WELCOME
CONTRIBUTORY PENSION SCHEME

B. SATEESH, M.Sc., B.Ed
Senior Accountant, DTO, Vijayawada (West)
Brief overview of NPS Architecture
PFRDA

Pension Fund Regulatory and Development Authority (PFRDA) was established by the Government of India on August 23, 2003. PFRDA is the Regulator for the New Pension System (NPS) and its regulatory responsibilities include regulating charges, entry and exit, quality and provision of services of NPSCAN, CRA, PFMs, Trustee Bank, Contracting with other service providers under NPS, Conducting systems audit and other routine audits.
CRA (Central Record keeping Agency)

NSDL was appointed as CRA to build a complete integrated system for NPS with a provision to part with CRA shall be a centralized system designed to provide computerized infrastructure on which the entities such as the Subscribers, Nodal Officers, Pension Fund Managers, Annuity Service Providers, Trustee Bank and PFRDA interact with each other.
The NPS functions for Government subscribers is centralized in NPSCAN. NPSCAN is a web-based application. NPSCAN is used by the GOI and State Governments to access reports on compliance by DDOs and under their jurisdiction. The NPSCAN is electronically connected (synchronized) to the CRA for issuance of PRANs and reconciliation of mandatory contributions and statements for eligible Government subscribers.
The Subscribers area the Employees belonging to Central/State/Union Territories/Autonomous bodies under Central various state government, Union Territories and covered under NPS. Subscribers are registered with CRA and are allotted a unique PRAN (Permanent Retirement Account Number). Any Indian Citizen, who subscribers to the NPS, may also become a Subscriber.
The term Nodal Office in the picture has been used for the Principal Accounts Office (PrAO) equivalent to Directorate of Treasuries and Accounts (DTA), Pay and Accounts office (PAO) and Disbursing offices (DDO). The DDO is the entity with whom the Subscriber interacts on a regular basis and has the records of the Subscriber. The PAO is responsible for maintaining the Contribution details. The functions of the Nodal office are as given below:
Registration of the Subscribers.

Uploading the Monthly Contributions Details.

Transfer of Funds to NPS account.

Maintenance of Subscribers Details (Changes in Address, Bank Account Details, Modification in Nomination details etc.,)

Grievance handling & resolution.

In NPS, PAO/DTD is mapped to PrAO/DTD, DDO is mapped to PAO/DTD and subscriber is mapped to DDO. The hierarchy of mapping needs to be maintained in CRA.
Trustee Bank

- The NPS Trust (established by the PFRDA) is responsible for taking care of the funds under the NPS. The Trust would hold an account with a bank and this bank would be designated as “Trustee Bank”. The Trustee Bank upon receiving NPS funds from the Government Departments would transmit the information to CRA for reconciliation. The Trustee Bank shall remit funds to the entities Viz. Pension Fund Managers (PFMs), Annuity Service Providers (ASPs) and subscribers on receipt of instructions from CRA. Bank of India is appointed as the trustee bank.
PFM stands for pension Fund Manager appointed by PFRDA to invest the Pension Fund Contribution of all the subscribers in various schemes. Currently, there are three PFMs for Government sector – State Bank of India (SBI), Unit Trust of India (UTI) and Life Insurance Corporation of India (LIC).
PFM

- Pension Fund Managers (PFMs) who share common CRA infrastructure
- 6 PFMs are appointed:
  - SBI
  - ICICI
  - IDFC
  - Kotak Mahindra
  - Reliance capital
  - UTI
PFM

• PFM would invest savings put into PRAs, dividing into three parts:

(a) Equity (E)
(b) Government Bonds (G)
(c) Debt Instruments/ Corporate Bonds/ FDs (C)
Annuity providers are entities appointed by PFRDA for investing Subscriber retirement savings in Annuity scheme and delivering monthly pension to the subscriber.
Now 5 Annuity Service Providers under NPS
LIC of India
SBI Life Insurance Co.Ltd
ICICI Prudential Life Insurance Co.Ltd
HDFC Standard Life Insurance Co.Ltd
Star Union Dai-ichi Life Insurance Co.Ltd
Custodian

Stock Holding Corporation of India (SCHIL) has been appointed as a Custodian for providing following custodial services in compliance with SEBI Custodial Regulations 1996.

