



Protean eGov Technologies Limited

Frequently Asked Questions (FAQs) on Final Exit, Annuity and continuation/deferment Process - Government Sector

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❖ **FAQs on Final Exit, Annuity and continuation/deferment Process:-**

1. What is an Exit?

An exit is defined as closure of individual pension account of the Subscriber under National Pension System (NPS).

2. When can a Subscriber exit from NPS? What are the exit types under NPS?

As per PFRDA (Exits & Withdrawals under NPS) Regulations 2015 & amendments thereto, following Exit categories are allowed:

- **Upon Normal Retirement/Superannuation** – At least 40% of the accumulated pension wealth of the Subscriber needs to be utilized for purchase of an Annuity providing for monthly pension to the Subscriber and the balance pension wealth is paid as lump sum to the Subscriber.
In case, the total corpus in the NPS account is less than or equal to Rs. 5 lakh, Subscriber can avail the option of complete (100%) Withdrawal.
- **Pre-mature Exit** – At least 80% of the accumulated pension wealth of the Subscriber needs to be utilized for purchase of an Annuity providing for monthly pension to the Subscriber and the balance pension wealth is paid as a lump sum to the Subscriber.
In case the total corpus in the NPS account is less than or equal to Rs. 2.5 lakh, the Subscriber can avail the option of complete (100%) Withdrawal.
- **Exit upon Death** – In case of Death of NPS Subscriber (before retirement/ attaining the age of superannuation), at least 80% of the accumulated pension wealth of the Subscriber needs to be utilized for purchase of an Annuity providing for monthly pension to the Family Members i.e. to Spouse of Subscriber, if any and then to dependent mother & then to dependent father of Subscriber. The balance pension wealth is paid as lump sum to the nominees or legal heirs, as the case may be, of such Subscriber. Further,
 - In case, the total corpus in the NPS account is less than or equal to Rs. 5 lakh as on the Date of Death of the Subscriber, the nominees or legal heirs as the case may be, shall have the option of complete (100%) Withdrawal.
 - If none of the family members of deceased Subscriber (Spouse, if any, Mother and Father) are alive, then NPS Corpus meant for issue of annuity shall be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

Further, if family pension is being paid/payable to Subscriber/family members from Government, then as per the Regulations, entire pension wealth (100% corpus) shall be transferred to the Nodal Office for further settlement as per Government directives.

3. Which options are available to Subscriber at the time of Retirement / Superannuation?

Subscriber can remain invested in NPS (Up to 75 years) or can exit from NPS. Following options are available to Subscribers:

- **Continuation of NPS Account:** Subscriber can continue to contribute to NPS account beyond Retirement (Up to 75 years) and avail additional tax benefit on the contributions. Subscriber has an option to exit anytime during continuation, if he/she wishes to exit.
- **Deferment of NPS Account:** Subscriber can defer his/her Withdrawal and stay invested in NPS upto 75 years of age. Subscriber can defer only lump sum Withdrawal, defer only Annuity or defer both lump sum as well as Annuity. Subscriber has an option to withdraw deferred lump sum amount in a phased manner upto 75 years of age or withdraw anytime

the entire amount. Also, Subscriber has an option to exit anytime during Deferment, if he/she wishes to exit.

- **Exit & start pension:** If Subscriber does not wish to continue/defer NPS account, he/she can exit from NPS. He/she can initiate exit request online as per NPS exit guidelines and start receiving pension.

4. Where shall Subscriber/Nodal Office find the withdrawal forms? What are the different types of Withdrawal Forms?

You can find the withdrawal forms under "**Forms**" section, which is available under respective sector on this website. Based on the different types of Withdrawal request, following forms are made available:

- Superannuation Exit
- Premature Exit
- Exit upon Death
- Continuation / Deferment of NPS Account

5. What is an Exit Claim ID and what is its relevance?

- **In case of Retirement / Superannuation**, Exit Claim ID is generated 6 months before the Date of Retirement and communicated by CRA to Subscriber/Nodal Office. The Claim ID is required to initiate online withdrawal request. Withdrawal request cannot be raised without Claim ID.

