

**DISCLAIMER:** For detailed provisions and regulations, please refer to the PFRDA (Exits and Withdrawals under the National Pension System) Regulations, 2015 and amendments thereof.

Q1	What is an exit?
	An exit is defined as the closure of the individual pension account of the subscriber under the National Pension System. In the following scenarios; (i). Upon attaining the age of 60 years; (ii). Before attaining the age of 60 years; (iii). Due to death; and (iv). Due to incapacitation or suffering incapability
Q2	Is the transfer of accumulation to other schemes (of the Government of India and as approved by the Authority) under NPS treated as an exit?
	No
<b><i>Exit upon attaining the age of 60 (sixty) years – Normal Exit</i></b> <b><i>60 वर्ष (साठ) की आयु प्राप्त करने पर निकास – सामान्य निकास</i></b>	
Q3	What will be my benefits at exit?
	<b>Annuitization</b> – Minimum 40% of accumulated pension wealth will be utilized for monthly annuity or pension. <b>Lumpsum</b> – Remaining 60% of accumulated pension wealth will be paid to subscriber Provided that the entire accumulated pension wealth will be annuitised in such a manner so as to yield at least a monthly annuity or pension of one thousand rupees and balance if any thereafter shall be paid as lump sum to the subscriber.
Q4	Can I completely withdraw my accumulated pension wealth without annuitization?
	Yes – if your accumulated pension wealth is equal to or less than a sum of one lakh rupees
Q5	Will I get any annuity if I have completely withdrawn my accumulated pension wealth?
	No - the right of the subscriber to receive any annuity or pension under the National Pension System will extinguish.
<b><i>Exit due to incapacitation or suffering incapability before the age of 60 (sixty) years</i></b> <b><i>– Normal Exit</i></b> <b><i>60 (साठ) वर्ष की आयु से पूर्व निःशक्तता या अक्षमता के कारण निकास - सामान्य निकास</i></b>	
Q6	Am I eligible for exit if I am suffering from any disability?
	Yes, you are eligible for exit from NPS in case of incapacitation or suffering incapability.

Q7	What are the documents required to exit from NPS?
	A disability certificate from a Government surgeon or doctor (treating such disability or invalidation of subscriber) stating the nature and extent of disability and also certifying that: (a). the affected subscriber shall not be in a position to perform his regular duties and there is a real possibility of the affected subscriber, being not able to work for the remaining period of his life.; and (b). Percentage of disability is more than seventy-five percent. in the opinion of such Government surgeon or doctor (treating such disability or invalidation of subscriber).
Q8	What will be my benefits?
	Same as exiting from NPS upon attaining age of 60 years (refer Q3 to Q5).
<b><i>Exit before attaining the age of 60 (sixty) years – Premature Exit</i></b> <b><i>60 वर्ष की आयु प्राप्त करने से पूर्व निकास - समयपूर्व निकास</i></b>	
Q9	What will be my benefits at exit?
	<b>Annuitization</b> – Minimum 80% of accumulated pension wealth will be utilized for monthly annuity or pension. <b>Lumpsum</b> – Remaining 20% of accumulated pension wealth will be paid to subscriber Provided that the entire accumulated pension wealth will be annuitised in such a manner so as to yield at least a monthly annuity or pension of one thousand rupees and balance if any thereafter will be paid as lump sum to the subscriber.
Q10	Is there any guarantee that I will receive minimum Rs. 1,000/- as an annuity or pension?
	There is no implicit or explicit guarantee that you will receive a monthly annuity or pension of Rs. 1,000/- even with entire accumulated pension wealth. There is a possibility that you may receive monthly annuity or pension of less than Rs. 1,000/- also.
Q11	I have not received government co-contribution, am I eligible for complete withdrawal of my accumulated pension wealth without annuitization?
	Yes, – if your accumulated pension wealth is equal to or less than a sum of one lakh rupees
Q12	I have received government co-contribution, am I eligible for complete withdrawal of my accumulated pension wealth without annuitization?
	Yes, – (i). if your accumulated pension wealth is equal to or less than a sum of one lakh rupees; and (ii). if you are not eligible for auto migration to Atal Pension Yojana (APY)

