



**पेंशन निधि विनियामक और
विकास प्राधिकरण**

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**PENSION FUND REGULATORY
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CIRCULAR

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To,

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

Sub: Clarification on Continuing Contribution Beyond 60 Years Or The Age Of Superannuation – Till 70 Years

The Authority has notified the PFRDA (Exits and Withdrawals from National Pension System) Regulations, 2015 on 11th May, 2015 and is in force. Reference is drawn to Regulation 4 pertaining to Exit from National Pension System by citizens, including corporate sector subscribers and more particularly sub-regulation (a).

It has been brought to the notice of the Authority that the stakeholders including subscribers require further clarity on the matters associated in order to actively utilise this opportunity to continue to contribute to NPS. Thus, for the convenience of the subscriber clarificatory guidelines are issued. The Authority has examined the matter and 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 hereby issues the following clarifications:

Sl no	ISSUE RAISED	CLARIFICATION
1	When should a subscriber inform NPS Trust or CRA about his/her intension to continue contribution beyond the age of 60 years/Superannuation age?	Where a subscriber desires to continue to contribute to NPS beyond the age of 60 years or superannuation age, he or she shall have the option to do so provided the subscriber intimates his or her intention to do so in writing in the specified form at least fifteen days before the attainment of 60 years of age or the age of superannuation to the CRA.
2	On what corpus will the mandatory minimum investment of 40% of the accumulated pension wealth for purchase of annuity be	The entire set of Exit and Withdrawal conditions as per the applicable regulations would be applicable on the accumulated pension wealth available in the PRAN as on the date of final exit from

	<p>applicable i.e., the corpus available on the date of attaining 60 years or superannuation OR the corpus available at the time of exit after availing the benefit of further contributions to the NPS account under sub regulation 4(a)(i).</p>	<p>NPS including those contributions and investment income that have been contributed and accrued to the account beyond the age of 60 years or the age of superannuation.</p>
	<p>Whether Tier II account can also be continued along with the Tier I when one opts for further contributing to NPS beyond the age of 60 years or superannuation.</p>	<p>For a normal NPS account a Tier II account can exist as far as there is a corresponding Tier I account. Hence, the same position shall continue and the subscriber may to contribute to his Tier II account apart from Tier I account.</p>
	<p>Will the subscriber who has opted to contribute to his Tier I account beyond the age of 60 years/ superannuation have all the facilities and options of a normal NPS account like access to CRA system, option to switch PFMs and Investment choice etc.,</p>	<p>Yes, the subscriber shall enjoy all the facilities and options of a normal NPS account like access to CRA system, option to switch PFMs and Investment choice etc.</p>
	<p>Whether one can Exit at any point of time after choosing to continue to contribute to NPS beyond 60 years/ superannuation.</p>	<p>Yes, a subscriber can Exit from NPS after giving due notice, at any point of time after availing the benefit of continuing to contribute to NPS irrespective of the period of contribution indicated by the subscriber while submitting the request to continue to contribute to NPS.</p>
	<p>Whether the option of deferment of purchase of annuity would be available to the subscribers who have voluntarily opted to continue to contribute beyond 60 years of age or superannuation and when they decide to Exit finally from NPS</p>	<p>Option of deferment of purchase of annuity would not be available to the subscribers who have voluntarily opted to continue to contribute beyond 60 years of age or superannuation</p>

Yours faithfully



(Venkateswarlu Peri)
General Manager