



“APY: AN UNIVRSALISATION OF PENSION IN INDIA”

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Abstract: The implementation of the Atal Pension Yojana (APY) in 2015, increased pension eligibility, Now, the typical person, irrespective of his/her working circumstances, may aspire for some consistent revenue stream when one becomes older. For a period of five years, from Financial Year 2015–16 to Financial Year 2016–17, the Indian Government contributes 50% of the total payment, or Rs. 1000 annually, whichever is lower, to each qualified subscriber account. Financial Year 2019–20. All holders of bank accounts are eligible for the Atal Pension Yojana (APY). Since its launch, the APY program's enrolment has consistently demonstrated an upward trend.

Index Terms: APY, India, Universal pension, PFRDA, PMJDY.

INTRODUCTION

The Indian government is eager to guarantee the financial stability of unorganized sector employees, particularly with regard to their post-retirement pension. On October 10, 2003, the Indian government established the PFRDA., with the aim of regulating and growing the pension industry in the nation. Additionally, intention When NPS was created, the goal of giving every person access to retirement income. The National Pension System (NPS) seeks to implement changes to pensions and instill the custom of citizens setting up money for retirement. The APY was launched. started June 1, 2015, as part of the auspicious PMJDY, which aims to providing all Indian citizens with pension support, adhering to the concept "Jan-Dhan se Jan." Surakhsha. The national goal of the PMJDY is financial inclusion. ensure that financial services, such as banking, savings accounts, and deposit accounts, affordably provided pension, insurance, credit, and remittance. (Yadav & Sarvesh Mohania, 2016)

Up until recently, pensions, or a steady monthly income stream throughout one's post-working years, were only available to a select group of paid workers, primarily those employed by governments. (APY), which was implemented in 2015, expanded pension eligibility. Now, the average individual may aim for some, regardless of her/his work situation. steady source of income as one ages

Government employees' pay-as-you-go defined benefit plan served as the primary pension scheme until the (NPS) was introduced in January 2004. Numerous more establishments, including the military, sailors, railroads, coal miners, Assam Tea Plantations, etc. possessed their own separate pension schemes. When combined, these plans might be regarded as the types of occupational pensions that Pillar-II may include. The private Under the EPFO, the business sector mostly chose provident funds. Still, it could be (Mohanty et al., 2022)

shown that EPFO users with modest incomes do have a pension component. By March According to estimates, there will be over 26 crore EPFO members by 2021, however on average only 69.2 lakh people were retirees, and 4.6 crore members were actively contributing.

Three key pillars comprise the global pension system architecture that has evolved: Pillar I: A basic social pension that is non-contributory and mostly funded by the government. It could be means-tested or universal. Occupational contributory pension plans make up Pillar-II. It could be required or optional. It may take the form of a defined contribution (DC), Benefit (DB) plans are defined. Third Pillar: Fully funded personal pension plans that are voluntary. (Mohanty, 2022)

RESEARCH OBJECITVE

To know the APY benefit, eligibility and contribution.

To know the Cumulative enrolment under APY.

LITERATURE REVIEW

A national mission for financial inclusion, the PMJDY aims to provide affordable access to financial services, including banking, savings and deposit accounts, remittance, credit, insurance, and pensions. The PMJDY claims that, about 98% of Indian families now have bank accounts. To date, PMJDY has demonstrated exceptional success and remains the primary catalyst for achieving the objective of complete financial inclusion. (Senapati, 2018)

The aim of their research was to examine how investors see the APY program, with particular attention to Kuzhalmannam Panchayath in Palakkad. Studying the fundamentals of social security, attitudes and perceptions, and issues with Atal Pension Yojana Schemes are beneficial. Just 42% of respondents are women, while the majority of respondents—58%—have investments in the Atal Pension Yojana. Only 31% of respondents work in the private sector, and 8% are company owners. The majority of respondents, or those from other categories, such as unorganized, have invested in the Atal Pension Yojana. The majority of responders fall into the 10000–30000 group, followed by the 40000–60000 category (25%), and the over 100000 category (7%). 27% of respondents invest between five and twenty percent, 57% between five and ten percent, 14% between ten and twenty percent, and 2% over twenty percent. (Amutha, 2022)

In India, the unorganized sector offers the government-backed Atal Pension Yojana, formerly known as Swavalamban Yojana. The introduction of numerous insurance and pension programs by the Central Government aims to encourage saving in our nation. In May 2015, the Atal Pension Yojana was introduced. Gujarat, Andhra Pradesh, West Bengal, Madhya Pradesh, Rajasthan, Uttar Pradesh, Bihar, Tamilnadu, Maharashtra, Karnataka, and Andhra Pradesh are the top 10 states in terms of APY mobilization. (Devi.S, 2020)

Following the unpopular Swavalamban Yojana of the previous administration among the targeted populace. The APY provides employees having a pension plan that ensures income mostly working in the unorganized and informal sectors. The goal of the research is to ascertain college students' awareness of the Atal Pension Yojana. The research employed a quantitative a descriptive research design and a research methodology to examine college students' knowledge of the Tamil-language APY. a survey was conducted utilizing a survey together with a straightforward random sampling method. encourage saving, particularly among unorganized labourers, to help them become financially independent granting them a pension based on their participation in the plan will help them become independent when they retire. (Balamurugan, 2022)

Global recognition exists for the significance of financial inclusion in integrating the unbanked populace into the official banking system. This research aims to assess the state of banking in Andhra Pradesh as well as the effectiveness and development of financial inclusion. as shown by the quantity of PMJDY accounts established. plan and the enrolments made through social security programs such as PMJJBY, the PMSBY, and APY. The study's key findings include the following: as of March 31st, In Andhra Pradesh, there were 17,296 banking locations as of 2020, with the largest percentage of the majority of bank branches (35%) were located in rural regions. The establishment of PMJDY and additional social security programs was also significantly. (Bharat et al., 2022)

RESEARCH METHODOLOGY

The study utilizes the published journal and the data was collected from the official websites of PFRDA. The data was presented with the help of table.