The Subscriber can utilize this 6 months period to complete exit formalities such as to update Subscriber details (like Bank details, address, contact details etc., if any) in the CRA system, decide Annuity Service Provider (ASP) & the pension scheme to be opted etc. prior to retirement.

- **In case of Pre-mature Exit**, the Subscriber needs to contact the Nodal Office for generation of Claim ID for Withdrawal of NPS funds. The Nodal Office needs to generate Pre-mature Exit Claim ID in the CRA system. Withdrawal request cannot be raised without Claim ID.
- **In case of exit due to death**, Generation of Claim ID is not required to process online death Withdrawal request. Nodal office can directly initiate the withdrawal request for death cases in the CRA system.

6. When Nodal Office/Subscriber will be able to initiate online Withdrawal request for retired Subscribers?

Claim ID will be generated by CRA six months before the Date of Retirement. Once the Claim ID is generated, Subscriber/Nodal Office will be able to initiate the online Withdrawal request in CRA system.

The withdrawal request will be processed in CRA after the Nodal Office verifies (if initiated by Subscriber) and authorizes the Withdrawal request in the CRA system. If withdrawal request is authorized before Date of Retirement, the same will be processed in CRA after Subscriber attains his/her Date of Retirement.

7. What are the pre-requisites for Exit?

The Subscriber should ensure below before initiating online exit request:

- Claim ID is available for PRAN.

- PRAN is FATCA Compliant. Also, Subscriber details (such as PAN, address, contact details, Bank details, nomination details etc.) are updated in NPS account. If required, Subscriber can update these details online or by submitting physical request to Nodal Office.
- Subscriber is required to submit the withdrawal request using OTP Authentication / eSign using Aadhaar. Hence, valid Mobile Number and email ID of the Subscriber should be registered in CRA to receive OTP as part of OTP Authentication. Or, for eSign using Aadhaar, Subscriber's Mobile Number registered with Aadhaar should be valid to receive OTP as part of eSign.

8. Who have to initiate the online Withdrawal request in CRA system and what is the process?

Online Withdrawal request can be initiated by the Subscriber. The Subscriber will follow below steps:

- Subscriber will initiate online withdrawal request in CRA system (www.cra-nsdl.com) by logging with PRAN as User ID & Password.
- Subscriber will select the **"Exit from NPS"** Menu option. The registered details of Subscriber such as PRAN, contact details, Bank detail, nomination details etc. will be auto-populated. All these details (except nominee details) will be non-editable.
- Subscriber needs to capture details such as lump sum withdrawal percentage, annuity percentage, Annuity Service Provider, Annuity scheme, etc.
- Subscriber will mandatorily upload the scanned copies of all the relevant documents such as KYC Documents (Identity & Address Proof), copy of PAN and copy of PRAN card/ePRAN, Copy of bank proof etc.
- During request initiation, Bank Account of the Subscriber will be verified through online Bank Account Verification. The Bank of the Subscriber should be empaneled for Online Bank Account Verification.
- Subscriber is required to submit the request using OTP Authentication / eSign. In case of OTP Authentication, two distinct One Time Password (OTP) will be sent on Mobile Number and email ID registered in CRA. Whereas in case of eSign, the OTP will be sent on Mobile Number registered with Aadhaar.
- Request needs to be verified and authorized in the CRA system by the associated Nodal Office. On successful authorization of request by Nodal Office, the request will get executed in the CRA system.

9. What is process to be followed if OTP Authentication / eSign is not possible or Subscriber is not able to initiate online withdrawal request?