	However, you will receive accumulated pension wealth after deducting the Government's co-contribution with returns thereon.
<b><i>Exit due to death before attaining the age of 60 years</i></b> <b><i>60 वर्ष की आयु प्राप्त करने से पूर्व मृत्यु होने पर निकास</i></b>	
Q13	What are the provisions to settle the case upon unfortunate death of subscriber?
	The entire accumulated pension wealth of the deceased subscriber will be paid to the nominee, or the legal heir of such subscriber.
Q14	Whether annuity can be purchased by a nominee or the legal heir of deceased subscriber?
	Yes, the nominee(s) or family members of the deceased subscriber shall have the option to purchase any of the annuities being offered upon exit.
Q15	What will happen if deceased subscriber did not register nomination in his/her account?
	The accumulated pension wealth of deceased subscriber will 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.
<b><i>Partial withdrawal (during accumulation phase)</i></b> <b><i>आंशिक प्रत्याहरण (जमा / जारी रखने के दौरान)</i></b>	
Q16	Can I partially withdraw funds from my accumulated pension wealth before exit?
	Yes
Q17	How much funds can be partially withdrawn?
	Up to 25% of contributions made by the subscriber (without considering the appreciation / returns on the amount) as on date of application of such withdrawal.
Q18	How many times can I partially withdraw funds?
	You are allowed to partially withdraw maximum of three times before attaining the age of 60 years.
Q19	When can I initiate my first partial withdrawal?
	You can initiate first partial withdrawal after completing period of three years from the date of your joining the NPS.
Q20	Is there any time gap between two partial withdrawal application?
	No However, you will receive 25% of own contribution made between two partial withdrawal.
Q21	What are the conditions under which partial withdrawal can be exercised?
	Partial withdrawal is allowed for the following specific purposes only.

- (a). for Higher education of his or her children including a legally adopted child;
- (b). for the marriage of his or her children, including a legally adopted child;
- (c). for the purchase or construction of a residential house or flat in his or her own name or in a joint name with his or her legally wedded spouse. In case, the subscriber already owns either individually or in the joint name a residential house or flat, other than ancestral property, no withdrawal under these regulations shall be permitted;
- (d). for treatment of specified illnesses: if the subscriber, his legally wedded spouse, children, including a legally adopted child or dependent parents suffer from any specified illness, which shall comprise of hospitalization and treatment in respect of the following diseases:
  - (i). Cancer;
  - (ii). Kidney Failure (End Stage Renal Failure);
  - (iii). Primary Pulmonary Arterial Hypertension;
  - (iv). Multiple Sclerosis;
  - (v). Major Organ Transplant;
  - (vi). Coronary Artery Bypass Graft;
  - (vii). Aorta Graft Surgery;
  - (viii). Heart Valve Surgery;
  - (ix). Stroke;
  - (x). Myocardial Infarction
  - (xi). Coma;
  - (xii). Total blindness;
  - (xiii). Paralysis;
  - (xiv). Accident of serious/ life threatening nature.
  - (xv). any other critical illness of a life-threatening nature as stipulated in the circulars, guidelines or notifications issued by the Authority from time to time.
- (e). to meet medical and incidental expenses arising out of the disability or incapacitation suffered by the subscriber.
- (f). Towards meeting the expenses by subscriber for skill development/re-skilling or for any other self-development activities, as may be permitted by the Authority by issuance of appropriate guidelines, in that behalf.

	(g). Towards meeting the expenses by subscriber for establishment of own venture or any start-ups, as may be permitted by the Authority by issuance of appropriate guidelines, in that behalf.
Q22	What is procedure, if I am unable to submit my partial withdrawal application due to specified illness?
	The request for withdrawal may be submitted through any family member of such subscriber.
<b>Nomination</b> <b>नामितिकरण</b>	
Q23	Is nomination mandatory in NPS?
	Yes
Q24	Who can be nominated?
	If a subscriber has a family at the time of making a nomination, the nomination shall be in favour of one or more persons belonging to his/her family.
Q25	What is the definition of family for the purpose of Nomination under NPS?
	<p>For the purposes of nomination wherever provided in the regulation;</p> <p>(i). in relation to a male subscriber, shall mean his legally wedded wife, his children, whether married or unmarried, his dependent parents and his deceased son's widow and children;</p> <p>(ii). in relation to a female subscriber, shall mean her legally wedded husband, her children, whether married or unmarried, her dependent parents, her husband's dependent parents and her deceased son's widow and children;</p> <p>(iii). in relation to any subscriber who does not identify themselves as male or female - their legally wedded spouse, their children, whether married or unmarried, their dependent parents and their deceased son's widow and children;</p> <p><b>Explanation</b> – in any of above three, if the child of a subscriber or as the case may be, the child of a deceased son of the subscriber has been adopted by another person and if, under the personal law of the adopter, adoption is legally recognized, such a child shall be considered as excluded from the family of the subscriber.</p>
Q26	What happens if I nominated a person not belonging to my family, despite having family?
	Any such nomination made in favour of a person not belonging to your family shall be invalid and you (subscriber) have to submit fresh nomination belonging to your family.

