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FREQUENTLY ASKED QUESTIONS - ATAL PENSION YOJANA

I. OPENING OF APY ACCOUNT

1. What is pension? Why do I need it?

A Pension provides a monthly income to the people during their unproductive years.

Need for Pension:

- Decreased income earning potential with age.
- The rise of nuclear Family
- Migration of earning members.
- Rise in cost of living.
- Increased longevity.
- Dignified life in the old age due to less financial dependence.

2. What is Atal Pension Yojana?

Atal Pension Yojana (APY), a pension scheme launched by Government of India is focused on the unorganized sector workers. Under the APY, minimum guaranteed pension of Rs. 1,000/- or 2,000/- or 3,000/- or 4,000 or 5,000/- per month will start after attaining the age of 60 years depending on the contributions by the subscribers for their chosen pension amount

3. Who can subscribe to APY?

Any Citizen of India can join APY scheme. The following are the eligibility criteria: -

- (i) The age of the subscriber should be between 18 and 40 years.
 - (ii) He / She should have a savings bank account/ post office savings bank account
- The prospective applicants may provide mobile number to the bank during their Enrolments under APY to receive periodic updates on their APY account as well as on APY scheme. Aadhaar may also be provided at the time of enrolment as APY scheme is notified for the same.

4. Whether an employee of Central/State Government or Public Sector Undertaking and/or a NPS subscriber can subscribe to APY?

- YES, any Indian citizen within the age group of 18 - 40 years, can join APY Scheme irrespective of his/her employment status with Govt./Public Sector, for availing benefits guaranteed by Government of India under the scheme.
- Further, an existing NPS subscriber can also subscribe to APY, if he/she meets the basic eligibility criteria, for availing benefits guaranteed by Government of India; under the scheme.

5. What are the benefits of joining APY scheme?

The benefit of minimum pension under Atal Pension Yojana would be guaranteed by the Government in the sense that if the actual realized returns on the pension contributions are



less than the assumed returns for minimum guaranteed pension, over the period of contribution, such shortfall shall be funded by the Government. On the other hand, if the actual returns on the pension contributions are higher than the assumed returns for minimum guaranteed pension, over the period of contribution, such enhanced scheme benefits shall be passed on to the subscribers.

The Government of India had co-contributed 50% of the total contribution or Rs. 1000 per annum, whichever is lower, to each eligible subscriber, who joined the scheme during the period 1st June, 2015 to 31st March, 2016 and who is not a beneficiary of any social security scheme and is not an income tax payer. The Government co-contribution will be given for 5 years from the Financial Year 2015-16 to the Financial Year 2019-20.

6. What is the procedure for opening APY Account?

Approach the bank branch/ post office where individual's savings bank account is held or open a savings account if the subscriber doesn't have one.

7. Whether Aadhaar Number is compulsory for joining the scheme?

Atal Pension Yojana (APY) has now been included under the Section 7 of the Aadhaar Act. As per the provisions of the Act, any individual who is eligible to receive such benefits under the APY will have to furnish proof of possession of Aadhaar number or undergo enrolment under Aadhaar authentication. Hence, it is desirable to provide Aadhaar Number for proper identification of the subscriber

8. Can I open APY Account without savings bank account?

No, the savings bank account/ post office savings bank account is mandatory for joining APY.

9. Is it required to furnish nomination while joining the scheme?

Yes. It is mandatory to provide nominee details in APY account.

10. Is there any provision of default nominee or blood relation?

If the subscriber is Unmarried they can nominate any other person as nominee and they have to provide spouse details after marriage. If married, the spouse will be the default nominee. The Aadhaar details of spouse and nominees may be provided.

11. How many APY accounts I can open?

A subscriber can open only one APY account. Multiple APY accounts are not permitted.

12. Can minor open APY account?

No. A minor cannot open an APY account.

13. If I have completed 40 years, can I join Atal Pension Yojana?

No, currently a person who is in age group of 18 years to 39 years 364 days can join Atal Pension Yojana.



