : Under APY, the individual subscribers shall have an option to make the contribution on a monthly basis. Banks are required to collect additional amount for delayed payments, such amount will vary from minimum Rs. 1 per month to Rs 10/- per month as shown below:

- ☐ Rs. 1 per month for contribution upto Rs. 100 per month.
- ☐ Rs. 2 per month for contribution upto Rs. 101 to 500/- per month.
- ☐ Rs. 5 per month for contribution between Rs 501/- to 1000/- per month.
- ☐ Rs. 10 per month for contribution beyond Rs 1001/- per month.

The fixed amount of interest/penalty will remain as part of the pension corpus of the subscriber.

Note : Discontinuation of payments of contribution amount shall lead to following:

- ☐ After 6 months account will be frozen.
- ☐ After 12 months account will be deactivated.
- ☐ After 24 months account will be closed.

Operation of additional amount for delayed payments : i) APY module will raise demand on the due date and continue to raise demand till the amount is recovered from the subscriber's account. ii) The due date for recovery of monthly contribution may be treated as the first day /or any other day during the calendar month for each subscriber. Bank can recover amount any day till the last day of the month. It will imply that contribution are recovered as and when funds are available any point during the month. iii) Monthly contribution will be recovered on FIFO basis- earliest due installment will recovered first along with the fixed amount of charges as mentioned above. iv) More than one monthly contribution can be recovered in month subject to availability of the funds. Monthly contribution will be recovered along with the monthly fixed due amount, if any. In all cases, the contribution is to be recovered along with the fixed charges. This will be banks' internal process. The due amount will be recovered as and when funds are available in the account.

Investment of the contributions under APY : The amount collected under APY are managed by Pension Funds appointed by PFRDA as per the investment pattern specified by the Government. The subscriber has no option to choose either the investment pattern or Pension Fund.

Continuous Information Alerts to Subscribers : i) Periodical information to the subscribers regarding balance in the account, contribution credits etc. will be intimated to APY subscribers by way of SMS alerts. The subscribers will have the option to change the non – financial details like nominee's name, address, phone number etc whenever required. ii) All subscribers under APY remain connected on their mobile so that timely SMS alerts can be provided to them at the time of making their subscription, auto-debit of their accounts and the balance in their accounts.

Exit and pension payment : i) Upon completion of 60 years, the subscribers will submit the request to the associated bank for drawing the guaranteed monthly pension. ii) Exit before 60 years of age is not permitted, however, it is permitted only in exceptional circumstances, i.e., in the event of the death of beneficiary or terminal disease.

Annex-1

Monthly, Quarterly and Half-yearly contributions under APY for different minimum guaranteed amount of pension at different age entry and return of the corpus amount to the nominee

Return of corpus amount to the nominee		Minimum Guaranteed Pension of Rs. 1000/month			Minimum Guaranteed Pension of Rs. 2000/month			Minimum Guaranteed Pension of Rs. 3000/month			Minimum Guaranteed Pension of Rs. 4000/month			Minimum Guaranteed Pension of Rs. 5000/month		
		Rs. 1.70 Lakh			Rs. 3.40 Lakh			Rs. 5.10 Lakh			Rs. 6.80 Lakh			Rs. 8.50 Lakh		
Age at entry	vesting period	Monthly instalment	Quarterly instalment	Half yearly instalment	Monthly instalment	Quarterly instalment	Half yearly instalment	Monthly instalment	Quarterly instalment	Half yearly instalment	Monthly instalment	Quarterly instalment	Half yearly instalment	Monthly instalment	Quarterly instalment	Half yearly instalment
18	42	42	125	248	84	250	496	126	376	744	168	501	991	210	626	1239
19	41	46	137	271	92	274	543	138	411	814	183	545	1080	228	679	1346
20	40	50	149	295	100	298	590	150	447	885	198	590	1169	248	739	1464
21	39	54	161	319	108	322	637	162	483	956	215	641	1269	269	802	1588
22	38	59	176	348	117	349	690	177	527	1045	234	697	1381	292	870	1723
23	37	64	191	378	127	378	749	192	572	1133	254	757	1499	318	948	1877
24	36	70	209	413	139	414	820	208	620	1228	277	826	1635	346	1033	2042
25	35	76	226	449	151	450	891	226	674	1334	301	897	1775	376	1121	2219
26	34	82	244	484	164	489	968	246	733	1452	327	975	1930	409	1219	2414
27	33	90	268	531	178	530	1050	268	799	1582	356	1061	2101	446	1329	2632
28	32	97	289	572	194	578	1145	292	870	1723	388	1156	2290	485	1445	2862
29	31	106	316	626	212	632	1251	318	948	1877	423	1261	2496	529	1577	3122
30	30	116	346	685	231	688	1363	347	1034	2048	462	1377	2727	577	1720	3405
31	29	126	376	744	252	751	1487	378	1129	2237	504	1502	2974	630	1878	3718
32	28	138	411	814	276	823	1629	414	1234	2443	551	1642	3252	680	2053	4066
33	27	151	450	891	302	900	1782	453	1350	2673	602	1794	3553	752	2241	4488
34	26	165	492	974	330	983	1948	495	1475	2921	659	1964	3889	824	2456	4863
35	25	181	539	1068	362	1079	2136	543	1618	3205	722	2152	4261	902	2689	5323
36	24	198	590	1169	396	1180	2337	594	1770	3506	792	2360	4674	990	2950	5843
37	23	218	650	1287	436	1299	2573	654	1949	3860	870	2593	5134	1087	3239	6415
38	22	240	715	1416	480	1430	2833	720	2146	4249	957	2852	5648	1196	3564	7018
39	21	264	787	1558	528	1574	3116	792	2360	4674	1054	3141	6220	1318	3928	7778
40	20	291	867	1717	582	1734	3435	873	2602	5152	1164	3469	6869	1454	4333	8581

Performance of 3 Social Security Schemes viz. Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY) as on 15/05/2016 is furnished below :

Bank Type	PMSBY	PMJJBY	APY	TOTAL
PSB	5221808	1104412	118238	6444458
RRB	523941	96204	8443	628588
Private	131989	54763	5164	191916
Co-Op	26641	9302	0	35943
Total	5904379	1264681	131845	7300905

Company Profile :

AROHAN



Arohan Financial Services (P) Limited started off in 2006 with initial support from Bellwether, and then from India Financial Inclusion Fund and [Michael & Susan Dell Foundation](#). Arohan started its operations by offering micro-loans in West Bengal, and then expanded to Bihar and Assam. In Sep'12, [IntelleCash](#), an incubation/capacity building company invested to take a controlling stake in Arohan along with [Aavishkaar](#)

Goodwell, a microfinance focused fund. With this investment, the first formal example of consolidation in the Indian microfinance sector, Arohan is now an integral part of the Intellectap Group which has over 10 years of business consulting, investment banking and research & events experience in development sector in India.

JAGARAN



The word “**Jagaran**” has been derived from Sanskrit and means “a state of wakefulness”. Jagaran intends to awaken the economically challenged sections of the society, rid them of despair and assist them in building a better life.