Q27	What happens if the nominee predeceases the subscriber?
	Such Nomination shall become void and the subscriber has to submit nomination again.
Q28	Can I nominate more than one person and what shall be percentage of accumulated pension wealth among nominees?
	Yes, you can nominate more than one nominee and can assign percentage of accumulated pension wealth among them in a way that total of such allocation should be equal to 100%.
Q29	Is it mandatory to file fresh nomination after the marriage?
	Yes, a fresh nomination is required to be made by the subscriber upon his/her marriage.
Q30	What will happen to my nomination if I have not filed a fresh nomination after marriage?
	After your marriage, the nomination made prior to your marriage becomes invalid and you have to submit a fresh nomination in favour of one or more persons belonging to your family.
Q31	Who can be nominated if I do not have a family?
	If you have no family at the time of making a nomination, the nomination may be in favour of any person or persons but if you subsequently acquire a family, such nomination shall forthwith be deemed to be invalid and you have to make a fresh nomination in favour of one or more persons belonging to your family.
Q32	Can I nominate a minor?
	Yes - the nomination can be wholly or partly in favour of a minor. Further, the subscriber may appoint a major person of his family, to be the guardian of the minor nominee in the event of the subscriber predeceasing the nominee and the guardian.
Q33	Can I appoint any other person to be guardian to minor nominee?
	Yes – if there is no major person in the family
Q34	How many times can I modify the nomination?
	You can change the nomination any number of times.
<b><i>Annuity / Pension (monthly or periodical pay out)</i></b> <b><i>वार्षिकी/ पेंशन (मासिक या आवधिक भुगतान)</i></b>	
Q35	What is annuity?
	Annuity means series of payments/benefits to the subscriber at specified intervals as per the choice of subscriber paid by annuity service provider (ASP).  The main objective of an annuity is to give regular income to the subscriber even after retirement/working age.

Q36	Is it mandatory to purchase annuity under NPS at the time of exit?
	Yes, except there are some scenarios where the subscriber/nominees/legal heirs can withdraw the whole accumulated pension wealth as mentioned above.
Q37	Which companies are empaneled by the PFRDA as ASPs to provide annuities under NPS?
	<p>Annuity shall be purchased from Annuity Service Providers (ASPs) empaneled with the PFRDA. The list of 14 ASPs empaneled is as under:</p> <ul style="list-style-type: none"><li>(i). Aditya Birla Sun Life Insurance Company Limited</li><li>(ii). Bajaj Allianz Life Insurance Company Limited</li><li>(iii). Canara HSBC Life Insurance Company Limited</li><li>(iv). Edelweiss Tokio Life Insurance Company Limited</li><li>(v). HDFC Life Insurance Company Limited</li><li>(vi). ICICI Prudential Life Insurance Company Limited</li><li>(vii). IndiaFirst Life Insurance Company Limited</li><li>(viii). Kotak Mahindra Life Insurance Company Limited</li><li>(ix). Life Insurance Corporation of India</li><li>(x). Max Life Insurance Company Limited</li><li>(xi). PNB MetLife India Insurance Company Limited</li><li>(xii). SBI Life Insurance Company Limited</li><li>(xiii). Star Union Dai-ichi Life Insurance Company Limited</li><li>(xiv). Tata AIA Life Insurance Company Limited</li></ul> <p><i>* For any update in empaneled Annuity Service Providers (ASPs), you are requested to refer PFRDA's website.</i></p>
Q38	In case of exit before attaining the age of sixty years from NPS, when will annuity start i.e. immediately or after the age of 60 years?
	Annuity starts immediately after the minimum age as required for purchasing any annuity (depending upon choice of ASP and Annuity scheme for e.g. 30, 35, 38) from any of the empaneled annuity service providers. Subscriber/nominees/legal heirs need not wait till the age of 60 years.
Q39	What are the annuity options available under NPS?
	<p>The following are the most common variants that are available:</p> <ul style="list-style-type: none"><li>(a). <b>Annuity for life with return of purchase price (amount given to annuity service provider) on death</b>- Subscriber will receive payment of annuity till he/she is alive and</li></ul>

