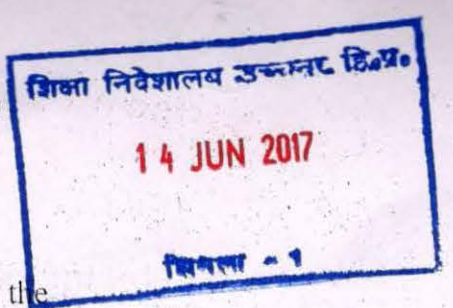


No.Fin(Pen)F(4)-1/2015  
Government of Himachal Pradesh  
Finance (Pension) Department

\*\*\*\*



From

The Principal Secretary (Finance) to the  
Government of Himachal Pradesh, Shimla-2.

To

1. The Director,  
Health & Family welfare department,  
SDA Complex, Kasumpti, Shimla-171009.
2. The Director,  
Rural Development department,  
SDA Complex, Kasumpti, Shimla-171009 .
3. The Director  
Women & Child Development department  
SDA Complex, Kasumpti, Shimla-171009
4. The Director,  
SC, OBC & Minority Affairs department,  
SDA Complex, Kasumpti, Shimla-171009
5. The Director,  
Higher/ Elementary Education department,  
Himachal Pradesh Lalpani, Shimla-I.
6. The Chairman,  
Himachal Pradesh Building and construction  
Welfare Board SDA Complex,Kasumpti,Shimla-171009:

Dated:Shimla171002, the 29<sup>th</sup> March, 2017.

Subject :- Atal Pension Yojana for Pension less sections of the society.

Sir,

I am directed to send herewith a copy of letter No. PFRDA/3/109 dated 27-12-2017 alongwith its enclosure received from Sh. Hemant G. Contractor Chairman Pension Fund Regulatory Development Authority, New Delhi on the Subject regarding proposal of migration of workers already covered under the earlier Swavalambon scheme into APY if they are between 18-40 years also so as to avail the benefit of the guaranteed pension.

In this regard, you are requested to examine the proposal and furnish your comments , so that necessary action in the matter may be taken accordingly.

Yours faithfully,

(Akshay Sood)

Special Secretary (Finance) to the  
Government of Himachal Pradesh  
Phone No.0177- 2621904

31 MAR 2017

Handwritten signature: 76005

Handwritten initials: EI

Handwritten signature: Sh. G. N. Sood

Handwritten initials: 8/4

**Directorate of Higher Education  
Himachal Pradesh**

Endst. No. No. EDN-HE(1)B(15)-1/2010-Imp. Instt. Dated Shimla - 171001 the  
Copy for information and further necessary action is forwarded to :-

13/6/2017

1. The Special Secretary (Finance) to the Govt. of H.P. w.r.t. letter No.Fin(Pen)F(4)-1/2015 Dated 29/03/2017 for information please.
2. The Joint Director of Hr. Education (S), H.P.
3. The Joint Director of Hr. Education (Admn. C-I / C-II), H.P.
4. The Joint Controller (F&A), Dte. of Hr. Education, H.P.
5. The DDO, Directorate of Higher Education, H.P.
6. The PS to the Director of Higher Education, H.P.
7. All the Deputy Directors of Hr. Education, H.P. with the remarks that same letter be circulated to all DDOs situated in your district for compliance.
8. All the Principal Govt Degree Colleges /Govt. Sanskrit Colleges in Himchal Pradesh with the remarks that to take further necessary action in the matter accordingly.
9. The Chief Librarian, Center State Library Solan.
10. The Group Commander, GP HQ, Shimla -4.
11. The Chief Librarian, Center State Library Solan.
12. All the District Libraries in the H.P.
13. All the NCC units in the Pradesh.
14. **The Incharge Computer Cell, Dte. of Hr. Education, H.P with the remarks to upload the said orders on the deptt. Website**
15. Guard File.

Joint Director(Admn.)  
Directorate of Higher Education

16/May/17



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हिमाचल प्रदेश सरकार  
मुख्य मन्त्री कार्यालय

HIMACHAL PRADESH GOVERNMENT  
CHIEF MINISTER'S OFFICE

Time Bound

53877847

14-02-2016

क्रम संख्या 1098655

तार पता : चीफसैक  
Telegraphic Address : CHIEFSEC  
Fax No. 0177-2625011

Secretary  
5385/160  
17/1/17

एलर्जेली  
शिमला-171 002.  
ELLERSLIE  
SHIMLA-171 002.

16-1-17  
ACS (Fin)

Sub :- Regarding Atal Pension Yojana for Pension less sections of the Society.

Enclosed please find herewith a photo copy of letter dated 27/12/2016 alongwith its enclosure(s) in original received from Mr./Ms. Hemant G. Contractor, Chairman, Pension Fund Regulatory and Dev. Authority, N-Delhi. on the subject noted above.

It is requested to examine the proposal and put up action taken report on departmental file within 15 days positively.