- Settlement Processing of Assets.
- Safe keeping of securities – Electronic Format.
- Physical Custody of Securities.
- Corporate Actions.
CPS IMPORTANT GO’S AND CIRCULAR MEMO’S
Introduction of contributory pension scheme to A.P. State Government employees w.e.f. 01/09/2004 (Amendment to A.P. Revised Pension Rules)
Non applicability of GPF rules to those who are recruited on or after 01/09/2004 (Amendment to GPF (A.P) Rules)
Contributory Pension Scheme for the employees who are recruited on or after 01/09/2004
Deductions shall be made 10% of Basic Pay + D.A
Matching Contribution shall be made by the State Government
Monthly recovery in the paybill
Index numbers by A.G, A.P, Hyd
Schedule recovery attached to the Paybill
Nomination shall be registered in the Service Register
New Head of Account
✓ 8011 - Insurance and Pension Funds
✓ 106 - Other Insurance and Pension funds
✓ 04 - A.P. State Govt. Employees Contributory pension scheme
✓ 001 - Employee Contribution
✓ 002 - Govt Contribution
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8011</td>
<td>Insurance and Pension Funds</td>
</tr>
<tr>
<td>106</td>
<td>Other Insurance and Pension funds</td>
</tr>
<tr>
<td>05</td>
<td>A.P.Aided Educational Institutions Employees Contributory pension scheme</td>
</tr>
<tr>
<td>001</td>
<td>Employee Contribution</td>
</tr>
<tr>
<td>002</td>
<td>Govt. Contribution Government Contribution by book adjustment to HOA</td>
</tr>
<tr>
<td>2071</td>
<td>Pension and other retirement benefits – Civil</td>
</tr>
<tr>
<td>800</td>
<td>Other expenditure</td>
</tr>
<tr>
<td>05</td>
<td>Contribution to CPS of A.P.Govt employees</td>
</tr>
<tr>
<td>320</td>
<td>Contributions</td>
</tr>
</tbody>
</table>
* HOA s changed from 8011-106-04-001/002 to Deposits and Advances

  a) deposits bearing interest

      8342 – Other deposits

      117 – Defined contribution pension scheme for Govt employees

      04 – A.P.State Govt Employees Contributory Pension Scheme

      001 – Employee Contribution

      002 – Govt Contribution

  b) 8011 – 106-05-001/002 changed to 8342-117-05-001/002

  c) 2071 – 01-800-05-320 changed to 2071-01-117-04-320/05-320

      117 – Govt contribution for defined contribution pension scheme

      04 – Contribution to contributory pension scheme of A.P.State Govt Employee

      320 – Contributions
As per the agreement of DTA with NSDL as CRA, the core entities DTA, Treasuries / PAOs, DDOs and employees/Subscribers shall be registered with NSDL.

Each DDO who is registered with NSDL shall download the S1 form along with the covering letter.

PPAN i.e Employee code given by the treasury must be entered.

DDO shall verify the correctness of the information.

The DDO shall sign and forward to NSDL.

* Subscriber registrations on War Foot Basis

* DDOs shall not submit more than 50 SI forms with each covering letter

* DDOs shall have to pursue the matter until PRAN is received
* Settlement of claims of employees appointed under NPS but died before the implementation of the scheme

* Applying of A.P.Revised Pension Rules-1980 provisionally with a condition to adjust the payments /relief made to the employee against the amount of accumulated funds in CPS amount
* Payment of interest @ 8% per annum on cps employee contributions and Govt. matching contributions for the legacy period 01/09/2004 to 31/03/2011
Uploading of Employee and Govt contributions simultaneously

Exemption from Budget control and Quarterly regulations w.e.f 01/08/2012

Procedure for Treasury officers

a) T.O s shall upload the Subscriber Contribution File (SCF) and obtain the Transaction number

b) He shall post the amount equivalent to the employee contributions in the PD Account 8342-117-04-001 and prefer an adjustment bill for transferring it to the hoa 8342-117-04-002

c) Then he shall transfer equivalent amount from 2071-01-117-04-320 to 8342-117-04-002 towards govt contribution

d) He shall prepare a consolidated cheque and transfer the amount RTGS/NEFT

e) The T.O s shall watch the transactions till the SCFs are matched and booked and reconcile the funds transferred.

