To

No.F.1-5/2019-FWS-II
Government of India
Ministry of Agriculture & Farmers Welfare
Department of Agriculture, Cooperation & Farmers Welfare

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Krishi Bhawan, New Delhi
Dated 5th July, 2019

To

The Chief Secretaries of All States / UTs

Subject:- Introduction of a new Central Sector Scheme, namely, the Pradhan Mantri Kisan Maandhan Yojana, to provide old age pension to the Small and Marginal Farmers in the Country - Regarding.

Madam / Sir,

The Government of India has approved implementation of a new Central Sector Scheme, namely, the Pradhan Mantri Kisan Maandhan Yojana, for providing old age pension to Small and Marginal Farmers in the country. Farmers in the age group of 18 to 40 years would be eligible to subscribe to the Scheme, subject to certain exclusion criteria.

2. Salient features of the Scheme:

(i) It is a Central Sector Scheme administered by Ministry of Agriculture & Farmers’ Welfare, Department of Agriculture, Cooperation & Farmers’ Welfare, in partnership with the Life Insurance Corporation of India (LIC).

(ii) LIC shall be the Pension Fund Manager and responsible for Pension pay out.

(iii) It is a voluntary and contribution based pension scheme.

(iv) Each subscriber under the Scheme will receive minimum assured pension of Rs. 3000/- per month after attaining the age of 60 years.

(v) All Small and Marginal landholding farmers, in the age group of 18 to 40 years, who collectively own cultivable land upto 2 hectare as per land records of the concerned State/UT are eligible to be enrolled under the scheme, subject to certain exclusion criteria.

(vi) The existing land-ownership system will be used for identification of beneficiaries
(vii) The exclusion criteria that have been adopted under the Prime Minister Kisan Samman Nidhi (PM-KISAN) Scheme have been incorporated in the Scheme, along with a few more conditions.

(viii) Nodal Agencies of the State Governments who are dealing with PM-KISAN shall be involved for the purpose of enrolment of SMF under the Scheme. Additionally, inclusion of the Common Service Centres (CSC e-Governance Services India Ltd.,) under Ministry of Electronics and Information Technology (MeitY), Government of India shall also serve as enrolment agency for the Scheme at the rate of Rs.30/- per enrolment.

(ix) The Central Government’s share will be 50% of the monthly contribution. For example, the beneficiary is required to contribute Rs 100/- per month in the pension fund at median entry age of 29 years, with matching contribution of Rs.100 by the Central Government. A detailed Contribution Chart is enclosed at Annexure.

(x) The State Government shall have the option of sharing the burden of individual SMF beneficiary’s contribution.

(xi) Option of the SMF shall be available to allow his/her voluntary contribution to the Scheme from the benefit drawn by him/her on account of PM-KISAN Scheme, directly.

(xii) Family Pension: During the receipt of pension, if the subscriber dies, the spouse of the beneficiary shall be entitled to receive 50% of the pension received by the beneficiary as family pension. Family pension is applicable only to spouse.

(xiii) If a beneficiary has given regular contribution and died from any cause (before age of 60 years), his/her spouse will be entitled to join and continue the scheme subsequently by payment of regular contribution or exit the scheme as per provisions of exit and withdrawal.

(xiv) After the subscriber’s death, while receiving pension, the spouse of the SMF beneficiary shall be entitled to receive 50% of the pension received by the beneficiary as family pension, provided he/she is not already an SMF beneficiary of the Scheme.

(xv) If a beneficiary has given regular contributions and died due to any cause, his/her spouse shall be entitled to continue the Scheme subsequently by payment of regular contribution or exit by receiving the beneficiary’s contribution with prevailing bank rates of interest, provided he/she is not already an SMF beneficiary of the Scheme.

(xvi) After death of subscriber and his/her spouse, the corpus shall be credited back to the fund.
(xvii) If a beneficiary becomes ineligible for pension, his/her account will be active but Government’s contribution (50%) shall be stopped. If beneficiary agrees to pay the entire amount of the contribution, he/she will be allowed to operate the account. At the age of 60, he/she shall be allowed to withdraw his/her contribution with an interest equivalent to the prevailing saving bank rates.

(xviii) The beneficiary may opt voluntarily to exit the Scheme after a minimum period of 5 years of regular contributions. On exit, his/her entire contribution shall be returned by LIC with an interest equivalent to prevailing saving bank rates.

(xix) Where an eligible subscriber makes a default in the payment of any contribution to be payable by him/her under the Scheme, he/she shall be allowed to regularize his/her contribution by paying the entire outstanding dues, along with interest of the rate as determined by the Government from time to time.