*[Signature]*  
Deputy Secretary  
to the Chief Minister

17-1-17  
SS (Fin)

The Chief Secretary to the  
Govt. of Himachal Pradesh,  
Shimla 171002

19-1-17  
DCC (Pen)

No. Secy/CM-C0101/2012-DEP-A-411886. Dated :

CHIEF MINISTER  
(SECTION - A)  
16 JAN 2017  
H.P. SECRETARIAT  
SHIMLA 171002

*[Signature]*  
19-1-17

*[Signature]*  
19-1-17

*[Signature]*  
20/1/2017

*[Signature]*  
20-1-17

समाजसेवा नगरी

हेमंत जी. कांटेक्टर

अध्यक्ष

Hemant G. Contractor  
CHAIRMAN



पेंशन निधि विनियामक और  
विकास प्राधिकरण  
बी-14/ए, पहली मंजिल,  
छत्रपति शिवाजी मवन,  
कतुव इंस्टिट्यूशनल एरिया,  
कटवारिया सराय, नई दिल्ली-110016  
दूरभाष : 011-26517095  
फैक्स : 011-26517507  
ई-मेल : chairman@pfrda.org.in  
www.pfrda.org.in

PENSION FUND REGULATORY  
AND DEVELOPMENT AUTHORITY

B-14/A, 1st Floor,  
Chhatrapati Shivaji Bhawan  
Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016  
Phone : 011-26517095  
Fax : 011-26517507  
E-mail : chairman@pfrda.org.in  
www.pfrda.org.in

File No: PFRDA/3/109

27<sup>th</sup> December, 2016

Dear Hon'ble Chief Minister Shri Virbhada Singh,

**Atal Pension Yojana for Pension less sections of the Society**

The Government of India had launched Atal Pension Yojana in May, 2015, a scheme that specially targets the poor and the under-privileged sections of society. APY is available for all Indian citizens from 18-40 years in the unorganized sector, and provides guaranteed pension benefits on attaining the age of 60 years. APY is administered by the Pension Fund Regulatory and Development Authority (PFRDA).

2. In India, over 83% of workers are employed in unorganized sectors which do not provide any retirement benefits due to lack of formal employer / employee relations. To cover this class of unorganized sector workers, APY was visualized and rolled out by Gol through all Banks and Dept. of Posts.

3. As on date more than 38 lakh subscribers are registered under the scheme. Under APY, the subscriber would receive a minimum guaranteed monthly pension of Rs. 1000 to Rs 5000 at the age of 60 years depending upon the contributions, which in turn depends on the age of entry of the subscriber. The scheme has three major benefits, which include minimum guaranteed pension for the life of the subscriber after attainment of 60 years, second, the same pension to the spouse in case of subscriber's death, and third, return of the corpus to the nominee of the subscriber after death of the spouse. The scheme details are enclosed for ready reference.

4. A subscriber can join through any bank/ India Post branches. The pre-requisite for opening APY is to have a Savings Bank (SB) Account with any bank branch/India Post which is under CBS platform.

5. State Governments like Himachal Pradesh, Andhra Pradesh (Labour Dept) & Gujarat are co-contributing Rs 500 and above to those subscribers' accounts who are from the poorer sections like Anganwadi workers, Asha worker, construction laborers etc. Every State has multiple unorganized workers attached to different Ministries/Departments like labour, health, family welfare, mid-day meal etc. These Ministries/Departments may consider offering APY to



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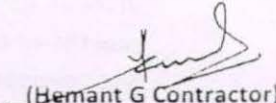
all those workers, as a measure of social welfare for financial security in their old age. In case the workers are already covered under the earlier Swavalamban scheme, they may be migrated into APY if they are between 18-40 years so as to avail of the benefit of the guaranteed pension.

6. PFRDA would be very happy to clarify any queries that the State Government may have in this regard and can depute its officer for such clarification at the convenience of the State Government. For any clarification your office may reach the following officers:

1. Shri A G Das – Chief General Manager – [ag.das@pfrda.org.in](mailto:ag.das@pfrda.org.in)
2. Shri K Mohan Gandhi DGM – [k.mohangandhi@pfrda.org.in](mailto:k.mohangandhi@pfrda.org.in)

*With Regards,*

Yours sincerely,

  
(Hemant G Contractor)

Shri Virbhadra Singh  
Chief Minister  
Government of Himachal Pradesh  
Himachal Pradesh Government Secretariat,  
Shimla - 171002,  
Himachal Pradesh

Enclosure: As above.

Copy to: Shri V.C.Pharka, Chief Secretary, Government of Himachal Pradesh, Secretariat, Shimla-171002,

## Introduction to Atal Pension Yojana

### Introduction

Atal Pension Yojana (APY), a pension scheme for citizens of India is focused on the unorganized sector workers. Under the APY, guaranteed minimum pension of Rs. 1,000/- or 2,000/- or 3,000/- or 4,000 or 5,000/- per month will be given at the age of 60 years depending on the contributions by the subscribers. Any Citizen of India can join APY scheme. Following are the eligibility criteria:

- The age of the subscriber should be between 18 - 40 years.
- He / She should have a savings bank account/ post office savings bank account.