- 14. Whether NRI is eligible to open APY Account?**
Yes, NRI in the age group 18-40 years of age having a bank account with APY POP is eligible to open APY account.
- 15. After opening of APY account, what will happen if a subscriber becomes non-citizen of the country?**
The scheme is open to the Indian citizens only. Hence, in that event the APY account will be closed and the net actual interest earned on his contributions (after deducting the account maintenance charges) will be refunded, whereas, the Government co-contribution, and the interest earned on the Government co-contribution, shall not be returned to such subscribers.

II. ACCUMULATION PHASE UNDER APY

- 16. What amount one needs to contribute towards APY?**
The contribution amount shall depend on the age of the subscriber at the time of opening of APY account, frequency of contribution and the pension slab chosen. The age wise, frequency wise and pension slab wise contribution table is provided as Annexure for reference.
- 17. What is the mode and frequency of contributions to the APY account?**
The contributions can be made at monthly / quarterly / half yearly intervals through auto debit facility from savings bank account/ post office savings bank account of the subscriber.
- 18. What is the due date for contribution under APY?**
APY contributions will be collected through auto-debit of their savings bank account/ post office savings bank account on any date of the particular month, in case of monthly contributions or any day of the first month of the quarter, in case of quarterly contributions or any day of the first month of the half year, in case of half-yearly contributions.
- 19. What will happen if the contribution gets delayed?**
Subscriber will be charged overdue interest for the delayed period in case the APY contribution gets delayed beyond the due date.
- 20. How the overdue interest is calculated in case of delayed contribution?**
Banks are required to collect Rs. 1 per month for contribution of every Rs. 100, or part thereof, for each delayed monthly contributions. The overdue interest amount collected will remain as part of the pension corpus of the subscriber. More than one monthly / quarterly / half yearly contribution can be recovered subject to availability of the funds.
- 21. What will happen if required or sufficient amount is not maintained in the savings bank account for contribution on the due date?**
In case of inadequate balance in the saving account of the subscriber till the last date of the month / last date of the first month in a quarter / last day of the first month in a half year, as the case may be, it will be treated as a default and contribution will have to be paid in the subsequent month along with overdue interest for delayed contributions. More than one



monthly / quarterly / half yearly contribution can be recovered subject to availability of the funds.

22. What will happen to APY account in case of continuous default?

Deduction would continue to be made in the subscriber’s APY account for account maintenance charges and other related charges on a periodic basis till it becomes zero.

23. How the contributions are invested in APY?

The contributions under APY are invested as per the investment guidelines prescribed by PFRDA for Central Government / State Government / NPS-Lite / Swavalamban Scheme / APY. The contributions thus collected are invested and the funds are managed by namely SBI Pension Fund Pvt. Ltd, LIC Pension Fund Ltd, UTI Retirement Solution Ltd.

III. SUBSCRIBER RELATED SERVICES UNDER APY

24. What are the new functionalities available to an APY subscriber? Whether these functionalities are available online?

As per the evolving needs, Central Recordkeeping Agency (CRA) appointed by PFRDA has developed and made available the new functionalities categorized in the table below.

PFRDA has also enabled digital utilities for these functionalities available online to facilitate subscribers to access their Account without visiting the bank/post branch. These features are expected to benefit APY Subscribers and empower them to carry out Account related activities as described below.

Sr. No.	Module	Usage of Functionality	Digital Utility Available Online
1	Upgrade/ Downgrade	Under APY, the Subscriber is required to select the minimum pension of Rs. 1,000/-, 2,000/-, 3,000/-, 4,000 and 5,000/- per month that will be given at the age of 60 years depending on the contributions by the Subscribers. Accordingly, the contribution is deducted from Subscriber’s Bank Account as per the frequency opted i.e. monthly/quarterly/half yearly. As per PFRDA guidelines, APY Subscribers have an option to upgrade/downgrade the opted pension amount. The window period to change the pension amount is available to Subscriber only once throughout the year from 1 st July, 2020.	APY Upgrade /APY Downgrade View