f) Fund managers rates SBI,UTI,LIC @40%, 31%, 29%
• As per .AP.R.P.R-1980 adding provision to the sub rule 16, Training period/ Apprenticeship period – qualifying service for pensionary benefits
• Contributions shall be transferred to their GPF a/c by way of adjustment from 8342-117-04-001 to 8009-01-101-01
• Retired/Death employees-refund in cash
• For transferred employees deductions shall be certified by the DDOs at the old station and countersign by the Treasury officer concerned in the Annexure-1
• Applicable to all the individual cases where the cps deductions made erroneously making the NPS applicable though they are not covered by CPS.
Instructions to the continuation of G.O Ms No 336
Every T.O shall obtain a statement showing the details of deductions in the Annexure-I with a consolidated bill employee-wise for adjustment
On receipt of adjustment bills preferred by the DDO s every T.O shall divide these claims in to 3 categories
a) Claims of employees who are not allotted PRAN numbers and their CPS deductions are not transferred to NPS Trust
b) Claims of employees who got allotted PRAN Numbers but their CPS deductions were not transferred to their PRAN s
c) Claims of employees who got allotted PRAN numbers and their CPS deductions were transferred to their respective PRANs
For category b and c T.O s shall maintain the watch registers in the Annexure-II(A) & II(B) respectively
- PRAN no must be deactivated before admitting the claim (b&c cases)
- For category c –standard operating procedure in www.cra-nsdl.com titled “Error Rectification Module” for withdrawal of non NPS subscribers
  - Error Rectification module -> Redemption of Non-nps contribution -> enter PRAN and submit ->Bank details -> submit->acknowledgement number-Second login –confirmation
  - T.O has to provide Bank details of the treasury to remit the funds back
  - The reason for withdrawal in the remarks field shall be entered (The subscriber not covered under CPS)
  - The T.O simultaneously has to place a request through FTP to DTA with the details
  - DTA shall authorize the request to CRA
  - CRA process the request and redeems all the units and transfer to suspense account
  - On receiving the amount, the treasury officer shall undertake a two fold activity
  - Out of the amount received from the Trustee bank, an amount equivalent to the Employees contribution uploaded earlier should be remitted to the HOA 8342-117-04-001 and thereafter audit the claims concerned preferred by the DDO for adjustment as per Treasury procedures
  - The remaining amount which forms Govt Contribution + Appreciated value of investment should be credited to the HOA 2071-01-117-00-04-320
G.O.M.S NO 22 Fin (pen-1) dept dt 22/01/2013

✓ Out of D.A Arrears drawn and credited to the CSS account (8009-01-101-03) earlier 90% shall be paid in cash
✓ And 10% shall be credited to the CPS
✓ Interest on the amount outstanding in CSS account of each employee till such adjustment, shall be calculated @8% for actual period of such deposit and paid to the employee concerned in cash
✓ DDOs shall prepare a statement
✓ Showing the details of deduction in the annexure
✓ For transferred employees deductions shall be certified by the DDOs at the old station and countersign by the Treasury officer concerned in the Annexure
✓ DDO shall prepare an adjustment bill employee-wise transferring the 8009-01-101-03 to 8342-117-04-001
✓ The DDO shall prepare another bill under HOA 2049-01-305-08-450 (now changed to 2049-03-104-08-450 as per GO Ms no 54 Fin(Pen-1)dept dt 12/03/13) for payment of interest
Cir. Memo No. D(II)/CPS/10661/2011 Dt 21/02/2013 of DTA, A.P, Hyd

- Issued instructions as per GO Ms No. 22 dt 22/01/2013
- Adjustment bills in the form 47
- CSS must be entered in More Deductions (code 1066-css) and the cps subscription under more deduction(code 2067-cps-1)
Cir. Memo No. 853/133/A2/Pen-I/2013 dt 06/07/2013 of DTA, A.P, Hyd

- D.A and PRC arrears and other allowances credited to CSS in respect of employees covered by UGC scales, AICTE scales and Employees of Judiciary transfer to Cps accounts.
Cir. Memo No. 4966/44/A2/Pen-I/2013 Dt 23/04/2013 of DTA, A.P, Hyd

» PRC arrears /IR arrears of PRC-2010 are added to adjust and withdraw

Excess Amount(s) transferred erroneously to PRANs of the CPS Subscribers (or) the amount(s) transferred erroneously to a PRAN other than that of a subscriber through “Error Rectification Module”
ERROR RECTIFICATION MODULE INSTRUCTIONS