The prospective applicant may provide Aadhaar and mobile number to the bank during registration to facilitate receipt of periodic updates on APY account. However, Aadhaar is not mandatory for enrollment.

### Need for Pension

A Pension provides people with a monthly income when they are no longer earning.

- Decreased income earning potential with age.
- The rise of nuclear family-migration of earning member.
- Rise in cost of living.
- Increased longevity.
- Assured monthly income ensures dignified life in old age.

### Benefits of APY

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 excess shall be credited to the subscriber's account, resulting in enhanced scheme benefits to the subscribers.



The Government had also co-contributed 50% of the total contribution or Rs. 1000 per annum, whichever is lower, to each eligible subscriber, who joins the scheme during the period 1<sup>st</sup> June, 2015 to 31<sup>st</sup> 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 2019-20.

At present, a subscriber under the National Pension System (NPS) is eligible to get tax benefit for the contribution, up to a ceiling, and even for the investment returns on such contributions. Further, the purchase price of the annuity on exit from NPS is also not taxed and only the pension income of the subscribers are considered to be part of normal income and taxed at the appropriate marginal rate of tax, applicable to the subscriber. Similar tax treatment is applicable to the subscribers of APY.

#### **Procedure for Opening an APY Account:**

1. 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.
2. Provide the Bank A/c number/ Post office savings bank account number and with the help of the Bank staff, fill up the APY registration form.
3. Provide Aadhaar / Mobile Number. This is not mandatory, but may be provided to facilitate the communication regarding contribution.
4. Ensure keeping the required balance in the savings bank account/ post office savings bank account for transfer of monthly / quarterly / half yearly contribution.

#### **Mode of contribution, how to contribute, and due date of contribution**

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. The monthly / quarterly / half yearly contribution depends upon the intended / desired monthly pension and the age of subscriber at entry. The contribution may be paid to APY through 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.

### **In case of continuous default**

The subscribers should keep the required balance in their savings bank accounts/ post office savings bank account on the stipulated due dates to avoid any overdue interest for delayed contributions. The monthly / quarterly / half-yearly contribution may be deposited on the first date of month / quarter / half year in the savings bank account/ post office savings bank account. However, if there is inadequate balance in the saving bank account/ post office savings bank 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, 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. Banks are required to collect Rs. 1 per month for contribution of every Rs. 100, or part thereof, for each delayed monthly contributions. Overdue interest for delayed contribution for quarterly / half yearly mode of contribution shall be recovered accordingly. 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. In all cases, the contribution is to be recovered along with the overdue charges if any. This will be bank's internal process. The due amount will be recovered as and when funds are available in the account.

Deduction would be made in the subscribers account for account maintenance charges and other related charges on a periodic basis. For those subscribers, who have availed Government co-contribution, the account would be treated as becoming zero when the subscriber corpus minus the Government co-contribution would be equal to the account maintenance charges, fees and overdue interest and hence the net corpus becomes zero. In this case, the Government co-contribution would be given back to the Government.

### **Withdrawal procedure from APY**

- **On attaining age of 60**

Upon completion of 60 years, the subscribers will submit the request to the associated bank for drawing the guaranteed minimum monthly pension or higher monthly pension, if investment returns are higher than the guaranteed returns embedded in APY. 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 of the subscriber upon death of both the subscriber and spouse.

- **In case of death of the subscriber due to any cause after the age of 60**



In case of death of subscriber, same pension would be available to the spouse and on the death of both of them (subscriber and spouse), the pension wealth accumulated till age 60 of the subscriber would be returned to the nominee.

- **Exit before the age of 60**

In case a subscriber, who has availed Government co-contribution under APY, chooses to voluntarily exit APY at a future date, he 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). The Government co-contribution, and the accrued income earned on the Government co-contribution, shall not be returned to such subscribers.

- **Death of subscriber before age of 60**

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.
2. Or, the entire accumulated corpus under APY will be returned to the spouse/nominee.

#### **Other important facts**

- It is mandatory to provide nominee details in APY account. If the subscriber is married, the spouse will be the default nominee. Unmarried subscribers can nominate any other person as nominee & they have to provide spouse details after marriage. The Aadhaar details of spouse and nominees may be provided.
- A subscriber can open only one APY account and it is unique. Multiple accounts are not permitted.
- A subscriber can opt to decrease or increase pension amount during the course of accumulation phase, once a year.
- The periodical information to the subscriber regarding activation of PRAN, balance in the account, contribution credits etc. will be intimated to APY subscribers by way of SMS alerts. The subscriber will also be receiving physical statement of Account once a year.
- The physical statement of APY will be provided to the subscriber annually.

- The contribution may be remitted through auto debit uninterruptedly even in case of change of residence/location.
- The scheme is open for Indian citizen only.
- The subscriber can change the mode (monthly/quarterly/half yearly) of auto debit facility once in a year during the month of April.