Jagaran Microfin Private Limited is the outcome of a vision to build:

- i. A professionally managed Microfinance institution which can achieve a healthy amalgamation of social and financial sustainability through economic empowerment as well as employment generation.
- ii. A strong foundation to promote entrepreneurship skills among the economically backward sections of the population and make them self-reliant.

Jagaran Microfin Pvt Ltd is a for-profit NBFC dedicated to the activities of microfinance and financial inclusion. Jagaran is a wholly owned subsidiary of GTFS Multiservices Ltd (GTFS), which is best known as a distribution giant in the Indian financial markets. GTFS is a key and major distributor of most fund houses (insurance and mutual funds) and has helped create earning opportunities for more than 4 million people in rural India.

The GTFS group presently has more than 275 full-fledged branches with more than one million distribution partners, covering a vast geographical area of the country.

Jagaran has access to all these branches which will enable it to reach scale at a fast pace and low cost.

A hub and spoke approach has been adopted to help the organization penetrate quickly and deeply into the heartland of India for delivering its products and services. The Management is therefore positive that the outreach, efficiency and investor returns at Jagaran would be at par with the best in the Industry.

Janalakshmi :

Janalakshmi has its roots in an incubated initiative called Sanghamitra Urban Programme (SUP), housed in an outstanding microfinance institution called Sanghamitra Rural Financial Services (SRFS), set up by one of India's most respected Rural NGOs called Myrada (Mysore Resettlement and Development Agency).

Our first group loan, in October 2000, marks what is possibly the earliest instance of urban microfinance in India. In 16 months we had loaned one crore rupees. All the while our small core team was trying to understand the aspirations and challenges of the urban poor, and also the role financial services could play in enabling them to script their success. What we learnt in those early years continues to shape Janalakshmi today as we move into this phase of our growth. The large urban underserved want more than loans. Like all of us they, too, want a place to keep their hard-earned savings, they want health and life insurance, pensions and retirement plans, financial support to expand micro enterprises, loans to put children through English-medium schools. In short: a full-service financial institution to fuel their dreams.

By continuing to strengthen the key pillars of the organisation, and by partnering with leading global institutions, Janalakshmi is closer to being exactly such an institution for the growing and aspirational urban underserved.

We tell them: **Likho apni kahaani.**

Reliability of Questionnaire : Before analyzing and making interpretation we should check the reliability of our Questionnaire. For Reliability of Questionnaire it has been tested in Spss-20. Cronbach's Alpha is 0.950 which means it has high level of Accuracy in Questionnaire Setting.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.950	.965	15

Analysis And Interpretations of Data

Analysis of Data of Micro-Pension Schemes of Select Micro Finance Institutions i.e Arohan, Jagaran, Janalakshmi :

Total samples (Beneficiary of Micro-Pension Scheme of the Respective Micro-Finance Institution) which are Surveyed is 506. Among them 225 Samples are taken from Arohan { Area : Belegghata=31, Baranagar=27, Khidirpur=37, Shyambazar=96, Maniktala=18, Metiaburuz=10, Behala=6 } 80 samples from Jagaran { Area : Barasat=12, Belegghata=28, Rajarhat=2, Diamond Harbour=38 } and 201 Samples from Janalakshmi { Area : Laketown=93, Howrah=43, Amtala=65 } . A structured Questionnaire had been prepared for Survey Consisting 26 Questions which are based on Scheme Details , Viability of the Scheme , Awareness of both the MFIS' and Beneficiaries.

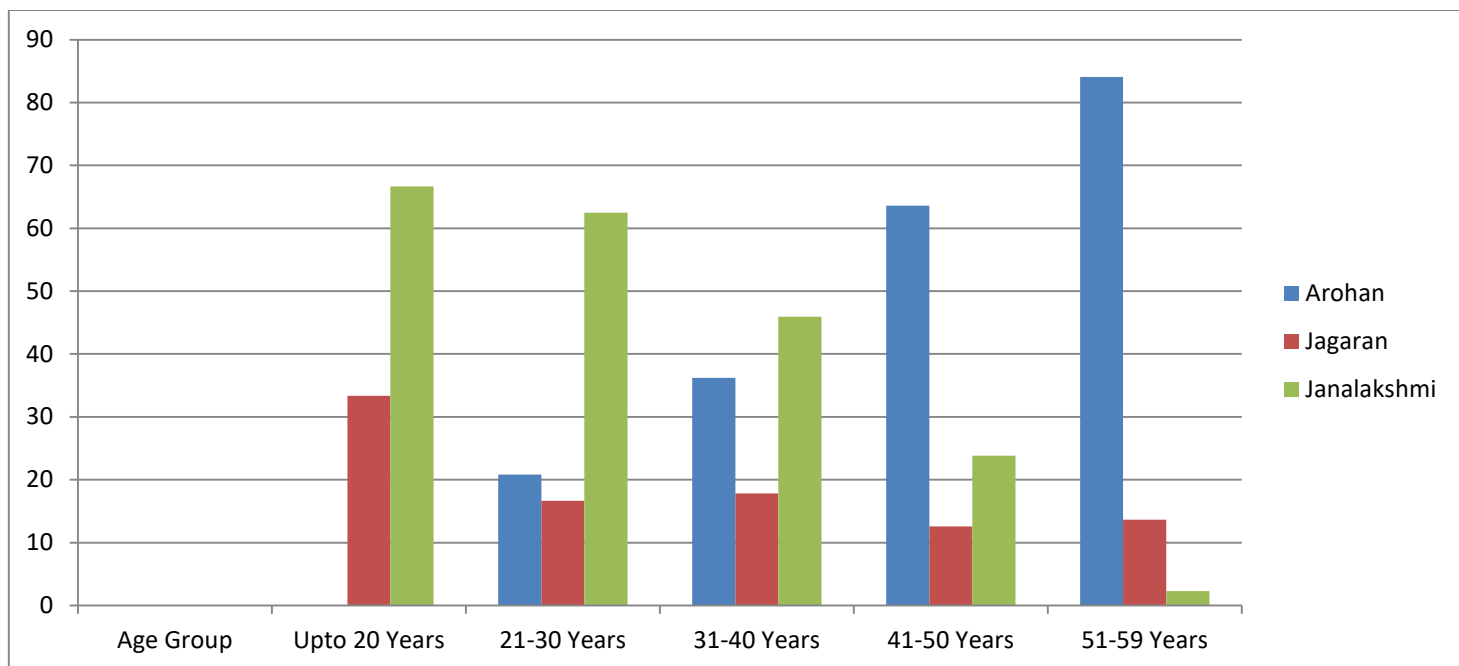
Demographic Data Analysis of the Beneficiaries of Micro-Pension Scheme of of Select MFIS' i.e. Arohan, Jagaran, Janalakshmi

Based on Age : (Table 1)

Age Group	Arohan {No of Respondents According to Age Group}	Arohan % of Total Age	Jagaran {No. of Respondents According to Age Group}	Jagaran % of Total Age	Janalakshmi {No. of Respondents According to Age Group}	Janalakshmi % of Total Age	Total Age {No. of Respondents of MFIS Specific to each Age Group}
Upto 20 Years	0	0	2	33.33	4	66.67	6
21-30 Years	25	20.83	20	16.67	75	62.5	120
31-40 Years	67	36.22	33	17.84	85	45.94	185
41-50 Years	96	63.58	19	12.58	36	23.84	151
51-59 Years	37	84.09	6	13.64	01	2.27	44
Total	225		80		201		506

Company Wise 185 Respondents out of 506 belonging to the age group 31-40 years and out of them maximum are the Beneficiaries of Janalakshmi which is shown in the Graph 1.

