

## **ATAL PENSION YOJANA (APY)**

### **Introduction**

Hon'ble Prime Minister of India launched the Atal Pension Yojana (APY) on May 9, 2015, along with 2 other insurance schemes – Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY).

APY is focused on encouraging and enabling the working poor to enable them to join the National Pension System (NPS).

APY is a scheme administered by Pension Fund Regulatory and Development Authority (PFRDA) and all banks are authorized to collect the applications under this scheme.

Savings Bank account holders in the age group of 18 to 40 are eligible to join the Scheme. Government also makes a minimum contribution towards the fund for selected category of subscribers.

### **Eligibility Criteria**

- I. Applicable to all citizens of India, especially those in the unorganized sectors aged between 18-40 years.
- II. He / She should have a savings bank account/ open a savings bank account.
- III. The prospective applicant should be in possession of mobile number and its details are to be furnished to the bank during registration.

### **Benefits of the scheme**

- I. Guaranteed minimum monthly pension ranging from Rs. 1000 to Rs. 5000 to the subscriber from the age of 60.
- II. In case of death of subscriber, the pension would be available to the spouse and on the death of both of them (subscriber and spouse), the pension corpus would be returned to his nominee.

### **Contribution Chart**

The age wise contribution chart is detailed below.

Age of entry	Years of contribution	Monthly pension of Rs.1000	Monthly pension of Rs.2000	Monthly pension of Rs.3000	Monthly pension of Rs.4000	Monthly pension of Rs.5000
18	42	42	84	126	168	210
19	41	46	92	138	183	228
20	40	50	100	150	198	248
21	39	54	108	162	215	269
22	38	59	117	177	234	292
23	37	64	127	192	254	318
24	36	70	139	208	277	346
25	35	76	151	226	301	376
26	34	82	164	246	327	409

27	33	90	178	268	356	446
28	32	97	194	292	388	485
29	31	106	212	318	423	529
30	30	116	231	347	462	577
31	29	126	252	379	504	630
32	28	138	276	414	551	689
33	27	151	302	453	602	752
34	26	165	330	495	659	824
35	25	181	362	543	722	902
36	24	198	396	594	792	990
37	23	218	436	654	870	1,087
38	22	240	480	720	957	1,196
39	21	264	528	792	1,054	1,318
40	20	291	582	873	1,164	1,454

Logic to read the table: A customer aged 18 at the time of entry into the scheme has to pay an amount of Rs. 42 for obtaining a monthly pension of Rs. 1000 and a customer aged 40 years has to pay an amount of Rs.291 per month for obtaining a monthly pension of Rs.1000 from the age of 60 years.

**Existing Swavalamban beneficiaries:**

- The existing Swavalamban subscriber, if eligible, may be automatically migrated to APY with an option to opt out. However, the benefit of five years of Government Co-contribution under APY would be available only to the extent availed by the Swavalamban subscriber already. This would imply that if, as a Swavalamban beneficiary, he has received the benefit of government Co-Contribution of 1 year, then the Government co-contribution under APY would be available only for 4 years and so on.
- Existing Swavalamban beneficiaries opting out from the proposed APY will be given Government co-contribution till 2016-17, if eligible, and the NPS Swavalamban continued till such people attain the age of exit under that scheme.

Individual Subscribers will not be having any option for choice of investment or select Pension Funds.

**Auto debit of contribution amount:**

- The contribution amount will be debited from the account of the subscriber by auto-debit.
- Subscribers should keep the required balance in their savings bank accounts on the stipulated due dates to avoid any late payment penalty. Due dates for monthly contribution payment is arrived based on the deposit of first contribution amount.
- In case of repeated defaults for specified period, the account is liable for foreclosure and the Gov contributions, if any shall be forfeited.
- Also, any false declaration about his/her eligibility for benefits under this scheme for whatsoever reason, the entire government contribution shall be forfeited along with the penal interest.

### **Issuance of Physical PRAN Card:**

APY subscriber can request for physical PRAN card through NSDL website – [www.enps.nsd.com](http://www.enps.nsd.com) by paying a nominal charge (Rs. 53/-). After accessing the website, the subscriber has to select the Home→Atal Pension Yojana (APY)→Print APY PRAN Card.

### **Upgrade or Downgrade of Pension amount:**

Pension Fund Regulatory and Development Authority (PFRDA) has permitted the APY subscribers to upgrade or downgrade his/her pension amount during the month of April every year i.e. subscriber can change the minimum guaranteed amount of pension opted by him/her. In such cases, the contribution that the subscriber would pay under APY will be changed based on the new Pension Amount opted by them.

