



रक्षा लेखा नियंत्रक का कार्यालय, गुवाहाटी उदयन विहार, नारंगी, गुवाहाटी-781171

OFFICE OF THE CONTROLLER OF DEFENCE ACCOUNTS

UDAYAN VIHAR, NARANGI, GUWAHATI: 781171.

ई-मेल/e-mail:cda-guw@.nic.in फ़ैक्स/FAX:0361-2640204 फोन/Ph: 0361-2640394, 2641142.



No. DDP/I/NPS/18/Order/VOL-XXVI

Dated- 12.07.2016.

TO

- (I) The Area Accounts Office
Bivar Road Shillong- 793001
(II) The PAO(ORs) ARC Shillong
Happy Valley, Shillong- 793007
(III) The PAO(ORs) 58 GTC
Happy valley, Shillong- 793007
(IV) All the AOs GE/AGE(I)

SUBJECT: FORWARDING OF NPS CIRCULAR.

Two circular received from NSDL and PFRDA is forwarded herewith for your guidance and necessary action please.

Circular No & Date

CRA/PO&RI/PAO/2016/006 dated- 08.07.2016.

PFRDA/2016/11/Exit/03 dated- 06.09.2016

Enclosure: As above.

SD
(MHN Singh)

Sr. Accounts Officer
(NPS Cell)

Copy to:

- ✓ The officer incharge
EDP Section
(Local)

:with the request to upload in the CDA Guwahati website.

MHN Singh
(MHN Singh)

Sr. Accounts Officer
(NPS Cell)



पेंशन निधि विनियामक और
विकास प्राधिकरण
बी-14/ए, छत्रपति शिवाजी भवन,
कुतुब इंस्टिटूशनल एरिया,
कटवारिया सराय, नई दिल्ली-110016
दूरभाष : 011-26517503
फैक्स : 011-26517507
वेबसाइट : www.pfrda.org.in

**PENSION FUND REGULATORY
AND DEVELOPMENT AUTHORITY**
B-14/A, Chhatrapati Shivaji Bhawan
Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016
Phone : 011-26517503
Fax : 011-26517507
Website : www.pfrda.org.in

CIRCULAR

PFRDA/2016/11/Exit/03

09.06.2016

To,

NPS Trust, CRA, Pension Funds, Trustee Bank, Govt Nodal Offices, Annuity Service Providers and other stakeholders

Monetisation of units lying in the subscribers' account who have not withdrawn their benefits from NPS

The monetisation policy is deliberated in the circular divided into the following two sections for the purpose of ease of understanding and implementation:

- A. Subscribers who have superannuated or attained 60 years of age, but not lodged their withdrawal claims.
- B. Those subscribers who have deferred the withdrawal of lump sum and/or purchase of an annuity and who have not claimed these amounts after the completion of such term of deferment OR those who have withdrawn the lump sum amount (60/20) after following the due process but have not purchased the required annuity.

A. Subscribers who have superannuated or attained 60 years of age but not yet lodged their withdrawal claims

- a) CRA will initiate the withdrawal process **6 months** prior to his/ her attaining age of 60 years or on attaining normal age of superannuation by suo motto registration of the claim and allotment of a specific system generated claim number which would act as a Claim Ack ID for all future references and tracking. Additionally, CRA would send communications on a quarterly basis to all the PAO/DDO/DTO's seeking information on the impending superannuation cases due in next 6 months to take care of those cases where the age of normal superannuation is below 60 years and register the claim and generate the Ack ID. The CRA would send a reminder after 3 months through a system generated auto communication followed by monthly reminder till the application form is submitted by the subscriber. Also, pop-up windows would be generated on the

PAO/DDO/DTO's/POP-SP/Aggregator system, the moment they log on to the CRA system for any activity informing them the details of pending withdrawal applications and the requirements thereof.

- b) If despite the above efforts, the withdrawal application is not received from the subscriber within 1 month from the date of normal superannuation or from date of attainment of 60 years, CRA system would automatically initiate a process of monetization of units held in accounts of such NPS subscribers on the last business day of the month. The business day may be taken as the last working day of the CRA at its headquarters. This involves instructions from CRA to PFM on monetizing the entire accumulated pension wealth of the subscriber and moving into a separate WITHDRAWALS bank account held with Trustee Bank by NPS Trust. By this the NAV is safeguarded to the extent possible. Post this activity, the concerned nodal office and the subscriber would be informed of the monetisation and once again asking him to withdraw the amounts in terms of the process prescribed for withdrawals.
- c) Such monetised withdrawals would be kept in a separate withdrawals account with the Trustee bank (preferably with an auto-sweep facility) and the interest accrued on such accounts/amounts would be credited to subscribers account on annual basis.

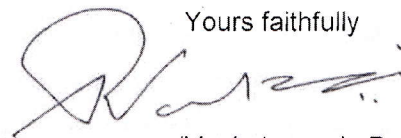
B. Those subscribers who have deferred the withdrawal of lump sum and/or purchase of an annuity and who have not claimed these amounts after the completion of such term of deferment OR those who have withdrawn the lump sum amount (60/20) after following the due process but have not purchased the required annuity.

- a. In case the withdrawal is deferred by the subscriber in terms of the regulations as is indicated in the withdrawal application form and received before attaining the age of 60 years or normal age of superannuation, the component pertaining to monetization of the lump sum withdrawal or the component pertaining to purchase of annuity or both would not happen and it stays invested in the NPS under the same PFM and investment choice, unless specifically requested for a change by the subscriber. However, accumulated corpus, if any in the Tier II account of the subscriber would be monetized. The subject monetisation policy would not be applicable in case if the subscribers choose to contribute beyond the age of 60 years as is allowed under the regulations provided.