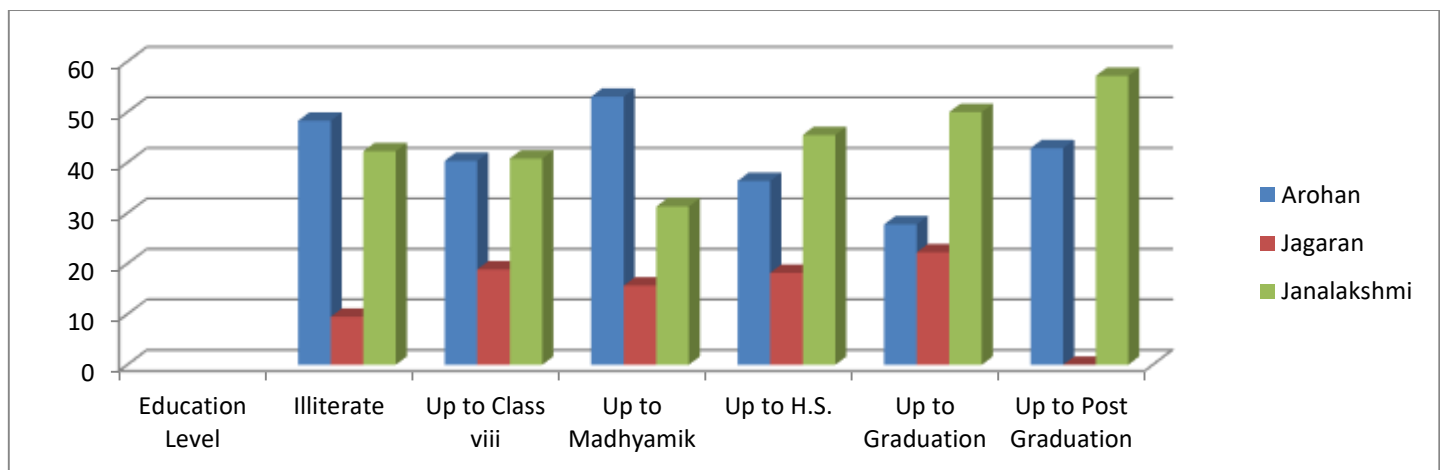
Graph 1.

**Based on Educational Level : (Table 2)**

Education Level	Arohan (No. of Repondents According to Education Level)	Arohan % of Total Education Level Criteria	Jagaran (No. of Repondents According to Education Level)	Jagaran % of Total Education Level Criteria	Janalakshmi (No. of Repondents According to Education Level)	Janalakshmi % of Total Education Level Criteria	Total (No. of Repondents of MFIS According to Education Level)
Illiterate	56	48.28	11	9.48	49	42.24	116
Up to Class viii	92	40.35	43	18.86	93	40.79	228
Up to Madhyamik	61	53.04	18	15.65	36	31.31	115
Up to H.S.	8	36.36	4	18.18	10	45.46	22
Up to Graduation	5	27.78	4	22.22	9	50.00	18
Up to Post Graduation	3	42.86	0	0	4	57.14	7
Total	225		80		201		506

Majority of the Population having Up to class viii level of Education and Janalakshmi having maximum number of that population who can easily Write, read and make thumb impression (See Graph 2).

Graph 2

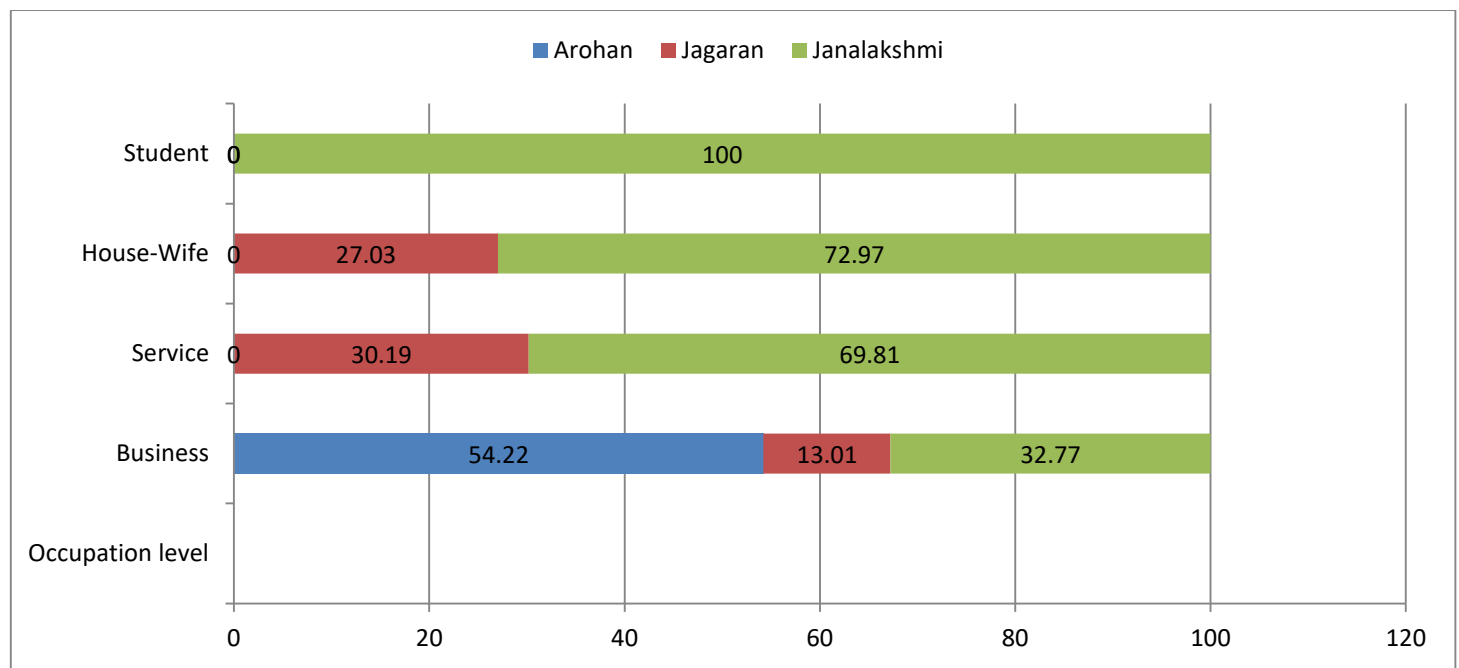


Based on Occupation Level : (Table 3)

Occupati on Level	Arohan(No.of Responden ts According to Different Occupatio n Level)	Arohan % of Total Occupati on Level Criteria	Jagaran(No.of Responden ts According to Different Occupatio n Level)	Jagaran % of Total Occupati on Level Criteria	Janalaksh mi(No.of Respondent s According to Different Occupation Level)	Janalaksh mi % of Total Occupatio n Level Criteria	Total (No.of Responden ts of MFIS According to Different Specific Occupatio n Level)
Business	225	54.22	54	13.01	136	32.77	415
Service	0	0	16	30.19	37	69.81	53
House- Wife	0	0	10	27.03	27	72.97	37
Student	0	0	0	0	1	100	1
Total	225		80		201		506

In case of Occupation 415 Respondents are doing Small, Micro level Business which signifies followed by Business. Majority of the Respondents (MP scheme holders) of Arohan are falling under this category (See Graph 3).