- In case, OTP Authentication / eSign is not possible, then, Subscriber will initiate request with Physical Form submission option. After initiation of online request, Subscriber needs to submit the physical Withdrawal Form along with the required supporting documents to the Nodal Office. On receipt of physical documents, Nodal Office will verify & authorize online Withdrawal request in the CRA system.
- In case, Subscriber is not able to initiate online request, then, Subscriber needs to submit the physical Withdrawal Form along with the required supporting documents to the Nodal Office. On receipt of physical documents, Nodal Office will initiate online Withdrawal request in the CRA system on behalf of the Subscriber and authorize the same.

10. Is maker-checker concept applicable for Nodal Office in Withdrawal request?

Yes maker-checker concept is applicable in Withdrawal request.

If Subscriber has captured the online Withdrawal request in CRA system, Nodal Office has to verify that Withdrawal request in CRA system using one User ID (maker) and authorize the Withdrawal request in CRA system using other User ID (checker).

Further, in case of physical requests received, Nodal Office has to capture the Withdrawal request in CRA system (www.cra-nsdl.com) using one User ID (maker) and authorize the same using other User ID (checker).

Scanned copies of Withdrawal Forms & supporting documents also need to be uploaded in CRA system by the Nodal Office.

The Standard Operating Procedure (SOP) on withdrawal request processing is available under **"Nodal Office Corner"** section, which is available under respective sector on this website.

11.How can Nodal Office capture an online Withdrawal request?

- **Superannuation Withdrawal:** In case Subscriber is not able to initiate online Withdrawal request, Nodal Office can capture (on behalf of Subscriber) the online Withdrawal request six months in advance from the date of Retirement. Nodal Office can initiate the request by logging using I Pin provided into the CRA website (www.cra-nsdl.com) under the menu 'Exit Withdrawal Request' through Maker-Checker concept.
- **For Pre-mature Exit & Death Withdrawal:** Nodal Office can initiate the request by logging using I Pin provided into the CRA website (www.cra-nsdl.com) under the menu 'Exit Withdrawal Request' through Maker-Checker concept.

Nodal Office will have to collect Withdrawal form and supporting documents from subscriber/claimant before capturing case in CRA system

12.What are the documents to be obtained from the Subscriber in case of Superannuation & Pre-mature Exit?

If exit request is initiated by Subscriber online in CRA System through digital signature (OTP Authentication/eSign) and complete scanned documents are uploaded, then physical Withdrawal Form is not required to be submitted to Nodal Office. Nodal Office can verify & authorize withdrawal request based on scanned documents using maker-checker User IDs.

If OTP Authentication / eSign is not possible or if Subscriber has opted for physical Withdrawal Form submission or if Subscriber is not able to initiate online withdrawal request, the Subscriber is required to submit duly filled-up Withdrawal Form alongwith supporting documents such as [KYC Documents (Identity & Address Proof), Bank Account Proof and other required documents as provided in Withdrawal Form] to the associated Nodal Office.

The list of required documents is given in Withdrawal Form. Withdrawal Forms are available under **"Forms" section**, which is available under respective sector on this website.

13.How does the Subscriber receive the Withdrawal proceeds?

The Withdrawal proceeds are credited in Subscriber's Bank Account (as per the bank details provided at the time of initiating online Withdrawal request) through electronic mode only.

14.Can a Subscriber claim for 100% Withdrawal in case of Superannuation and Pre-mature Exit?

- **In case of Superannuation**, a Subscriber can claim 100% Withdrawal if the total accumulated corpus is less than Rs. 5 lakh.

- **In case of Pre-mature Exit**, if the total accumulated corpus is less than Rs. 2.5 lakh, the Subscriber can avail the option of complete Withdrawal.

15.How Nodal Office/Subscriber can check the status of Withdrawal request?

Nodal Office/Subscriber can check Withdrawal status as per below mentioned option:

- Nodal Office/Subscriber can check status through the Limited Access View (Pre Login) which is available at CRA system home page (www.cra-nsdl.com).
- Nodal Office/Subscriber can also check the withdrawal status by logging to CRA system (www.cra-nsdl.com) with User ID & Password.