2	PRAN Card Printing	<p>Atal Pension Yojana (APY) Subscribers have an option to opt for physical PRAN Card by accessing eNPS portal. Now, an instruction Link has been provided to Subscribers to know how to Print APY PRAN Card. This link is available once Subscriber clicks on Atal Pension Yojana menu available on eNPS portal.</p>	<p>ePRAN card/e SoT facility: Useful for downloading of transaction statement and ePRAN card. The option contains a search with PRAN and without PRAN. The subscriber can download Transaction Statement financial year wise.</p>
3	Continuation of APY Account	<p>As per <u>Notification F. No. 16/1/2015-PR dated 22nd March, 2016</u> issued by Department of Financial Services, Ministry of Finance and PFRDA exit guidelines under APY, a spouse of the Subscriber has an option to continue his/her APY account in case of death of the Subscriber. Now, feature has been enabled in the CRA system wherein request for continuation of account by spouse can be processed as part of Subscriber Registration functionality by APY Service Providers.</p> <p>The continuation of APY account by spouse will be with below options :</p> <ol style="list-style-type: none"> 1. In case of death of Subscriber before 60 years, new PRAN will be generated in the name of Spouse and spouse will be allowed to contribute for the remaining period i.e. till the date on which original/deceased subscriber would have attained the age of 60 years 2. Spouse will be allowed to contribute same amount as earlier opted by the original/deceased subscriber. 3. The balance units available in subscriber's APY account will be transferred to the APY account of spouse. 	NA

		4. Spouse will be allowed to contribute from his/her own Savings Bank account.	
4	Subscriber Registration	<p>As per PFRDA guidelines, FATCA compliance is mandatory for all new subscriber's enrolment under APY. To adhere to FATCA compliance, related FATCA field(s) has been incorporated in Subscriber Registration file format. This is applicable for all the types of subscriber's enrolments under APY, as per below mentioned criteria:</p> <ol style="list-style-type: none"> 1. New Subscriber Registration 2. Subscriber migrating from NPS Lite-Swavalamban to APY 3. Spouse who continue APY account on death of Subscriber 	<p>APY@eNPS (Digital On boarding facility into APY): Digital APY enrolment through eNPS ensures wider reach. It is a user friendly platform and makes enrolment under APY in a complete end to end digital interface without submission of physical form by the prospective subscribers and without visiting a bank branch.</p>
5	CGMS	<p>The APY-SPs have facility to raise queries/grievances on behalf of associated Subscribers in the CRA login. As part of functionality, APY-SPs will have below options:</p> <ol style="list-style-type: none"> 1. Log Grievance request 2. Grievance resolution 3. Grievance status view 4. View and Assign grievance 5. Grievance Master status view 	<p>APY Grievance Module</p>
6	Mobile Application	<p>APY Mobile applications empower the subscribers to view Statement of Account and other details of their APY account.</p>	<p>APY subscribers with smart phones can down load APY mobile applications from Google Play store by typing 'APY and NPS Lite' in search option and installing in their mobile phones for real time viewing of APY Accounts. The APY mobile</p>



			application is available for APY users free of cost, where, recent 5 contributions can be checked and transaction statement and e-PRAN can also be downloaded anytime without paying any charge.
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The subscribers may visit the following link for accessing the above features <https://www.npscra.nsdl.co.in/scheme-details.php>

25. Whether various forms under APY are available online?

Yes, various Forms under APY can be accessed online at <https://www.npscra.nsdl.co.in/nsdl-forms.php>

26. Will there be any option to increase or decrease the monthly contribution for higher or lower pension amount?

- a) Yes, a subscriber can opt to decrease or increase pension amount during the course of accumulation phase, once a financial year.
- b) For upgradation, the subscribers have to pay the differential amount of contribution at the rate of 8% p.a. on monthly compounding basis whereas in the case of down gradation, the excess amount of contribution collected from the subscriber would be refunded to the subscribers along with the returns generated.
- c) For upgradation or down gradation, other than error cases, the subscribers would be required to pay a fee of Rs. 50, which will be shared equally by PoP-APYSP and CRA.