Graph 3

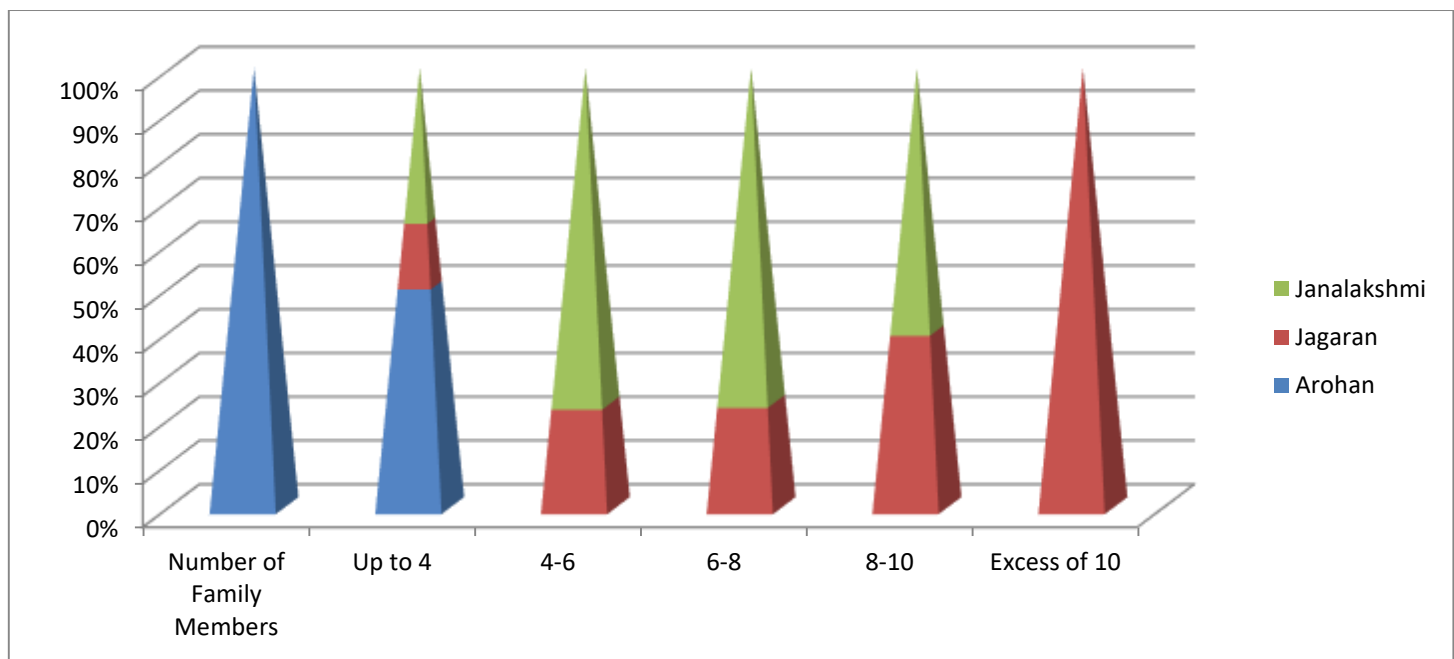


Based on the Number of Dependency (Number of Family Members) Level : (Table 4)

No. of Family Members {Group}	Arohan(N o. of Family Members in Different Category)	Arohan % of Total No. of Family Member's Group	Jagaran(N o. of Family Members in Different Category)	Jagaran % of Total No. of Family Member's Group	Janalakshmi(N o. of Family Members in Different Category)	Janalakshmi % of Total No. of Family Member's Group	Total {No. of Family Members of MFIS Specific to Each Group}
Up to 4	96	34.16	55	19.57	130	46.27	281
4-6	129	66.84	15	7.77	49	25.39	193
6-8	0	0	5	23.81	16	76.19	21
8-10	0	0	4	40	6	60	10
Excess of 10	0	0	1	100	0	0	1
Total	225		80		201		506

For Dependency level Janalakshmi has highest number of members (Up to 4 number of members) i.e. 130 Respondents has up to 4 numbers of family members which signifies lower level of Dependency. See Graph 4.

Graph 4



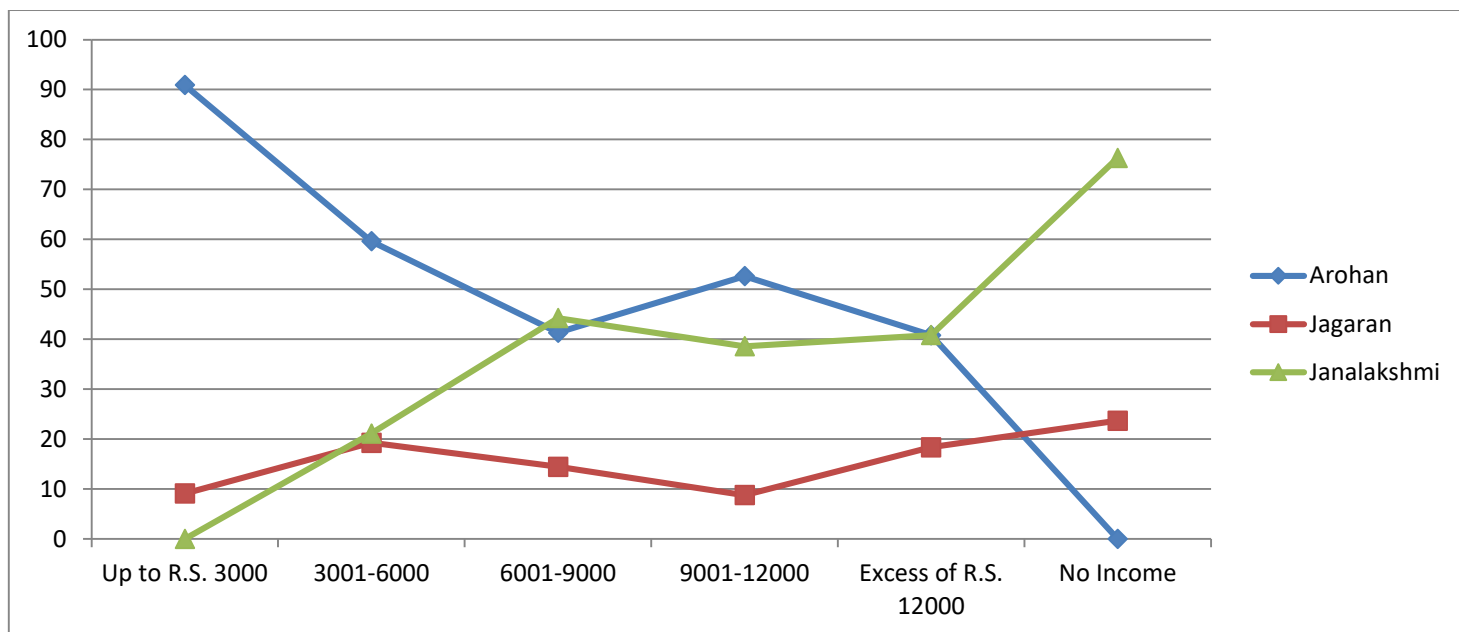
Financial Status Related Data Analysis of the Beneficiaries of Micro-Pension Scheme of of Select MFIS' i.e. Arohan, Jagaran, Janalakshmi.

