

Protean eGov Technologies Limited



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Change *is* growth

FAQ document on NPS

Version 1.0

REVISION HISTORY

Sr. No.	Date of Revision	Ver	Section Number	Description of Change
1	24/09/2024	1.0	-	Initial Version

1. What are the Tax Benefits under NPS?

Tax Benefit available to Individual:

Any individual who is Subscriber of NPS can claim tax benefit under Section 80CCD(1) of Income Tax Act, 1961, within the overall ceiling of Rs. 1.5 lac under Section 80CCE.

Exclusive Tax Benefit to all NPS Subscribers u/s 80CCD (1B):

An additional deduction for investment upto Rs. 50,000 in NPS (Tier I account) is available exclusively to NPS subscribers under Sub-section 80CCD(1B). This is over and above the deduction of Rs. 1.5 lac available under Section 80C.

Tax Benefits for Corporate Subscriber:

Additional Tax Benefit is available to Subscribers under Corporate Sector, u/s 80CCD(2) of Income Tax Act. Employer's NPS contribution (for the benefit of employee) up to 10% of salary (Basic + DA), is deductible from taxable income, subject to limit of rupees 7.5 lakh for PF, NPS and superannuation fund put together.

2. How I will get pension under NPS?

- As per PFRDA Exit guidelines, Subscriber can take superannuation exit from NPS on attaining 60 years of age.
- Subscribers who have continued their NPS account post 60 years can take superannuation exit any time as per their wish (during continuation period). Whereas Subscribers who have joined NPS after 60 years can take superannuation exit after completion of 3 years in NPS as per their wish.
- Minimum 40% NPS Corpus needs to be utilised for an Annuity (pension) and balance Corpus is paid as lump sum to the Subscriber. Annuity will be issued by the Annuity Service Provider (ASP).
- Subscriber needs to initiate exit request in CRA system which will be authorised by POP/Bank-POP/Nodal Office (as per applicable sector). As part of exit request, the Subscriber needs to select ASP and Annuity Scheme.
- On processing of Exit request in CRA, Subscriber's details will be shared with the ASP as opted by Subscriber. On completion of annuity formalities by ASP, annuity corpus will be transferred to ASP & ASP will issue pension to the Subscriber for the rest of his/her life.
- List of empanelled ASPs under NPS can be accessed at:
<https://www.npscra.nsdl.co.in/Annuity-service-providers.php>

*Listen to our Podcast episode having a title " **What Are The Different Types Of Annuity Schemes** " at <https://bit.ly/3wpvt4A>*

3. What is PRAN kit and when I will get it?

- PRAN Kit contains PRAN card and Subscriber details (referred as Subscriber Master List). The Subscriber Master List includes the information as provided by the Subscriber as part of registration under NPS.
- Subscriber has an option to opt for ePRAN Card or physical PRAN card at the time of registration.
- ePRAN kit is sent by Protean CRA at the registered email ID of Subscriber whereas, physical PRAN kit is sent by Protean CRA at the Subscriber's registered address.
- There is a facility available to download ePRAN Card or initiate request for physical PRAN card by logging to NPS Account.

*Listen our Podcast episode having a title **"Tracking dispatch status of PRAN"** at <https://bit.ly/3AnfIgl>*

4. When will the units be credited to my NPS Account in case of online contribution?

Units will be credited to the subscriber's account on the day contribution is invested by the PFM (Pension Fund Manager). The credit will happen as per the timelines mentioned below:

Contributions submitted through D-Remit facility (in Virtual Account):

- The investment will happen on same day and same day NAV will be applicable, on receipt of clear Funds in Virtual Account held with Trustee Bank (Axis Bank) till 10.30 AM. a
- If clear funds are received after 10.30 AM or on a non-working day, investment will happen on next working day.

Contributions submitted through eNPS portal:

- Investment will take place on T+2 working days basis [subject to receipt of clear funds from Payment Gateway Service Provider (PGSP) i.e. Day T].

5. How to get Transaction Statement for my NPS Account?

Protean CRA sends annual Transaction Statement at Subscriber's address registered with CRA or at registered email ID (as opted by Subscriber). Also, Monthly Transaction Statements are sent by Protean CRA to Subscriber's registered email ID.

In addition, Transaction Statement can be obtained in following ways:

- By logging to CRA website (www.cra-nsdl.com) with PRAN as User ID & Password or through NPS Mobile App ('NPS by Protean' Mobile App).
- By calling on CRA helpline (1800 210 0080), using the T-PIN (Telephonic Personal Identification Number). Once request is submitted, Transaction Statement will be emailed to Subscriber at registered email ID.
- A request can be made to the associated POP/Nodal Office to provide a copy of Transaction Statement.

*Listen our Podcast episode having a title "**How to obtain NPS transaction statement and what it contains**" at <https://bit.ly/3GSEHg2>*

6. What is process to update Contact details, Bank details & nomination details?

Subscriber can change/update Contact details (i.e. Mobile no. and email ID), Bank details, Nomination details online by logging to NPS Account (with PRAN as User ID & password). Steps are:

Updation of contact details:

- Login to your NPS Account (www.cra-nsdl.com).
- Select "**Change Contact Details**" option under Menu "**Update My Profile**" of "**Manage My Account tab**" and Existing contact details (if any) will be displayed for information.
- Update new contact details (Mobile Number / email ID / both, as required) and submit request.
- New details will get updated in NPS Account.

Update Bank / Nomination details:

- Login to your NPS Account (www.cra-nsdl.com).
- Select "**Update Nomination or Modify/Verify Bank Details**" option under Menu "**Update My Profile**" of "**Manage My Account tab**".
- Then, select option to update Bank or Nominee details as applicable.
- Update relevant details for Tier I and/or Tier II.
- Submit request through OTP Authentication / eSign using Aadhaar.
- On successful OTP Authentication /eSign, new details will get updated in NPS Account.
- *For Bank details update, the details will be verified through online Bank Account verification (through penny drop facility).*

*Listen our Podcast episode having a title "**How to update Bank details by Subscribers under NPS**" at <https://bit.ly/3RpwAus>*

7. What are the returns under NPS?

- Returns under NPS are totally market based i.e. they are based on the NAV of the Pension Fund schemes. The benefits/returns will depend upon the amount contributed and investment growth. Pension corpus will remain invested in respective Pension Fund Schemes from the accumulation phase until exits from NPS.
- To assist Subscribers, National Pension System Trust i.e. NPS Trust, publishes performance of all PFMs on its website - "**www.npstrust.org.in**". PFM wise & scheme wise returns are displayed for different periods like for latest week, latest month, last three months, last 1 year, etc. and also since inception.

*Listen our Podcast episode having a title "**How to Check Pension Fund Manager's Performance**" at <https://bit.ly/3G047LL>*

8. Can eNPS subscriber once shifted to Point of Presence (POP) shift back to eNPS?

As per PFRDA guidelines [Ref. PFRDA/17/01/03/0001/2017-SUP-CRA-Part(3)], the eligible Subscribers of 'eNPS' can migrate or shift his/her PRAN to any POP channel but vice-versa is not allowed. The Subscribers of POPs can exercise choice of moving to other POPs but can't shift back to eNPS.