27. How will I know the status of my contribution?

The periodical information to the subscribers regarding activation of PRAN, balance in the account, contribution credits etc. will be intimated to APY subscribers by way of SMS alerts on the registered mobile number or can be accessed through mobile/APY app launched by NSDL. The subscriber will also be receiving physical Statement of Account once a financial year at their registered address

28. Will I get any statement of transactions?

YES. The physical statement of APY account will be provided to the subscribers annually at the registered address.



- 29. If I move my residence / city, how can I make contributions to APY account?**
 The APY contributions will continue to be collected through auto debit of the same Savings Account uninterrupted even in case of change of residence / location. As contribution collection is done through bank account which is CBS enabled, subscriber can continue contributing through same savings bank account, even if the residence is changed.
- 30. If I am an existing subscriber of APY, can I change my monthly auto debit facility to Quarterly or Half Yearly as per my convenience?**
 Yes, the subscriber can change the mode (monthly/ quarterly/half yearly) of auto debit Facility once in a year..
- 31. Is there any helpline number dedicated to APY Scheme where queries related to APY Scheme can be addressed?**
 Yes, the Toll Free Helpline number for APY Scheme is **1800-110-069**

IV. TAXATION AND CHARGES UNDER APY

- 32. Will I get any tax benefits under APY Scheme?**
 Tax benefits available under NPS scheme are same under APY Scheme as per Notification No. 7 /2016, F.No.173/394/2015-ITA-I dated 19th Feb, 2016
- 33. What are the fee and charges involved in maintaining the APY account?**

Table of all charges and fees of APY

Intermediary	Charge head	Applicable fees and charges levied on APY subscribers	Method of collection of charges
Central Recordkeeping Agency (CRA)	PRA Opening charges	Rs. 15	Cancellation of units.
	Annual PRA Maintenance cost per account	<i>NSDL</i> Rs.25 or <i>Karvy</i> Rs. 14.40	
	Charge per transaction	Free	
Points of Presence (PoP)/ APY SPY	Initial subscriber registration and contribution upload	NA	NA
	Any subsequent transactions	NA	



	Persistency > 6 months & Rs.1000 contribution	NA	
	Contribution through eNPS	NA	
Trustee Bank		NIL	
Custodian	Asset Servicing charges	0.0032% per annum for Electronic segment & Physical segment	Adjusted in Net Asset Value
Pension Fund charges	Investment Management Fee	0.0102% per annum of AUM	Adjusted in Net Asset Value
NPS Trust	Reimbursement of Expenses	0.005% per annum of AUM	Adjusted in Net Asset Value
POP and CRA	For upgradation or down gradation	Rs. 50 (shared equally by PoP and CRA)	

V. EXIT UNDER APY

34. **What is the withdrawal procedure from APY?**

The subscribers will submit the request to the associated bank/Post office for drawing the guaranteed minimum monthly pension or higher monthly pension, if investment returns are higher than the guaranteed returns embedded in APY. Upon successful submission of the request, the subscriber receives monthly pension depending on the contributions by the subscriber. The same amount of monthly pension is payable to spouse (default nominee) upon death of subscriber. Nominee will be eligible for return of pension wealth accumulated till age 60 years of the subscriber, upon death of both the subscriber and spouse.

35. **Whether exit from APY Scheme is permitted before 60 years of age? If yes, what are the benefits?**

Yes, Voluntary exit under APY before 60 years of age is permitted.

The subscriber shall only be refunded the contributions made by him to APY along with the net actual accrued income earned on his contributions (after deducting the account maintenance charges).

However, in case of subscribers who joined the scheme before 31st March 2016 and received Government Co-Contribution shall not receive the Government co-contribution and the accrued income earned on the same, if opted for Voluntary exit before 60 years.