Based on Respondent's Income Level (Monthly): Table 5

Income Level of Respondents {Monthly}	Arohan (Totan No. of Respondents According to Their Different Income Level)	Arohan % of Total of Different Income Level	Jagaran (Totan No. of Respondents According to Their Different Income Level)	Jagaran % of Total of Different Income Level	Janalakshmi (Totan No. of Respondents According to Their Different Income Level)	Janalakshmi % of Total of Different Income Level	Total {(Totan No. of Respondents of MFIS According to Their Different Income Level)}
Up to R.S. 3000	10	90.9	1	9.1	0	0	11
3001-6000	65	59.63	21	19.27	23	21.1	109
6001-9000	100	41.32	35	14.46	107	44.22	242
9001-12000	30	52.63	5	8.77	22	38.6	57
Excess of R.S. 12000	20	40.81	9	18.37	20	40.82	49
No Income	0	0	9	23.68	29	76.32	38
Total	225		80		201		506

Income wise if we see then we can overlook that 242 people or Respondents are belonging to the Income level R.S.6001-R.S.9000.

Graph 5

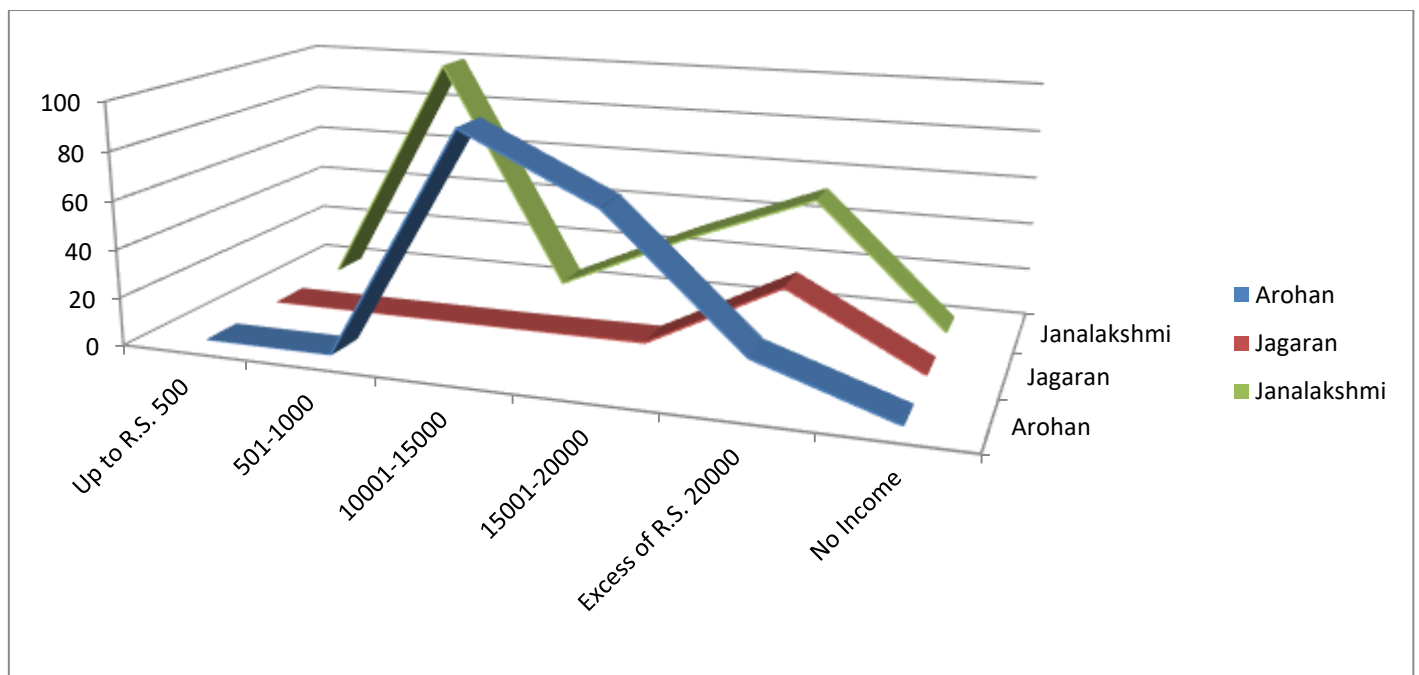


Based on Respondent's Family Income Level (Monthly) : Table 6

Income Level of Respondent's Family {Monthly}	Arohan (No. of Respondent's Family Member's Income Level According to Different Income Group)	Arohan % of Total Income Level of Respondents's Family Members	Jagaran (No. of Respondent's Family Member's Income Level According to Different Income Group)	Jagaran % of Total Income Level of Respondents's Family Members	Janalakshmi (No. of Respondent's Family Member's Income Level According to Different Income Group)	Janalakshmi % of Total Income Level of Respondents's Family Members	Total (No. of Respondent's Family Member's Income Level of MFIS According to Different Income Group)
Up to R.S. 5000	0	0	0	0	0	0	0
5001-10000	0	0	0	0	1	100	1
10001-15000	41	95.35	0	0	2	4.65	43
15001-20000	134	69.43	1	0.52	58	30.05	193
Excess of R.S. 20000	50	18.59	79	29.37	140	52.04	269
No Income	0	0	0	0	0	0	0
Total	225		80		201		506

Most of the Respondents having Family Income in between R.S.15001-R.S.20000 and Excess of R.S.20000.