16.Where will Nodal Offices submit the Withdrawal forms?

The physical Withdrawal Form & supporting documents need to be submitted to CRA for storage purpose at the following address, only after authorization of withdrawal request in CRA system by the Nodal Office. Scanned copies of Withdrawal Forms & supporting documents also need to be uploaded in CRA system by the Nodal Office.:

NPS Claim Processing Cell
Central Recordkeeping Agency,
Protean eGov Technologies Limited
1st Floor, Times Tower, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai-400013.

If exit request is initiated by Subscriber online in CRA System through digital signature (OTP Authentication/eSign) and complete scanned documents are uploaded, then physical Withdrawal Form is not required to be submitted to Nodal Office/PCRA.

17.Whether voluntary retirement is treated as pre-mature exit or superannuation?

As per the new Central Civil Services (Implementation of National Pension System) Rules, 2021. (Point no.13), Benefits on retirement under rule 56 of fundamental rules or under the special voluntary retirement scheme.-

(1) A Subscriber,-

- (i) who retires or is retired, in advance of the age of Compulsory retirement in accordance with rule 56 of the Fundamental Rules, 1922; or
- (ii) who, on being declared surplus to the establishment in which he was serving, opts for Special Voluntary Retirement Scheme of Department of Personnel and Training as notified vide Office Memorandum No.25013/6/2001-Estt. (A) dated the 28th February, 2002 as amended from time to time, shall be entitled to benefits as admissible under the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under National Pension System) Regulations, 2015 to the Subscriber retiring on superannuation :

(2) If the Subscriber intends to continue his Individual Pension Account or to defer payment of benefits under National Pension System beyond the date of retirement, he/she shall exercise an option in this regard in accordance with the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under National Pension System) Regulations, 2015.

18. In case of pre-mature exit, when will Subscriber's Annuity start i.e. immediately or after the age of retirement / superannuation / 60 years?

Annuity starts immediately, if Subscriber fulfills the Age and Corpus criteria for purchasing Annuity (depending upon choice of ASP and Annuity scheme of the respective Annuity Service Provider).

19. Can a Non-IRA (Non – Individual Retirement Account) Subscriber submit Withdrawal request?

No, Non-IRA Subscriber has to submit Subscriber Registration Form (CSRF Form) to the associated Nodal Office to become IRA compliant. Once the Subscriber is IRA compliant, he/she can initiate the online Withdrawal request in CRA.

However, in case of exit due to death, Subscriber need not be IRA Compliant. Nodal Office can capture the online death withdrawal request even though Subscriber was non IRA Compliant.

20. How to process the Withdrawal cases where disability/family pension is being paid/applicable from Government?

If family pension is applicable, then the NPS corpus of the Subscriber will be transferred to his/her Nodal Office. The Subscriber/Claimant is required to approach Nodal Office for completion of family pension formalities. Nodal Office has to collect following documents where disability/family pension is being paid:

Annexure I: Declaration by Nodal Office (disability/family pension is being paid) mentioning bank account details of Nodal Office.

Annexure II: Declaration from nominee/legal heir mentioning that nominee/legal heir will not get NPS benefits and no objection for transfer of Subscriber's NPS corpus to Nodal Office.

Annexure III: Bank details in case of Voluntary Contribution and Tier II Withdrawal.

The Nodal Office will process withdrawal request online in the CRA system (www.cra-nsdl.com) with Maker-Checker. The Maker User of Nodal Office will initiate withdrawal request and Checker User of Nodal Office will authorize the request in the CRA system.

The Standard Operating Procedure (SOP) on processing of Family Pension withdrawal request is available under "**Nodal Office Corner**" section, which is available under respective sector on this website.

Nodal Office has to submit documents to CRA for storage purpose.