APY BENEFIT

When a subscriber joins and makes contributions. They will get a set payment between the ages of 18 and 40. pension worth between Rs. 1000 and Rs. 5000. If a subscriber joins later, the levels of contribution will climb; if he joins early, they will be lower.

APY ELIGIBILITY

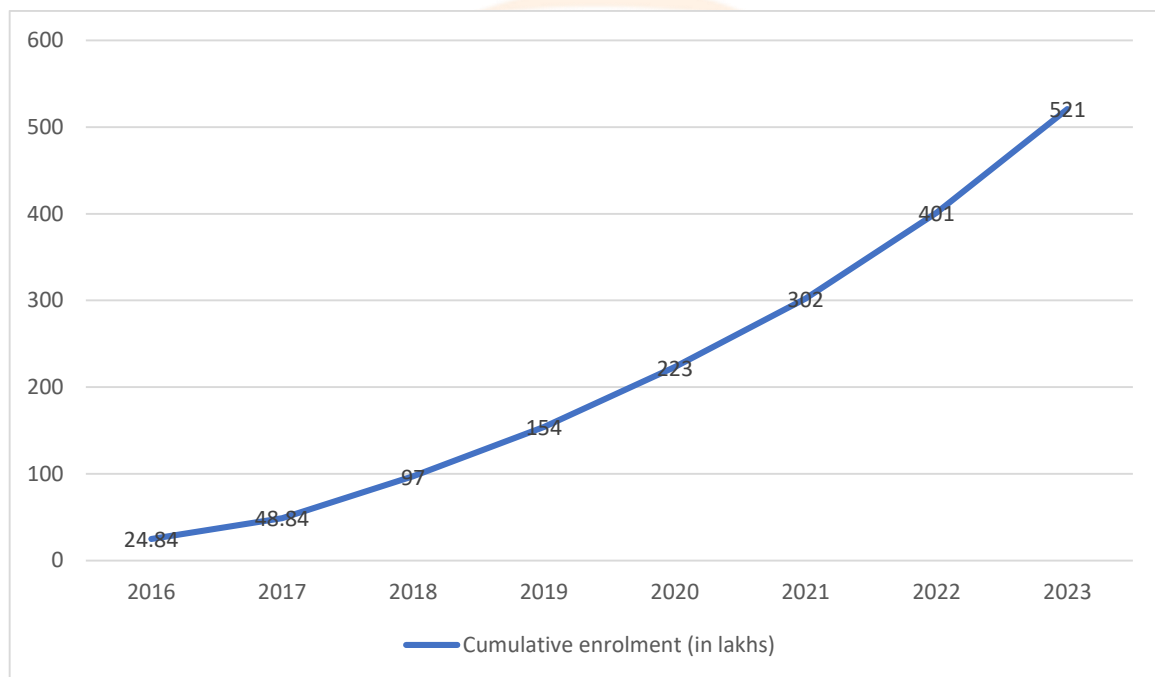
All holders of bank accounts are eligible for the Atal Pension Yojana (APY). For a period of five years, from Financial Year 2015–16 to Financial Year 2019–20 the Union Government contributes the 50% of the total contribution, or Rs. 1000 annually, whichever is lower, to each eligible subscriber account. These individuals must join the APY between June 1, 2015, and December 31, 2015, and they must not be income tax payers or members of any statutory social security schemes. After this date, the program will still exist, but government participation will not be accessible.

TABLE 1: CONTRIBUTION UNDER APY

Entry Age	Years of Contribution.	Monthly pension of Rs. 1000. Indicative return of corpus Rs 1.70lacs.	Monthly pension of Rs.2000. Indicative return of corpus Rs3.40 lacs.	3000. Indicative return of corpus Rs 5.10 lacs	Monthly pension of Rs.4000. Indicative return of corpus Rs6.80 lacs	Monthly pension of Rs.5000. Indicative return of corpus Rs 8.50lacs
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	654	824
35	25	181	362	543	722	902
36	24	198	396	594	792	990
37	23	218	436	654	870	1087
38	22	240	480	720	957	1196
39	21	264	528	792	1054	1318

Source: PFRDA

FIGURE1: CUMULATIVE ENROLMENT UNDER APY.



Since the program's launch, APY enrolments have consistently showed an upward tendency. APY enrolments increased by 33% between FY 2021–2022 and FY2020–2021. Comparably, there is a 30% rise from FY 2021–2022 to FY 2022–2023.

CONCLUSION

The Indian government is keen to ensure the financial security of workers in the unorganized sector, especially in relation to their pension after retirement. The APY was launched on June 1st, 2015, as a part of the fortunate Pradhan Mantri Jan Dhan Yojana, which seeks to promote pensions for all Indian people in accordance with the principle "Jan-Dhan se Jan." Surakhsha. A fixed pension of between Rs. 1000 and Rs.5000 will be awarded to a subscriber who joins and makes payments between the ages of 18 and 40, APY is available to all bank account holders. Enrolment in the APY program has always shown a rising trend since its inception.

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