Graph 6

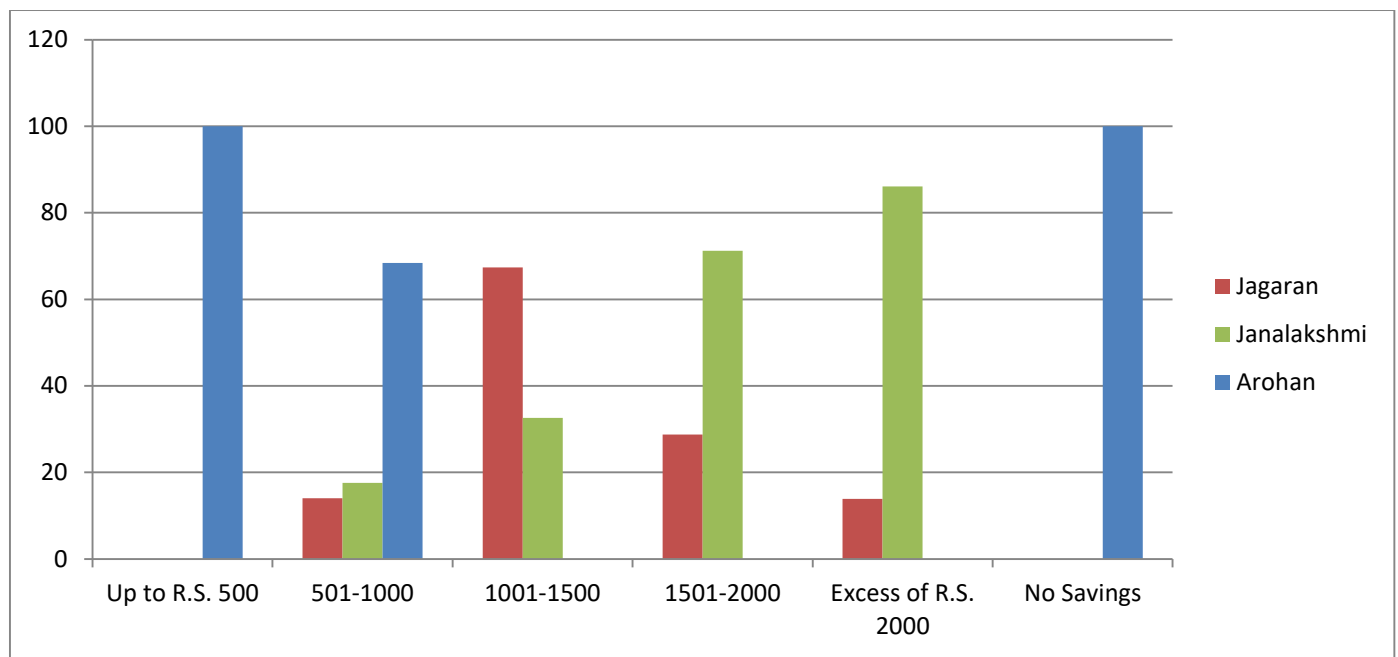


Based on Respondent's Monthly Savings Level Table 7 :

Savings Level of Respondents {Monthly}	Arohan(No. of Respondent's Savings Level According to Different Savings Level)	Arohan % of Total Savings Level According to Given Criteria	Jagaran(No. of Respondent's Savings Level According to Different Savings Level)	Jagaran % of Total Savings Level According to Given Criteria	Janalakshmi(No. of Respondent's Savings Level According to Different Savings Level)	Janalakshmi % of Total Savings Level According to Given Criteria	Total(No. of Respondent's Savings Level According to Different Savings Level)
Up to R.S. 500	42	100	0	0	0	0	42
501-1000	39	68.42	8	14.04	10	17.54	57
1001-1500	0	0	31	67.39	15	32.61	46
1501-2000	0	0	21	28.77	52	71.23	73
Excess of R.S. 2000	0	0	20	13.89	124	86.11	144
No Savings	144	100	0	0	0	0	144
Total	225		80		201		506

It is notable that 144 Respondents are having more than R.S.2000 savings and 144 Respondents are not having Savings so it is in risk situation.

Graph 7



Scheme Related Data Analysis of the Beneficiaries of Micro-Pension Scheme of Select MFIS' i.e. Arohan, Jagaran, Janalakshmi

Based on Respondent's Scheme Details : Table 9

<u>Scheme Details</u>	<u>Arohan</u>	<u>% of Total</u>	<u>Jagaran</u>	<u>% of Total</u>	<u>Janalakshmi</u>	<u>% of Total</u>	<u>Total</u>
<u>Name of the Scheme</u>	<u>NPS-Lite (225)</u>		<u>NPS-Lite (80)</u>		<u>Janalakshmi (201)</u>		
<u>Investment in MP Scheme(in R.S,{YEAR/MONTH})</u>	<u>R.S.1000/Year</u>	<u>44.47</u>	<u>R.S.1000/Year R</u>	<u>15.81</u>	<u>R.S.100/Month</u>	<u>39.72</u>	<u>506</u>

Based on Respondent's Reason of Choosing MP Scheme : Table 9

<u>Reason of Choosing MP Scheme</u>	<u>Arohan(N o. of Repondent 's Reason of Choosing MP Scheme According to Given Criteria</u>	<u>Arohan % of Total Differe nt Reason</u>	<u>Jagaran(N o. of Repondent 's Reason of Choosing MP Scheme According to Given Criteria</u>	<u>Jagara n % of Total Differe nt Reason</u>	<u>Janalakshmi(No. of Repondent's Reason of Choosing MP Scheme According to Given Criteria</u>	<u>Janalaksh mi % of Total Different Reason</u>	<u>Total (No. of Repondent 's Reason of Choosing MP Scheme of MFIS According to Given Criteria</u>
<u>Safety</u>	<u>113</u>	<u>68.49</u>	<u>19</u>	<u>11.51</u>	<u>33</u>	<u>20</u>	<u>165 1</u>