21. Can Subscriber continue his/her Tier-2 account after closure of Tier-1 account?

No, upon exit from Tier-1 account, Tier-2 account gets closed automatically. The Subscriber is required to initiate online Tier-2 withdrawal request alongwith Tier-1 Account.

22. What Tax benefits are available in case of Tier-1 Withdrawal?

Lump sum Withdrawal - In case of exit upon attaining the age of superannuation, lump sum withdrawal i.e. 60% of the total accumulated pension wealth is tax exempted.

Annuity - The amount utilized for purchase of annuity at exit upon attaining the age of superannuation is tax exempted. However, the annuity income (pension) received will be taxed in the year of receipt as per the applicable tax slab of the subscriber.

23.What Tax benefits are available in case of Tier-2 Withdrawal

No, Tax benefits are not available in case of Tier -2 Withdrawal.

❖ Exit upon death of Subscriber:

24.What are the guidelines for withdrawal due to death of Government Subscriber (before attaining the age of superannuation)?

In case of Death of NPS Subscriber (before attaining the age of superannuation), at least 80% of the accumulated pension wealth of the Subscriber needs to be utilized for purchase of an Annuity providing for monthly pension to the Family Members i.e. to Spouse of Subscriber, if any and then to dependent mother & then to dependent father of Subscriber. The balance pension wealth is paid as lump sum to the nominees or legal heirs, as the case may be, of such Subscriber. Further,

- In case, the total corpus in the NPS account is less than or equal to Rs. 5 lakh as on the Date of Death of the Subscriber, the nominees or legal heirs as the case may be, shall have the option of complete (100%) Withdrawal.
- If none of the family members of deceased Subscriber (Spouse, Mother and Father) are alive, then NPS Corpus meant for issue of annuity shall be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

Further, if family pension is being paid/payable to family members from Government, then as per the Regulations, entire pension wealth (100% corpus) shall be transferred to the Nodal Office for further settlement as per Government directives.

25.What are the guidelines for withdrawal due to death of Government Subscriber (after attaining the age of superannuation)?

In case of Death of NPS Subscriber (after attaining the age of superannuation), at least 40% of the accumulated pension wealth of the Subscriber needs to be utilized for purchase of an Annuity providing for monthly pension to the Family Members i.e. to Spouse of Subscriber, if any and then to dependent mother & then to dependent father of Subscriber. The balance pension wealth is paid as lump sum to the nominees or legal heirs, as the case may be, of such Subscriber. Further,

- In case, the total corpus in the NPS account is less than or equal to Rs. 5 lakh as on the Date of Death of the Subscriber, the nominees or legal heirs as the case may be, shall have the option of complete (100%) Withdrawal.
- If none of the family members of deceased Subscriber (Spouse, Mother and Father) are alive, then NPS Corpus meant for issue of annuity shall be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

26.How the annuity (pension) will be given to family members?

From at least 80% NPS corpus, the annuity (Pension) shall be paid to the Spouse of the Subscriber (if any) for the lifetime. In case, spouse is not there/not alive, annuity shall be paid to living dependent mother and then to living dependent father of the deceased Subscriber. After the coverage of all such family members, the purchase price of the annuity shall be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

At least 80% NPS corpus needs to be mandatorily utilized for annuity if corpus is more than Rs. 5 lakh. The nominee/Claimant is required to select Annuity Service Provider (ASP) and annuity Scheme in Death Withdrawal Form.

27.What are the documents required from Nominee/Claimant in cases of death Withdrawal request?

The Nominee/Claimant is required to submit duly filled-up Death Withdrawal Form alongwith supporting documents such as [Death Certificate of deceased Subscriber, KYC Documents (Identity & Address Proof), Bank Account Proof and other required documents of claimant]. The list of documents required is given in Death Withdrawal Form. The Death Withdrawal Form is available under "**Forms**" section, which is available under respective sector on this website.

Withdrawal Form needs to be submitted by each of the Nominee/Claimant.

28.What is the process to be followed by Nominee(s) / Claimant(s)?