### **Mobile App for APY:**

National Securities Depository Ltd (NSDL), the Central Recordkeeping Agency for Atal Pension Yojana under the guidance of Pension Fund Regulatory Development Authority (PFRDA) has launched a Mobile Application for the convenience of APY subscribers. The mobile app is available on 'Google Play Store' as 'NPS Lite by NSDL e-Gov' for installation and use. This app allows you to get your account information on the move.

The key features available in the mobile app which can be used by the subscribers are listed below;

1. **View current holdings under APY:** The mobile app allows the subscriber to view his/her APY account details including scheme wise unit holding along with latest NAV and portfolio value.
2. **View Account details under APY:** Through the app the subscribers can view their account details like name & address, mobile No., PRAN, NLOO\* registration No., NLOO name, contribution frequency, pension amount, contribution amount etc. [\*here NLOO (NPS-Lite Oversight Office) is Bank]
3. **View last 5 contribution transactions under APY:** Subscribers can get information about last 5 contributions made in their account. This will help them to track the balance in their APY account.
4. **Download Transaction Statement under APY:** The app enables the subscribers to download their APY transaction statement in financial year wise.
5. **Generate E-PRAN:** Through the app the subscribers can view as well as download the e-PRAN.

### **Penalty for default:**

Additional payment for delayed payments will be collected from the account of the customer along with the next contribution amount:

- Rs.1 per month for contribution upto Rs. 100 per month.
- Rs.2 per month for contribution upto Rs.101 to Rs. 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.

### **Discontinuation of payment contribution:**

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.

Subscriber should ensure that the Bank account to be funded enough for auto debit of contribution amount.

### **Exit from scheme:**

#### **1. Exit in case of death of the Subscriber:**

In case, the Subscriber dies before the age of 60 years, there are two options:

- a) **Closure of APY account** - In case, spouse wishes to exit from the scheme and close the account, the corpus will be settled in the name of spouse. If spouse is not present (where Subscriber is not married, divorced, legally separated or spouse has expired), then the corpus will be settled in the name of the nominee.
- b) **Continuation of APY account (only for Spouse)** - The spouse would have an option to continue contributing to APY accounts of the Subscriber, which can be maintained in the spouse's name, for the remaining vesting period, till the original Subscriber would have attained the age of 60 years. The spouse of the Subscriber shall be entitled to receive the same pension amount as that of the Subscriber until the death of the spouse.

#### **2. Premature Exit before the age of 60 years:**

In case of exit before 60 years, there are two options:

- a) **Exit due to specified illness** - Exit before 60 years of age may be permitted only in exceptional circumstances such as due to specified illness of the Subscriber and the accumulated corpus (Subscriber contribution, Government Contribution and the returns thereon) in the Subscriber's account will be returned to the Subscriber.
- b) **Voluntary exit** - In case a Subscriber chooses to voluntarily exit from APY before attaining 60 years of age, he/she will be refunded only the contributions made by him/her to APY along with the returns thereon after deducting the account maintenance, investment management etc. charges. The Government co-contribution, if any and the accrued income earned on the Government co-contribution will not be given to such Subscribers.

**Age of Joining, Contribution Levels, Fixed Monthly Pension and Return of Corpus to the nominee of subscribers**

Age of joining	Years of contribution	Indicative Monthly Contribution (in Rs.)	Monthly Pension to the subscribers and his spouse (in Rs.)	Indicative Return of Corpus to the nominees of the subscribers (in Rs.)
18	42	42	1,000	1.7 Lakh
20	40	50	1,000	1.7 Lakh
25	35	76	1,000	1.7 Lakh
30	30	116	1,000	1.7 Lakh
35	25	181	1,000	1.7 Lakh
40	20	291	1,000	1.7 Lakh
18	42	84	2,000	3.4 Lakh
20	40	100	2,000	3.4 Lakh
25	35	151	2,000	3.4 Lakh
30	30	231	2,000	3.4 Lakh
35	25	362	2,000	3.4 Lakh
40	20	582	2,000	3.4 Lakh
18	42	126	3,000	5.1 Lakh
20	40	150	3,000	5.1 Lakh
25	35	226	3,000	5.1 Lakh
30	30	347	3,000	5.1 Lakh
35	25	543	3,000	5.1 Lakh
40	20	873	3,000	5.1 Lakh
18	42	168	4,000	6.8 Lakh
20	40	198	4,000	6.8 Lakh
25	35	301	4,000	6.8 Lakh
30	30	462	4,000	6.8 Lakh
35	25	722	4,000	6.8 Lakh
40	20	1164	4,000	6.8 Lakh
18	42	210	5,000	8.5 Lakh
20	40	248	5,000	8.5 Lakh
25	35	376	5,000	8.5 Lakh
30	30	577	5,000	8.5 Lakh
35	25	902	5,000	8.5 Lakh
40	20	1,454	5,000	8.5 Lakh

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