

# Atal Pension Yojana

## Atal Pension Yojana (APY)

The Atal Pension Yojana (APY) was launched on 9th May, 2015, by the Hon'ble Prime Minister, to address the longevity risks among the workers in unorganized sector who are not covered under any statutory social security scheme. The APY is focused on all citizens in the unorganized sector, who join the National Pension System (NPS) administered by the Pension Fund Regulatory and Development Authority (PFRDA).

### Key Features of APY

- Any Indian Citizen between 18-40 years of age can join through their savings bank account.
- Minimum pension of Rs. 1000 or Rs. 2000 or Rs. 3000 or Rs. 4000 or Rs. 5000 is guaranteed by the Government of India to the subscriber at the age of 60 years, with a minimum monthly contribution (for those joining at age 18) of Rs. 42 or Rs. 84 or Rs. 126 or Rs. 168 or Rs. 210, respectively.
- After the subscriber's demise, 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.
- After the demise of both the subscriber and the spouse, the nominee of the subscriber shall be entitled to receive the pension wealth, as accumulated till age 60 of the subscriber.
- The subscribers in the eligible age, who are not income-tax payers and who are not covered under any statutory social security scheme, are entitled to receive the co-contribution by Central Government of 50% of the total prescribed contribution, upto Rs. 1000 per annum, and this will be available for those eligible subscribers, who join APY before 31st March, 2016. The Central Government co-contribution shall be available for a period of 5 years, i.e., from Financial Year 2015-16 to 2019-20.
- If the actual returns during the accumulation phase are higher than the assumed returns for minimum guaranteed pension, such excess will be passed on to the subscriber.

### Present Status under APY

- 24.60 lakh subscribers have been enrolled under APY with a contribution of about Rs. 506.34 crore as on 31st March, 2016.

### Some recent revisions in APY

- Subscribers can now make contributions to APY on monthly/ quarterly / half-yearly basis instead of monthly basis earlier.
- Subscribers can now voluntarily exit from APY subject to certain conditions, including deduction of Government co-contribution, if any, instead of exit only in extreme cases of death or terminal disease etc. as permitted earlier.
- Subscribers are now allowed to continue with their APY account till the account balance with self-contributions minus the Government co-contributions, if any, becomes zero, due to deduction of account maintenance charges, fees and overdue

interest, of mandatory freezing and closure of accounts at specified intervals and payment of activation charges to banks as provided in the earlier scheme.

- In case of premature death of subscriber (death before 60 years of age), spouse of the subscriber can now continue contribution to APY account of the subscriber, for the remaining vesting period, till the original subscriber would have attained the age of 60 years.