The Nominee/Claimant is required to submit the Death Withdrawal Form alongwith relevant supporting documents to the associated Nodal Office of the Subscriber i.e. to the Drawing & Disbursing Office (DDO) / Pay & Accounts Office (PAO) / District Treasury Office (DTO).

The Nodal Office will process death withdrawal request online in the CRA system. On processing of withdrawal request by Nodal Office, the funds will be transferred to Nominee/Claimant within stipulated timelines. Also, if annuity is applicable, then Claimant's details are shared with Annuity Service Provider (ASP) for completion of annuity formalities.

29.How the Nodal Office will process the death withdrawal request in CRA system?

On receipt of physical documents from all the Nominees/Claimants, the associated Nodal Office will verify the documents. On successful verification of documents, the Nodal Office will process death withdrawal request online in the CRA system (www.cra-nsdl.com) with Maker-Checker.

The Maker User of Nodal Office will initiate death withdrawal request and Checker User of Nodal Office will authorize the request in the CRA system. Scanned copies of Withdrawal Forms & supporting documents also need to be uploaded in CRA system by the Nodal Office. The Standard Operating Procedure (SOP) on processing of death withdrawal request is available under "**Nodal Office Corner**" section, which is available under respective sector on this website.

On successful processing of withdrawal request by Nodal Office, the funds will be transferred to Nominee/Claimant within stipulated timelines. Also, if annuity is applicable, then Claimant's details are shared with Annuity Service Provider (ASP) for completion of annuity formalities.

30.How does the Nominee/Claimant receive the Withdrawal proceeds?

The Withdrawal proceeds are credited in Nominee/Claimant Bank Account (as per the bank details provided at the time of initiating online Withdrawal request) through electronic mode only.

31.What is Default Annuity Scheme?

Default Annuity Scheme i.e. NPS Family Income Scheme is mandatory in case of exit due to death. This scheme shall provide for Annuity (pension) for life to the Spouse of the Subscriber (if any) for the lifetime. In case, spouse is not there/not alive, annuity shall be paid to,

- b. Living dependent mother of the deceased Subscriber;
- c. Living dependent father of the deceased Subscriber.

After the coverage of all the family members specified above, the price of the annuity shall be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

The amount of annuity (pension) depends on the NPS Corpus of the Subscriber and on the other factors such as the Annuity Service Provider (ASP) selected, age of Claimant etc. The list of ASPs, Annuity rates and other details can be checked at: <https://www.npscra.nsdl.co.in/Annuity-service-providers.php> on this website

32.Whether Claimant has to mandatorily select Default Annuity Scheme or Claimant can select any other Annuity scheme?

In case of death of NPS Subscriber, it is mandatory for the family members (Spouse/Mother/Father of deceased Subscriber) to select Default Annuity Scheme i.e. NPS Family Income Scheme, if NPS Corpus of the Subscriber is more than Rs. 5 lakh as on Date of Death of the Subscriber.

33.How to process death case where multiple Nominees are registered in CRA system?

Such Withdrawal request will be processed as per below mentioned scenario:

- Withdrawal form needs to be submitted by all the Nominees registered in CRA system.
- If some Nominee/s doesn't want to claim the NPS corpus:
 - Relinquishment deed is to be submitted by the Nominee/s who doesn't want to claim the NPS benefits.
 - Indemnity Bond is to be submitted by the Nominee who is claiming the NPS benefits.
 - Format of Relinquishment deed and Indemnity Bond is available under "**Forms**" **section**, which is available under respective sector on this website.
- In case one Nominee is a major and other is a minor,
 - Major Nominee will submit his/her Withdrawal form.
 - Guardian (on behalf of minor) will submit the Withdrawal form along with the birth proof of the minor.

34. How to process the death cases if none of the family members (Spouse, Mother and Father of deceased Subscriber) are alive.