- b. CRA will intimate the subscriber and the concerned nodal office of the impending due date of such withdrawal **6 months** prior to such date of vesting opted by the subscriber. The CRA would send a reminder after 3 months through a system generated auto communication followed by monthly reminder till the application form is submitted by the subscriber. Also, pop-up windows would be generated on the PAO/DDO/DTO's/POP-SP/Aggregator system, the moment they log on to the CRA system for any activity informing them the details of pending withdrawal applications and the requirements thereof.
- d) If despite the above, the withdrawal application is not received from the subscriber within 1 month from the date of vesting as desired by the subscriber, CRA system would automatically initiate a process of monetization of units held in accounts of such NPS subscribers on the last business day of the month. The business day shall be taken as the last working day of the CRA at its headquarters. This involves instructions from CRA to PFM on monetizing the entire accumulated pension wealth of the subscriber and moving into a separate WITHDRAWALS bank account held with Trustee Bank by NPS Trust. By this the NAV is safeguarded to the extent possible. Post this activity, the concerned nodal office and the subscriber would be informed of the monetisation and once again asking him to withdraw the amounts in terms of the process prescribed for withdrawals.
- e) Such monetised withdrawals would be kept in a separate withdrawals account with the Trustee bank (preferably with an auto-sweep facility) and the interest accrued on such accounts/amounts would be credited to subscriber account on annual basis.

Yours faithfully



(Venkateswarlu Peri)
General Manager



पेंशन निधि विनियामक और
विकास प्राधिकरण

बी-14/ए, छत्रपति शिवाजी भवन,
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CIRCULAR

PFRDA/2016/13/Exit/05

June 22, 2016

To,

NPS Trust, CRA, Pension Funds, Trustee Bank, Govt. Nodal Offices, Annuity Service Providers
and other stakeholders

**Sub: Comparing pension amount (Family Pension or NPS annuity) by Government Nodal
Office before processing Family Pension cases on Death/disability of subscriber**

This is with reference to Regulation 6 (e) of the Pension Fund Regulatory and Development Authority (Exits and Withdrawal from National Pension System) Regulation 2015, providing for the treatment of additional benefits provided by the government like Family Pension. In this regard, the Authority has provided guidelines for adjustment/transfer of accumulated pension wealth in the subscribers' account to the government nodal office in the event of the government providing an additional benefit in the nature of family pension to the family members/subscriber upon their request.

However, in order to ensure that such claimants take an informed decision on availing such family pension vis-à-vis the benefits available to them under National Pension System (NPS), it has been decided that the concerned nodal office shall obtain from CRA registered under NPS the information about the likely monthly annuity amount with the accumulated pension wealth in the subscribers account and inform the claimants along with the family pension they are eligible to get. This is to ensure that the claimants/ family members of the subscriber/subscriber takes an informed decision in the matter of availing the benefits available to him.

The Authority is undertaking steps to provide for an annuity quote calculator on the website of CRA registered under NPS for facilitating the same and, in the interim, such nodal offices can write to CRA at npsclaimassist@nsdl.co.in to provide the approximate pension per month that can be derived from the purchase of an annuity for the accumulated pension wealth in the subscribers account by giving the PRA number and other details. Upon receipt of the

information from CRA the nodal office can guide the claimants appropriately based on the annuity available under NPS and the monthly pension that is available under the additional relief by way of family pension being offered to them.

Regulation 6 (e) is to be read in conjunction with Regulation 3 (b) and 3 (c) of the Pension Fund Regulatory and Development Authority (Exits and Withdrawal from National Pension System) Regulation 2015 and is applicable only if the concerned Central or State Government is offering such additional relief by way of family pension to its employee. It may also be noted that the grant of additional relief by way of family pension etc., is the sole prerogative of the concerned Central or State Government entity and the Authority has no role to play in this regard.

The clarificatory guidelines for removal of difficulty are being issued by the Authority in exercise of its powers under Section 14 of the Pension Fund Regulatory and Development Authority Act, 2013 read with Regulation 39 of the PFRDA (Exits and Withdrawals from National Pension System) Regulations, 2015.



(Venkateswarlu Peri)
General Manager

NSDL e-Governance Infrastructure Limited
Central Recordkeeping Agency
Circular



Circular No.: CRA/PO&RI/Master/2016/006

July 8, 2016

Subject: Pension amount (Family Pension or NPS annuity) comparison while processing Family Pension cases on death / disability of NPS subscriber

All the Nodal Offices (PrAO/PAO/CDDO/DTA/DTO) under National Pension System (NPS) are hereby informed that Pension Fund Regulatory & Development Authority (PFRDA) has issued guidelines with reference to Regulations 6(e) of the PFRDA (Exit and Withdrawal from NPS) Regulations 2015 regarding comparison of Family Pension and NPS Annuity before processing Family Pension cases on death/disability of the subscriber.

The guidelines have been issued to ensure that the claimants take an informed decision based on the comparison of the benefits available to them under Family Pension vis-à-vis NPS. The Circular issued by PFRDA in this regard is enclosed as **Annexure**.

In case of any further clarification in this regard, you may contact Mr. Dinesh Dalvi at 022-24994842 (E-mail ID - dinesh.dalvi@nsdl.co.in) or Mr. Vishal Jain at 022-24994946 (E-mail ID - vishal.jain@nsdl.co.in).

For and on behalf of
NSDL e-Governance Infrastructure Limited

Mandar Karlekar
Assistant Vice President

Encl: a/a