36. What one will get in case of death before 60 years?

- **Option 1:** In case of death of the subscriber before 60 years, option will be available to the spouse of the subscriber to continue contribution in the APY account 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 the subscriber until death of the spouse. Such APY account and pension amount would be in addition to even if the spouse has his/her APY account and pension amount in own name.
- **Option 2:** The entire accumulated corpus till date under APY will be returned to the spouse / nominee.

37. What are the benefits under APY Scheme upon exit on attaining 60 years?

The subscriber shall receive the following three benefits on attaining the age of 60:

- (i) **Guaranteed minimum pension amount:** Each subscriber under APY shall receive a Government of India guaranteed minimum pension of Rs. 1000 per month or Rs. 2000 per month or Rs. 3000 per month or Rs. 4000 per month or Rs. 5000 per month, after the age of 60 years until death.
- (ii) **Guaranteed minimum pension amount to the spouse:** 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.
- (iii) **Return of the pension wealth to the nominee of the subscriber:** 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 years of the subscriber.

VI. NP-S SWAVALAMBAN AND APY

38. Is migration from NPS Lite/ Swavalamban Scheme to APY possible?

The Swavalamban Subscribers between 18 to 40 years of age are eligible to migrate to APY.

39. What is the process of migration from NPS Lite/ Swavalamban Scheme to APY?

The eligible swavalamban subscribers who wish to migrate to APY shall fill up the enrollment form for migration to APY and submit the same along with the copy of PRAN card to the nearest APY Service Provider for registration. Subsequent to the registration, the subscriber will be mapped to the bank branch. The PRAN amount balance under Swavalamban Scheme will be shifted to APY Scheme on T+1 basis.

40. What will happen to the contribution already accumulated under NPS Lite/ Swavalamban Scheme after migration to APY?

The accumulated corpus of existing NPS Lite/Swavalamban subscriber between the age group of 18 and 40 years, who get migrated to APY will be kept under the same PRAN and remain as an additional wealth of the subscriber till the time of exit. This additional amount



may be given to the subscriber as enhanced pension benefit or as lump-sum withdrawal, as the case may be. The contribution of such subscribers under APY, after migration from the NPS Lite/Swavalamban Scheme to APY, would be as per the amount mentioned in the Annex –I, depending on the pension amount selected and the age of the subscriber.

41. Whether NPS Lite/ Swavalamban Subscriber can exit from the Scheme?

Yes, the subscribers under the NPS Lite/Swavalamban Scheme who do not wish to continue under the Scheme may exit from the scheme as per the guidelines applicable and withdraw the entire amount in lump sum or may prefer to continue till the age of 60 years to be eligible for benefits as per the scheme.



VII. APY IN SOCIAL MEDIA

42. **Whether information related to APY is available on social media?**

Yes, APY pages are available on social media on the following links:

- **Facebook**-<https://www.facebook.com/OfficialAPY/>

PFRDA page available at:

- **Linkedin**-<https://www.linkedin.com/in/pfrda-pension-fund-regulator-of-india-051614168/?originalSubdomain=in>
- **Youtube**-<https://www.youtube.com/channel/UCLMx1eZWY-LDeyIWCwYu15Q>
- **APY Ki Pathshala on Youtube**- <https://www.youtube.com/channel/UC5SuHg-O6ipH1J-HTfU17ug>
- **Twitter**-<https://twitter.com/pfrdaofficial?lang=en>



VIII. Miscellaneous

43. Is there any steps taken by Govt of India/ PFRDA regarding stoppage of auto-debit for APY contributions considering the outbreak of COVID-19 pandemic?

Kindly refer PFRDA's circular No: PFRDA/2020/8/P&D-APY/1. dated 11.04.2020 with the subject "Stoppage of Auto-debit for APY contributions till 30th June, 2020". Further, auto-debit will start from 1st July, 2020. If APY contributions from April, 2020 to August, 2020 get regularised by 30th Sept, 2020; then no penal interest would be charged to the subscriber.