If none of the family members (Spouse, Mother and Father of deceased Subscriber) are alive, then NPS Corpus meant for issue of annuity shall be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

The children of Subscriber / legal heirs are required to submit duly filled-up Death Withdrawal Form alongwith supporting documents to the associated Nodal Office of the Subscriber. The list of documents required is given in Death Withdrawal Form which is available under "**Forms**" section, under respective sector on this website.

35. How to process death cases where no valid nomination exists for PRAN (nominee is invalid), as per PFRDA exit regulations, 2015 & amendments thereto?

As per Pension Fund Regulatory and Development Authority (PFRDA) (Exits and Withdrawals Under the National Pension System) Regulations 2015 and amendments thereto, where no valid nomination exists in accordance with these regulations, at the time of exit of such Subscriber on account of death, the nomination, if any existing in the records of such Subscriber with his or her employer for the purpose of receiving other admissible terminal benefits shall be treated as nomination exercised for the purposes of receiving benefits under the NPS.

36. How to process the death cases if no nominee is registered in CRA system for PRAN?

In case, the nomination is not registered by the deceased subscriber in NPS account in CRA and Nomination record of employee with employer before his/her death, the accumulated pension wealth shall be paid to the family members on the basis of the legal heir certificate issued by the Revenue authorities of the State concerned or the succession certificate issued by a court of competent jurisdiction.

❖ Annuity Related:

37. What is Annuity?

In the context of NPS, Annuity refers to the monthly sum received by the Subscriber/Claimant (Family Member - Spouse/Mother/Father of Subscriber, exit due to death) from the Annuity Service Provider (ASP). A percentage of the pension wealth as decided by the Subscribers/Claimants (minimum 40% or 80% is to be invested with ASP in case, Withdrawal is due to Superannuation & Pre-mature Exit/death exit respectively) is utilized for purchase of Annuity from the empaneled Annuity Service Providers.

38. Who are the Annuity Service Providers (ASPs) and which are the ASPs available at present?

Indian Life Insurance companies which are licensed by Insurance Regulatory and Development Authority (IRDA) can act as Annuity Service Providers. However, Annuity Service Providers need to be empaneled by PFRDA to provide Annuity services to the NPS Subscribers. The list of Annuity Service Providers empaneled by PFRDA to provide annuity under NPS can be accessed at: <https://www.npscra.nsdl.co.in/Annuity-service-providers.php> on this website.

39. Which Annuity Schemes are available?

Following are the most common variants of annuity schemes that are available to NPS Subscribers:

- **Annuity for Life with Return of Purchase Price** - Subscriber will get annuity for life time and on death of the Subscriber, payment of annuity ceases & 100% of the purchase price will be returned to the nominee(s).
- **Annuity for Life without Return of Purchase Price** - Subscriber will get annuity for life time and on death of the Subscriber, payment of annuity ceases and no further amount will be payable.
- **Joint Life Annuity with Return of Purchase Price** - Subscriber will get annuity for life time and on death of the Subscriber, annuity will be payable to Spouse for life time. On death of the Spouse, payment of annuity ceases and 100% of the purchase price will be returned to the nominee(s).
- **Joint Life Annuity without Return of Purchase Price** - Subscriber will get annuity for life time and on death of the Subscriber, annuity will be payable to Spouse for life time. On death of the Spouse, payment of annuity ceases and no further amount will be payable.
- **NPS - Family Income Option with Return of Purchase Price** - Subscriber will get annuity for life time and on death of the Subscriber, annuity will be payable to spouse of the Subscriber (if any) for life time. On death of Spouse, to dependent mother and then to dependent father of the Subscriber. On death of the last annuitant, payment of annuity ceases and 100% of the purchase price will be returned to the surviving children of the Subscriber and in absence of children, the legal heirs of the subscriber as applicable.

40. Where Subscriber/Claimant can check the rates offered by the Annuity Service Providers? How much annuity (pension) Subscriber/Claimant will get?