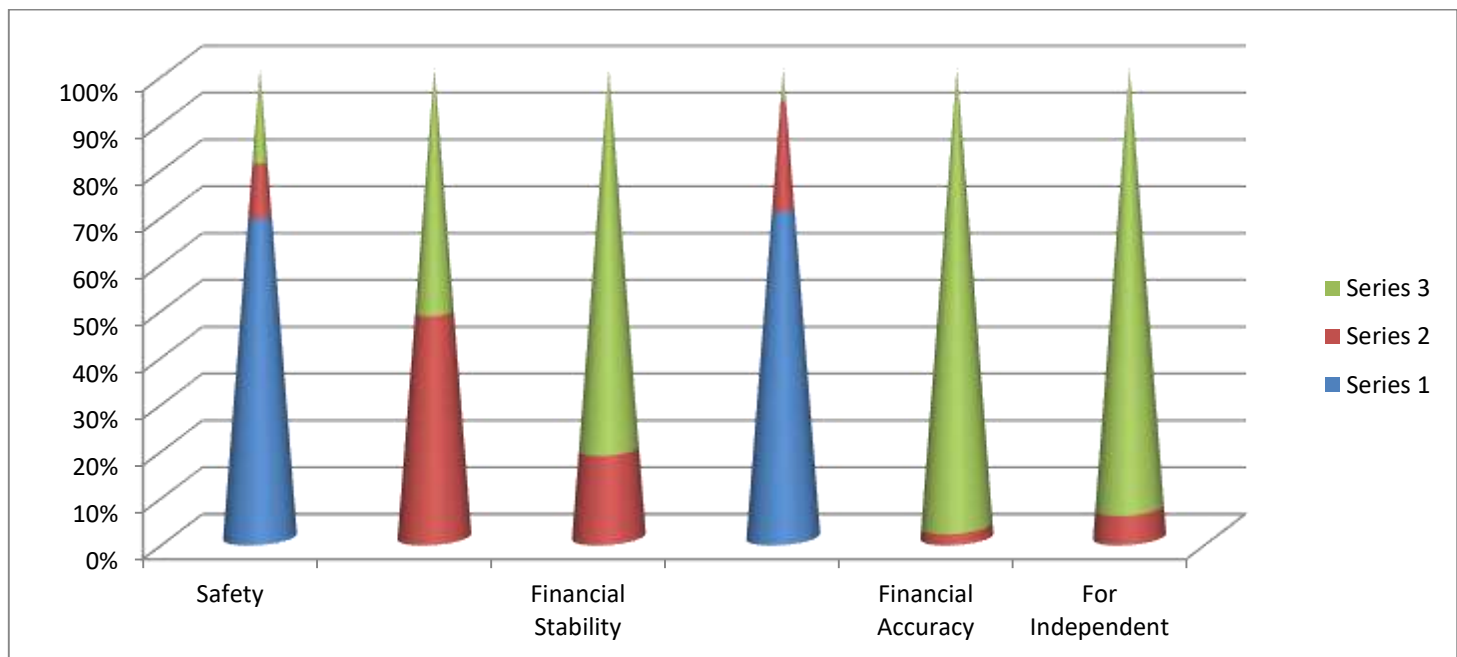
Financial Stability	0	0	12	48	13	52	25
Financial Accuracy	0	0	6	18.75	26	81.25	32
For Independence	112	70	37	23.13	11	6.87	160
Health	0	0	1	2.33	42	97.67	43
Business	0	0	5	6.17	76	93.83	81
Total	225		80		201		506

It is clear from the survey that Reason for choosing Micro-Pension scheme is Safety followed by Independence.

Graph 8

Involvement of Respondent's Family Members in MP Scheme	Arohan(No. of Respondent's Family Member's Involvement in Mp Scheme)	Arohan % of Total Involvement in MP Scheme	Jagaran(No. of Respondent's Family Member's Involvement in Mp Scheme)	Jagaran % of Total Involvement in MP Scheme	Janalakshmi(No. of Respondent's Family Member's Involvement in Mp Scheme)	Janalakshmi % of Total Involvement in MP Scheme	Total(No. of Respondent's Family Member's Involvement of MFIS in Mp Scheme)
Yes	0	0	17	36.96	29	63.04	46
Govt. Scheme	0	0	1	14.29	6	85.71	7
Own Scheme	0	0	16 (R.s.10000 or Excess of it)	41.03	23	58.97	39

No	225	48.91	63 (R.S.1000/Y EAR	13.70	172 (R.S.100/MO NTH)	37.39	460
Total	225		80		201		506



Based on Respondent's Family Members's Involvement of in MP Scheme : Table 10

It is pointable that major portion of Family Members are still out of Pension coverage and fully partially depend on their children.

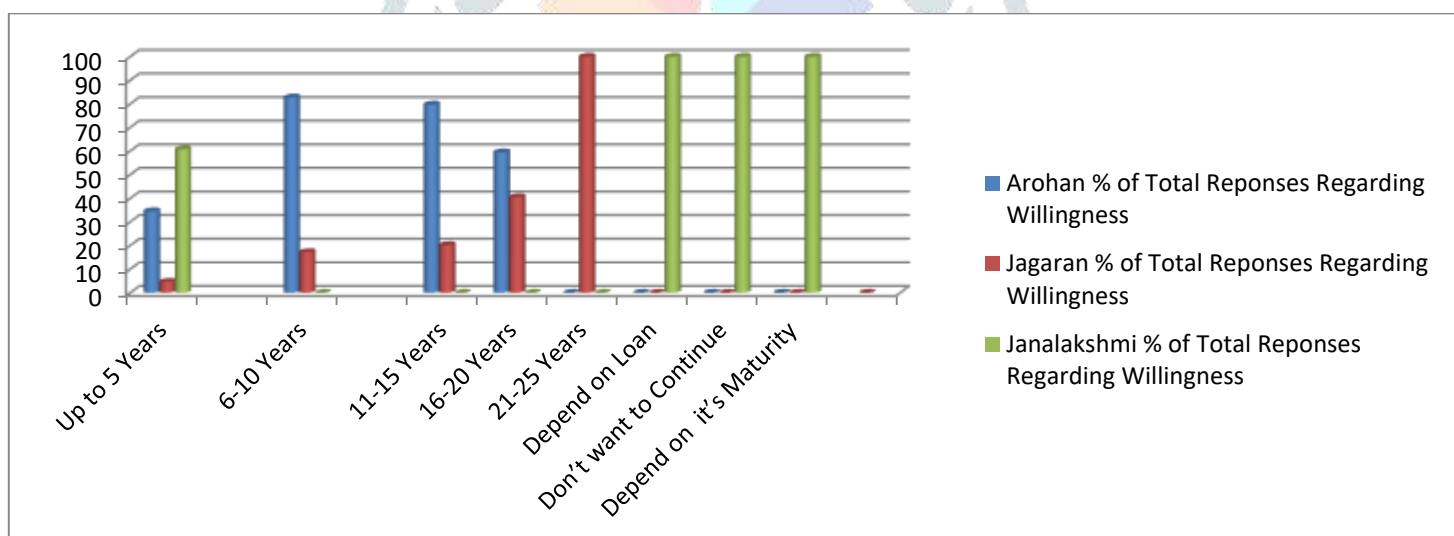
Based on Respondent's Willingness to Continue MP Scheme : Table 11

Willingness to continue MP Scheme	Arohan(No. of Respondent's Responses Regarding Willingness to Carry MP Scheme in Future)	Arohan % of Total Responses Regarding Willingness	Jagaran(No. of Respondent's Responses Regarding Willingness to Carry MP Scheme in Future)	Jagaran % of Total Responses Regarding Willingness	Janalakshmi(No. of Respondent's Responses Regarding Willingness to Carry MP Scheme in Future)	Janalakshmi % of Total Responses Regarding Willingness	Total(No. of Respondent's Responses Regarding Willingness to Carry MP Scheme in Future)
Up to 5 Years	37	34.58	5	4.67	65	60.75	107

6-10 Years	96	82.76	20	17.24	0	0	116
11-15 Years	67	79.76	17	20.24	0	0	84
16-20 Years	25	59.52	17	40.48	0	0	42
21-25 Years	0	0	21	100	0	0	21
Depend on Loan	0	0	0	0	47	100	47
Don't want to Continue	0	0	0	0	69	100	69
Depend on it's Maturity	0	0	0	0 0	20	100	20
Total	225		80		201		506

Through Survey it is possible to Judge the Willingness of the Beneficiaries for Continuing MP Scheme in Near Future it is seen that Majority goes for Continuing it for 6-10 Years (116).