44. For how many Years the Government will co-contribute?

The co-contribution of the Government of India is available for 5 years, i.e., from the Financial Year 2015-16 to 2019-20 for the subscribers, who join the scheme during the period from 1st June, 2015 to 31st March, 2016 and who are not covered by any Statutory Social Security Scheme and are not income tax payers. The Government co- contribution would be payable to the eligible subscribers by the Pension Fund regulatory and Development Authority (PFRDA), after receiving the confirmation from Central Record Keeping Agency-NSDL to the effect that the subscriber has paid all the instalments for the concerned financial year. In such cases, Government co-contribution will be credited in subscriber's savings bank account/ post office savings bank account which would be 50% of the total APY contribution, subject to a maximum of Rs 1000/-,at the end of financial year. However, some State Governments also make co-contribution to for APY subscribers in their respective states, as per their notifications.



Annex – 1 Monthly, Quarterly and Half-yearly contributions under APY for different minimum guaranteed amount of pension at different age entry and the 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		
Return of Corpus Amount to the Nominee		Rs. 1.7 Lakh			Rs. 3.4 Lakh			Rs. 5.1 Lakh			Rs. 6.8 Lakh			Rs. 8.5 Lakh		
Age at entry	Vesting period	Monthly contribution	Quarterly contribution	Yearly contribution	Monthly contribution	Quarterly contribution	Yearly contribution	Monthly contribution	Quarterly contribution	Yearly contribution	Monthly contribution	Quarterly contribution	Yearly contribution	Monthly contribution	Quarterly contribution	Yearly contribution
18	42	42	127	256	84	254	512	126	381	769	168	507	1025	210	634	1281
19	41	46	139	281	92	278	561	138	417	842	183	553	1116	228	689	1391
20	40	50	151	305	100	302	610	150	453	915	198	598	1208	248	749	1513
21	39	54	163	329	108	326	659	162	489	988	215	649	1312	269	812	1641
22	38	59	178	360	117	353	714	177	535	1080	234	707	1428	292	882	1781
23	37	64	193	390	127	384	775	192	580	1171	254	767	1550	318	960	1940
24	36	70	211	427	139	420	848	208	628	1269	277	837	1690	346	1045	2111
25	35	76	230	464	151	456	921	226	683	1379	301	909	1836	376	1136	2294
26	34	82	248	500	164	495	1001	246	743	1501	327	988	1995	409	1235	2495
27	33	90	272	549	178	538	1086	268	809	1635	356	1075	2172	446	1347	2721
28	32	97	293	592	194	586	1184	292	882	1781	388	1172	2367	485	1465	2959
29	31	10	320	647	212	640	1293	318	960	1940	423	1277	2581	529	1598	3227
30	30	11	350	708	231	698	1409	347	1048	2117	462	1395	2819	577	1743	3520



31	29	12	381	769	252	761	1537	379	1145	2312	504	1522	3075	630	1903	3844
32	28	13	417	842	276	834	1684	414	1250	2526	551	1664	3362	689	2081	4204
33	27	15	456	921	302	912	1842	453	1368	2764	602	1818	3673	752	2271	4588
34	26	16	498	1007	330	997	2013	495	1495	3020	659	1990	4020	824	2489	5027
35	25	18	547	1104	362	1093	2209	543	1640	3313	722	2180	4405	902	2724	5503
36	24	19	598	1208	396	1196	2416	594	1794	3624	792	2392	4832	990	2990	6040
37	23	21	658	1330	436	1317	2660	654	1975	3990	870	2627	5308	1087	3283	6632
38	22	24	725	1464	480	1450	2928	720	2174	4393	957	2890	5839	1196	3612	7297
39	21	26	797	1611	528	1595	3221	792	2392	4832	1054	3183	6430	1318	3980	8041
40	20	29	879	1775	582	1758	3551	873	2636	5326	1164	3515	7101	1454	4391	8871