The amount of annuity depends on the NPS Corpus of the Subscriber and on the other factors such as the Annuity Service Provider (ASP) selected, age of Subscriber/Claimant etc. The scheme wise Annuity rates and other details can be checked at: <https://www.npscra.nsdl.co.in/Annuity-service-providers.php> on this website.

41. When and how the pension will get started for the Subscriber/Family Member?

The annuity (pension) will be issued by the Annuity Service Provider (ASP).

On execution of withdrawal request in CRA, the annuitant's details (Subscriber/Claimant details) and scanned documents will be shared with ASP as opted by Subscriber/Claimant. If the annuitant's details and scanned documents are correct, annuity policy will be issued by ASP.

If documents uploaded are not sufficient/incorrect or any additional documents required, then ASP may contact Subscriber/Claimant for completion of annuity formalities. Alternatively, if required, Subscriber/Claimant may contact ASP. The complete contact details of ASPs are available on this Website under Annuity Service Provider Section at: <https://www.npscra.nsdl.co.in/Annuity-service-providers.php>.

On completion of annuity formalities, ASP will confirm Annuity request online in the CRA system and Funds (Annuity Corpus) will be transferred to ASP for issuance of annuity to Subscriber/Claimant within stipulated timelines. ASP will issue annuity policy to Subscribers/family members.

42.Can Subscriber/Claimant change Annuity Service Provider or Annuity type after buying the Annuity?

Once an Annuity is purchased, the option of cancellation or reinvestment with another Annuity Service Provider or in other Annuity scheme shall not be allowed unless the same is within the time limit specified (free look cancellation period as provided in terms of the Annuity contract or specifically provided by the IRDAI) by the Annuity Service Provider.

43.What happens if the Subscriber/Claimant dies after purchasing Annuity?

The mode and manner of payment of amount (if any) will depend on the type of Annuity scheme selected by the Subscriber/Claimant while buying the Annuity. Family members of the deceased Annuitant need to contact concerned Annuity Service Provider. ASP contact details can be accessed at: <https://www.npskra.nsdl.co.in/Annuity-service-providers.php> on this website.

❖ Continuation / Deferment under NPS:

44.How can the continuation/deferment Withdrawal be processed?

- Continuation/Deferment option shall be exercised at least fifteen days prior to the age of retirement/superannuation. The Subscriber will initiate online Continuation/Deferment request in CRA system. Then, the Subscriber will submit the System Generated Form to the Nodal Office.
- Such request needs to be verified and authorized by the associated Nodal Office. Nodal Office is required to 'Verify' and 'Authorize' the request in CRA system using Maker-Checker User ID by accessing "**Exit Withdrawal request**" Menu and then relevant "Deferment" option.
- In case, the Subscriber is not able to initiate online request, Subscriber needs to submit the physical Continuation/Deferment Form to the Nodal Office. On receipt of physical documents, Nodal Office will initiate online request in the CRA system on behalf of the Subscriber by accessing "**Exit Withdrawal request**" Menu and then relevant "Deferment" option.
- You can find the Continuation/Deferment form under "**Forms**" section, which is available under respective sector on this website.

45.Can Subscriber withdraw Lump sum amount in phased manner?

Facility of phase Withdrawal is available for NPS Subscribers who have opted "Deferment Lump sum" option at the time of Retirement/Superannuation. Subscriber can opt for Withdrawal of lump-sum amount in a phased manner over the period from 60 years (or any other retirement age as prescribed by the employer) to 75 years. However, Subscriber has to buy Annuity prior to Phased Withdrawal.

46.Can Subscriber opt for deferment option during the continuation period?

No, Subscriber can't exercise the option of deferment (lump-sum and/or Annuity) after obtaining the continuation option.

47.Can Subscriber continue his/her tier-2 account, in case of continuation of Tier-1 account?

Yes, Subscriber can continue his/her Tier-2 account till the time his/her Tier-1 account is active.
