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विकास प्राधिकरण
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PFRDA/02/07/1/0014/2017-RnS-CG

03.06.2020

To,

All Central Government Ministries & Departments/ State Governments
PrAOs, PAOs, CDDOs, NCDDOs & other CG Nodal Offices;
DTAs, DTOs, DDOs and other SG Nodal Offices
All Central and State Autonomous Bodies

Dear Sir/Madam,

Subject – Ease in Issuance of Annuity to NPS Subscribers- reg.

This is with reference to circular dated 12th Nov 2015 issued by PFRDA (hereinafter referred to as 'Authority') on processing of Online Withdrawal Requests of NPS subscribers by Nodal offices. Though this online process facilitates lump sum withdrawal in an effective manner, the timely issuance of annuities by Annuity Service Provider (ASPs) still poses a challenge, as the subsequent documentation at the end of ASPs takes considerable time.

Keeping in view the foregoing, it is proposed that in future, the Nodal offices of Central Government, State Governments and Autonomous Bodies, while authorizing the exit of their associated subscribers, will also upload the withdrawal form along with the KYC documents of the subscribers. It is clarified that relevant IT feature is already available in the CRA system to scan and upload the documents for those nodal offices which are already having login credentials. Based on such upload and authorization of documents by the Nodal office, lump sum shall be issued to the subscriber. Further, based on the same set of documents, annuity shall also be issued seamlessly by the concerned ASP, thereby obviating the need for re-documentation by the ASPs.

The nodal offices can start processing the exit requests as per the proposed process, in addition to the existing process of exit/withdrawal, **with effect from 15.06.2020, on optional basis**. This option shall be available for an initial period of three months from 15.06.2020 to enable offices to familiarize themselves with the proposed process, and to enable PFRDA to finalize the contours and smoothen bottlenecks observed, if any. After the aforesaid period of three months i.e. with effect from 15.09.2020 the **annuities are proposed to be issued only under the new process**.

The activities to be carried out by Nodal office under the proposed new process are similar to what they are doing presently, except that they will have to also scan and upload

the documents on the CRA system which shall also be used for issuance of Annuities by ASPs. For clarity, the list of activities under both processes is enclosed as **Annexure A**. Further, the Online Withdrawal Process Flow is enclosed as **Annexure B**, for reference.

The revised process is the outcome of coordinated efforts by PFRDA and IRDAI and is proposed to be adopted in the best interest of NPS subscribers. **All Nodal offices under Central Governments, State Governments and Autonomous Bodies are therefore advised to give feedback/comments/suggestions, if any, on the proposed process to PFRDA within 30 days of issuance of this letter.** In case feedback is not received within the stipulated time, it shall be construed that Government offices are agreeable and have no objection to the proposed process and accordingly, necessary steps shall be taken by PFRDA to make this process mandatory and binding on all Nodal Offices of Central Government, State Government and Autonomous Bodies with effect from 15.09.2020.

