



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

OFFICE OF THE CONTROLLER OF DEFENCE ACCOUNTS

UDAYAN VIHAR, NARANGI, GUWAHATI: 781171.

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

Dated-

29/07/2016

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.

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

Circular No & Date

CRA/PO&RI/PAO/2016/005 dated- 22.06.2016.

Enclosure: As above.


(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)

Sr. Accounts Officer
(NPS Cell)

Central Recordkeeping Agency

Circular

Circular No.: CRA/PO&RI/Master/2016/005

June 22, 2016

Subject: Monetization of units lying in the subscribers' account under NPS

All the Nodal Offices under National Pension System (NPS) are hereby informed that Pension Fund Regulatory & Development Authority (PFRDA) has issued guidelines related to Auto-Monetization of units lying in the subscriber's account who have not withdrawn their benefits from NPS.

The Monetization Policy will be applicable in following scenarios:

- Subscribers who have superannuated or attained 60 years of age, but not lodged their Withdrawal claims.
- 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and who have not claimed these amounts after the completion of such term of deferment OR those Subscribers who have withdrawn the lump sum amount (60% / 20%) after following the stipulated process but have not purchased the required annuity.

The Circular issued by PFRDA in this regard is enclosed as **Annexure**. The Nodal Offices may kindly note that the Monetization Policy will be applicable in near future. The Nodal Offices are further requested to disseminate the above information to their underlying offices and subscribers.

In case any further clarification is required in this regard, you may contact Mr. Dinesh Dalvi at 022 - 2499 4842 (E-mail ID - dinesh.dalvi@nsdl.co.in) or Mr. Vishal Jain at 022-2499 4946 (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



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

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AND DEVELOPMENT AUTHORITY
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Qutab Institutional Area,
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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.

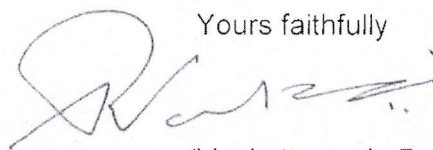
B. Those subscribers who have deferred the withdrawal of lump sum and/or purchase of an annuity and who have not claimed these amounts after the completion of such term of deferment OR those who have withdrawn the lump sum amount (60/20) after following the due process but have not purchased the required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

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- 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