(xx) The issue of liability on account of deficit in the fund maintained by LIC may be decided after due deliberations between Finance Ministry and LIC.

3. **Exclusion criteria:** The following categories of farmers are not eligible for the benefit of this Scheme:

   (A) SMF covered under any other statutory social security schemes such as National Pension Scheme (NPS), Employees’ State Insurance Corporation scheme, Employees’ Fund Organization Scheme etc.

   (B) Farmers who have opted for Prime Minister Shram Yogi Mandhan Yojana (PM-SYM) administered by the Ministry of Labour & Employment

   (C) Further, the following categories of beneficiaries of higher economic status shall not be eligible for benefits under the scheme:

   (a) All Institutional Land holders; and

   (b) Farmer families in which one or more of its members belong to following categories:

      (i) Former and present holders of constitutional posts

      (ii) Former and present Ministers/ State Ministers and former/present Members of Lok Sabha/ Rajya Sabha/ State Legislative Assemblies/ State Legislative
Councils, former and present Mayors of Municipal Corporations, former and present Chairpersons of District Panchayats.

(iii) All serving or retired officers and employees of Central/State Government Ministries/Offices/Departments and its field units Central or State PSEs and Attached offices/Autonomous Institutions under Government as well as regular employees of the Local Bodies (Excluding Multi Tasking Staff/Class IV/Group D employees)

(iv) All superannuated/retired pensioners in the above category whose monthly pension is Rs.10,000/- or more (Excluding Multi Tasking Staff/Class IV/Group D employees)

(v) All Persons who paid Income Tax in last assessment year.

(vi) Professionals like Doctors, Engineers, Lawyers, Chartered Accountants, and Architects registered with Professional bodies and carrying out profession by undertaking practices.

For the purpose of exclusion State/UT Government can certify the eligibility of the beneficiary based on self declaration by the beneficiaries. In case beneficiary is not available / does not reside in the village, State/UT Governments may consider certification based on the declaration by other adult member of his/her family. In case of incorrect self declaration, beneficiary shall not be eligible for financial benefit under the Scheme.

4. Modalities of Implementation:

It is proposed to utilize the the data base created under the PM-KISAN Scheme in the first instance. For this purpose, it is proposed that the State Nodal Officers (SNO) in the States dealing with PM-KISAN may be involved for the purpose of enrolment of farmers. This would help the farmers who are already drawing benefits under the PM-KISAN Scheme. An exclusive web-portal would be developed for implementation of the Scheme.

The farmers can also enroll with the Common Service Centres (CSC e-Governance Services India Ltd.) under MeitY, Government of India which shall also serve as enrolment agency for the Scheme at the rate of Rs.30/- per enrolment. The operational guidelines for the Scheme including those relating to mode of payment, the tenure of deposit, auto-debit and other related matters for its smooth implementation shall be issued separately.
Any matter related to execution, grievance redressal, dispute resolution etc. shall be referred to the Joint Secretary in charge of the scheme, Farmers' Welfare, Department of Agriculture, Cooperation and Farmers' Welfare, whose decision thereon shall be conclusive.

Each State/UT Government will designate a Nodal Department for implementation of the scheme and coordinating with Central Government with regard to implementation of the Scheme.

5. Grievance Redressal Mechanism

A Grievance Redressal Cell shall be set up both at State and District Levels accordingly with representation of State Nodal Officers, State Level Bankers’ Committee and Regional Manager, LIC. Similarly, District Levels shall have DLBC and LIC Representatives along with District level Government Officers.

6. The Pradhan Mantri Kisan Maandhan Yojana is another important flagship programme of the Government of India for the benefit of the farmers, which requires constant monitoring to ensure maximum enrolment of the eligible farmers. Hence, you are requested to take necessary action for sensitizing all the stakeholders, including the SNOs of PM-Kisan, as also to put in place an effective implementation mechanism for maximum enrolment of the beneficiaries under the scheme. Detailed Operational Guidelines are being prepared and will be issued separately.

Yours sincerely,

(Sanjay Agarwal)
Secretary to Government of India

Encl: Contribution Chart
11. Press Information Bureau, New Delhi

Copy also for information to:
1. Cabinet Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi
2. Principal Secretary to Prime Minister, Prime Minister's Office, South Block, New Delhi
3. PS to AM / PS to MOS (PR) / PS to MOS (KC) / AS & FA / AS (DC) / AS (VM) / AS (AB) / JS (FW)
## ANNEXURE

## PRADHAN MANTRI KISAN MAANDHAN YOJANA

### DETAILED CONTRIBUTION CHART

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