With regards,

Yours Sincerely,



Sumeet Kaur Kapoor
Chief General Manager

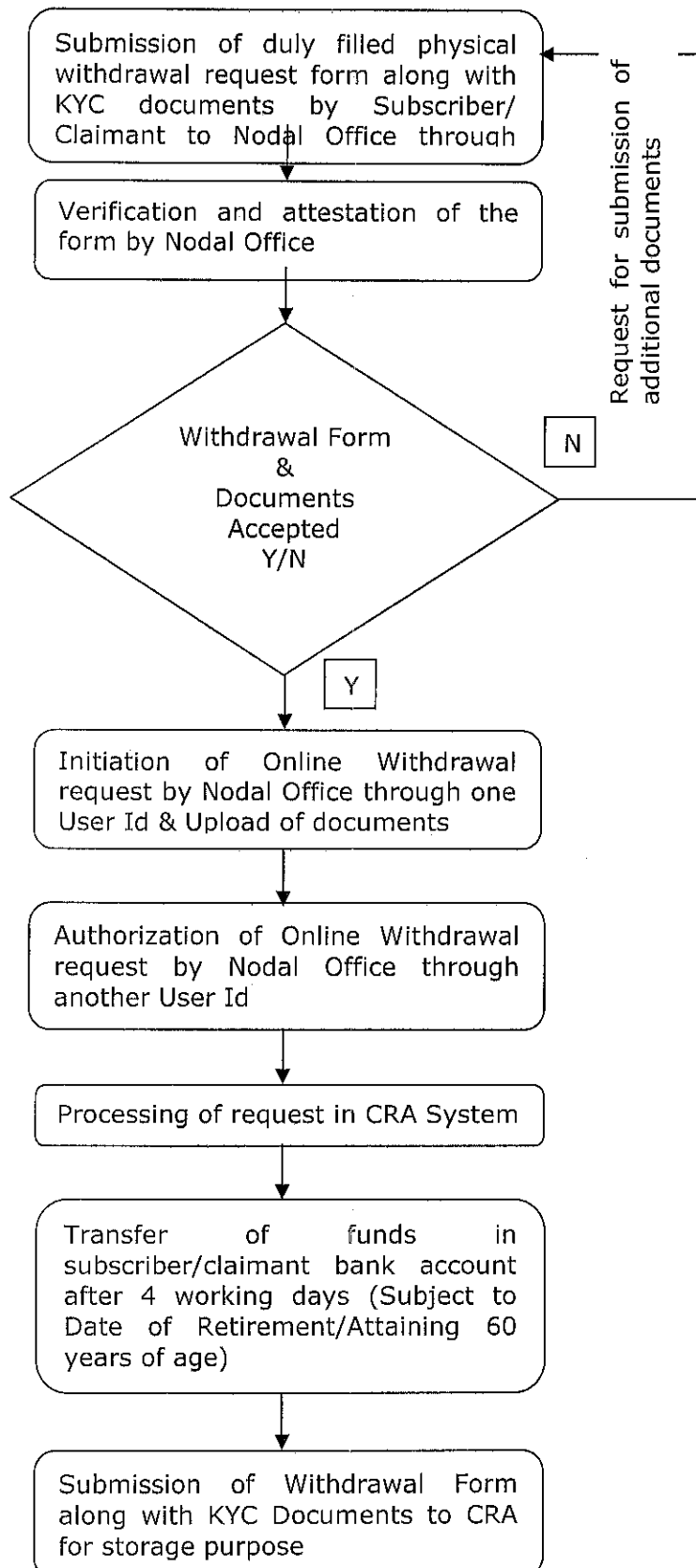
ANNEXURE A

A. Existing process of Exit

- i. Subscriber submits the duly filled physical withdrawal request form along with KYC documents to Nodal Office through DDO
- ii. Then, Nodal Office does the verification and authorizes the request.
- iii. Nodal Office initiates the Online Withdrawal requests in the CRA system-using maker ID.
- iv. Authorization of Online Withdrawal requests by Nodal Officers
- v. Redemption of Units from PRAN towards lump sum withdrawal.
- vi. Transfer of funds in Subscriber's bank account by Trustee Bank.
- vii. Nodal Office needs to submit the physical withdrawal form along with supporting KYC documents to NSDL CRA for storage purpose.
- viii. Subscribers' information shared with ASPs for annuity issuance viz contacting subscribers for documentation and issuance of annuity.

B. Proposed process of exit (The process flow will be the same as above in A except for points vii and viii)

- i. Subscriber submits the duly filled physical withdrawal request form along with KYC documents to Nodal Office through DDO.
- ii. Nodal Office does the Verification and authorizes the request.
- iii. Nodal Office initiates the online withdrawal requests in the CRA system-using maker ID.
- iv. Authorization of Online Withdrawal requests by Nodal Office.
- v. Redemption of Units from PRAN towards lump sum withdrawal
- vi. Transfer of funds in Subscriber's bank account by Trustee Bank
- vii. Nodal Office uploads the physical withdrawal form along with supporting KYC documents on NPSCAN module.
- viii. Once the documents are uploaded, annuity is issued to the subscribers based on the uploaded documents.

Online Withdrawal Process Flow

Annuity Withdrawal Process Flow