payment stops after the death of subscriber. However, purchase price will be returned to nominees / legal heirs.

**(b). Annuity guaranteed for 5, 10, 15 or 20 years and for life thereafter -**

**On death during the guarantee period** – Subscriber will receive payment of annuity till he/she is alive and thereafter during the remaining guaranteed period, annuity will be paid to the nominee till the end of the guaranteed period after which the same ceases/stops. However, return of purchase price will not be returned to nominees / legal heirs.

**On death after the guarantee period** – Subscriber will receive payment of annuity till he/she is alive even after the guaranteed period is over. Payment of annuity stops after the death of the subscriber. However, return of purchase price will not be returned to nominees / legal heirs.

**(c). Annuity payable for life** - Subscriber will receive payment of annuity till he/she is alive and payment stops after the death of the subscriber. However, return of purchase price will not be returned to nominees / legal heirs.

**(d). Annuity for life increasing at simple rate of 3% p.a.** – Subscriber will receive payment of annuity till he/she is alive increasing at simple rate of 3% p.a. and payment stops after the death of the subscriber. However, return of purchase price will not be returned to nominees / legal heirs.

**(e). Annuity for life with a provision for 50% of the annuity to the spouse of the annuitant for life on death of the annuitant/subscriber** - Subscriber will receive payment of annuity till he/she is alive and thereafter spouse will receive 50% of payment of annuity till he/she is alive. Payment of annuity stops after the death of spouse.

If the spouse predeceases the subscriber, payment of annuity will cease after the death of the annuitant.

It may be noted that this annuity variant may be taken with or without return of purchase price.

**(f). Annuity for life with a provision of 100% of the annuity payable to spouse during his/her lifetime on death of the annuitant/subscriber** – Subscriber will receive payment of annuity till he/she is alive and thereafter spouse will receive payment of annuity till he/she is alive. Payment of annuity stops after the death of spouse.

If the spouse predeceases the subscriber, the annuity ceases after death of the annuitant.

It can be with or without return of purchase price.

	<p>It may be noted that this annuity variant may be taken with or without return of purchase price.</p> <p><i>*Subscriber can also add spouse in any of the variants above.</i></p> <p><i>**All ASPs may not provide all the variants. It may vary from ASP to ASP.</i></p> <p><i>***Pricing of annuity also varies from ASP to ASP.</i></p>
Q40	Whether amount invested in annuity will be returned?
	Only in annuity types where there is a provision of return of purchase price.
Q41	Where can I check the rates offered by the annuity service providers on various type of annuities?
	Details of annuity rates and other details may be checked on CRAs' website [ <i>Computer Age Management Services Limited, KFin Technologies Limited and Protean eGov Technologies Limited</i> ] and website of respective empaneled ASPs.
Q42	Can I change my annuity service provider or annuity type any time?
	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 by the Annuity Service Provider, for the free look period as provided in the terms of the annuity contract or specifically provided by the Insurance Regulatory and Development Authority.
<p><b><i>Tax provisions at withdrawals</i></b></p> <p><b><i>निकास पर कर प्रावधान</i></b></p>	
Q43	What are tax benefits available?
	<p><b>Lump sum Withdrawal</b> - In case of exit upon attaining the age of 60 years or superannuation lump sum withdrawal i.e. 60% of the total accumulated pension wealth is tax exempted.</p> <p><b>Annuity</b> - The amount utilized for purchase of annuity at exit upon attaining the age of 60 years or 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.</p> <p><b>Partial Withdrawal</b> – The amount received by employee under the NPS is tax exempted.</p>