Graph 9



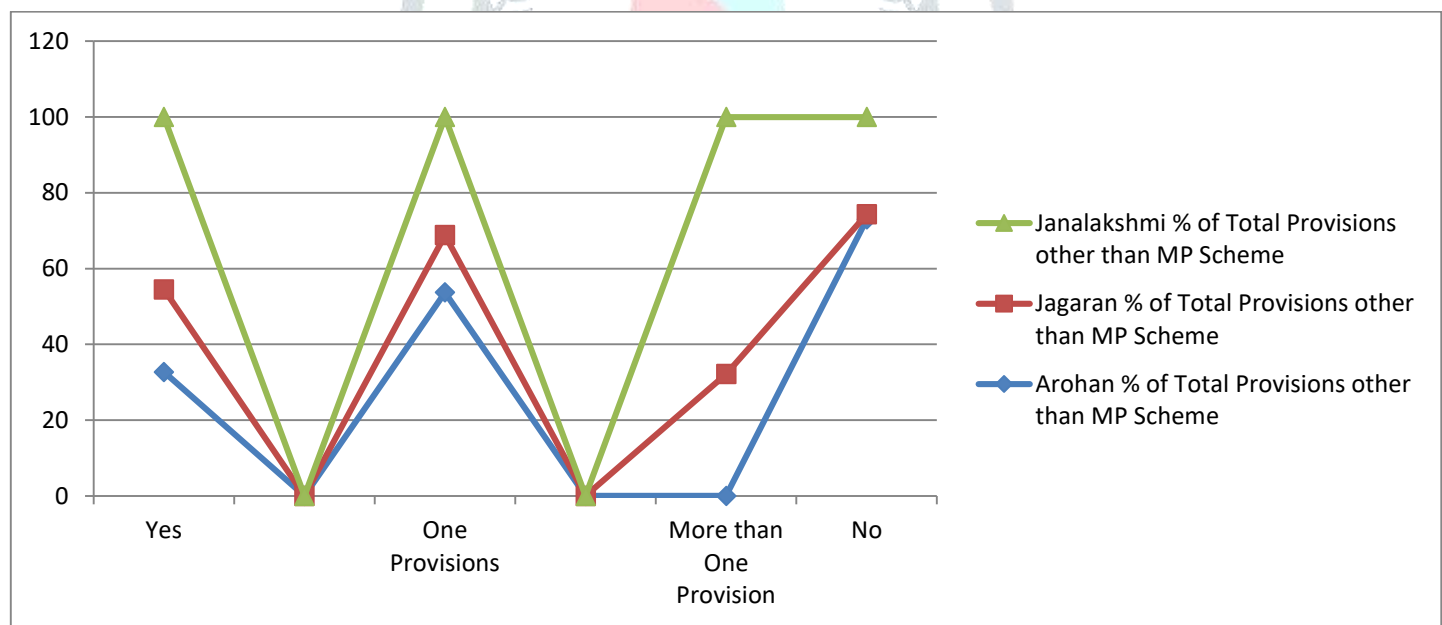
Based on Respondent's awareness of Safety Security During Their Old Age Through Having Provisions Other than MP Scheme : Table 12

Have Provisions Other than MP Scheme	Arohan(N o. of Respondents Having Provisions)	Arohan % of Total Provisions other	Jagaran(N o. of Respondents Having Provisions)	Jagaran % of Total Provisions other	Janalakshmi(No. of Respondents Having Provisions)	Janalakshmi % of Total Provisions other than	Total(No. of Respondents of MFIS Having
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	other than MP Scheme)	than MP Scheme	other than MP Scheme)	than MP Scheme	other than MP Scheme)	MP Scheme	Provisions other than MP Scheme)
Yes	117	32.68	78	21.79	163	45.53	358
One Provisions	117	53.67	33	15.14	68	31.19	218
More than One Provision	0	0	45	32.14	95	67.86	140
No	108	72.97	2	1.35	38	25.68	148
Total	225		80		201		506

From the Survey it is clear that MP Scheme is not only One hope of the Beneficiaries they have Other Provisions for their Old Age (358).

Graph 10



Based on MFIS's awareness Initiatives of MP Scheme to the Beneficiaries of MP Scheme : table 13

Whether Initiatives taken by MFIS' for Informing the	Arohan	% of Total	Jagaran	% of Total	Janalakshmi	% of Total
	Yes	100	Yes	100	Yes	100

Benefits of MP Scheme to the Beneficiaries						
Whether They Aware about their Old Age Pension Amount	No	0	No	0	No	0

In terms of MFIS'S Performance regarding Informing about MP Scheme & it Benefit is Excellent but still Beneficiaries are not Aware regarding their Old Age Pension Amount.

Findings of the Study:

To understand the scenario of micro-pension schemes run by different organisations, Five districts in West Bengal viz. Kolkata, North Calcutta, South 24 Parganas, North 24 Parganas and Howrah has been selected based on convenience. After making pilot survey at **Barasat, amtala, Diamond harbor, Belegghata, Dumdum, Rajarhat, Baranagar, khidirpur, shyambazar, Maniktala, Metiaburuz, Behala, laketown, Howrah.**, a structured questionnaire has been designed. Questionnaire has been sent to all MFIs. Only three MFIs responded positively. Among their clients 506 are in touch with the study. All the respondents are women (100 %). Analysis has been made based on the questions asked to the respondents by using simple Mean and Percentage. We find that due to safety most of the individual having Age Group between 31-40 Years, having Income level R.S. 6001-9000 & Savings level more than 2000 are interested to have Micro-Pension Scheme.

Conclusions : Due to data shortage and little expansion of the area of Micro pension Schemes it is not possible to cover it fully but we try to point out the progress of Micro Pension schemes in India. Though there is good implementation of Micro Pension Schemes in Kerala, Tamilnadu, Rajasthan and Andhra pradesh but there is no or negligible progress of Micro Pension Schemes in West-Bengal. Attention is necessary in this State because in case of elderly population West Bengal ranked 9th position. So we can conclude on a note that though Micro finance is growing and expanding but Micro Pension Scheme is still in it's beginning stage for Financial Inclusion.

Suggestions : In spite of major difficulties we should follow the right path .

1) we should start with the negligence on Micro-Pension Scheme just to Rectify it by providing knowledge of it so that we achieve our Country's target of Financial Inclusion.

2) We should Explore the Span of Micro-Pension Scheme through arranging Awareness Campaigns, Promotion, Advertisement.

3) We Should cover the Expectation of Pension holders.

4) We Required Training of our Human Resource so that they are able to make understand about the procedure to the Beneficiaries of MP Scheme.

5) We Should meet Beneficiaries or pension holder's Query on time.

These are some Suggestions based on the observation are concluded , it is expexted that Further Resea in this area is highly recommended so that Financial Inclusion happen and enlarged in size.

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