Amount(s) in excess of actual deduction(s) are transferred erroneously and credited to the PRAN of a subscriber (Type-I)

Amount(s) are transferred erroneously and credited to a PRAN other than that of a subscriber (Type-II)

The Treasury officer should keep the following information on hand:-

- PAO Registration Number
- Transaction ID of SCF in which erroneous transfer was made
- PRAN Number(s) (both Source and Target in respect of Type-II)
- Details of transaction to be rectified viz., Month and Year of contribution, contribution type i.e Regular/Arrear, amount of contribution, etc
- Treasury Officer/PAO Bank account Number, Bank Name, Bank Branch and Address with PIN, MICR Code, IFSC Code
- PRAN(s) should be active in the same sector
- Request should be by the same Treasury officer who earlier uploaded the erroneous transaction. However the subscriber need not be with same treasury officer at present
- The CRA captures only one request per subscriber at a time. A second request in respect of the same subscriber will not be captured unless the earlier one is resolved.
Exit policy – Withdrawal procedures for subscribers from New Pension System

Online compulsory w.e.f 01/04/2016

a) Upon normal Superannuation
b) Upon death
c) Exit before the age of superannuation irrespective of the cause
UPON NORMAL SUPERANNUATION

• Upto 60% of total corpus can be withdrawn as lumpsum and minimum 40% to be used for purchase of Annuity.

• If Corpus is less than Rs.2 lakhs – full amount can be withdrawn.

• Employer to stop deduction at least 3 months prior to the superannuation
UPON DEATH

- 100% Withdrawal by the nominee/nominees
- If the amount is equal to or less than Rs.2 lakhs – full amount can be withdrawn.
- If the Subscriber/Family Members opted for additional relief on death or disability provided by the Govt.- The Govt. shall have right to adjust/transfer the amount to itself.
EXIT BEFORE THE AGE OF SUPERANNUATION (PRE – MATURE EXIT)

- Up to 20% of total corpus can be withdrawn as lump sum and minimum 80% to be used for purchase of Annuity.
- If Corpus is less than Rs.1 lakhs – full amount can be withdrawn.
- Applicable only after subscriber Resigned from Govt Job
INITIATING THE REQUEST

• Claim ID is generated 6 months in advance for the subscriber who are attaining 60 years of age
• Claim IDs Intimated to subscriber through email, SMS.
• List of Claim IDs awaiting action is available in nodal office login
GUIDELINES:

1) The withdrawal requests along with enclosures (in Duplicate) should be received from the drawing and disbursing officers in a secured mode.

2) All the documents including the prescribed withdrawal form should be attested by the Drawing and disbursing officer concerned. Whose specimen signature should be there on the records of the treasury as per T.R.16.

3) The treasury officer should process the requests only after establishing himself the genuineness of those documents.
4) He/She should verify whether all the mandatory documents as per list Prescribed are enclosed or not and take decisions on recommencing the Claim for withdrawal.

5) Since it is “Maker-Checker application care should be taken in executing the task by the respective user in a secured manner. For any possible error or lapse, the user concerned may have to take the responsibility.

6) After authorization of the payment by the CRA the Treasury officer is required to forward one set of physical withdrawal application and enclosed documents to the CRA duly retaining second set in his/her record. This record should be kept security for any required future reference.

7) The treasury officer should regularly watch the correspondence from the CRA to their official mail ID. They should update their profile with the CRA to avoid any bouncing of mails.
DTA MEMO NO.
CRA/5NP5L/SG/2016/66 DATED : 03.08.2016.

• Processing of online withdrawal request by drawing and disbursement officers (DDOs) in the CRA system.
• Employees under NPS but expired/retired without obtaining PRAN Number Settlement of the claims along with matching contribution

• Not to send proposals / requests pertaining to such cases for settlement orders.
REQUIRED DOCUMENTS

- Duly filled withdrawal form
- KYC Documents (ID proof, Address proof)
- Bank Proof
- Original PRAN Card/Notarized affidavit in case of the original not available
- Cancelled cheque/Bank certificate/ Copy of the bank pass book
- Death certificate in original
- Legal heir certificate
PARTIAL WITHDRAWALS FROM NPS

• 03 Years minimum service
• Max (3) times in service.
• 5 years exemption in case of treatment for prescribed illness /In case of exit due to death
• 25% of the employee share
PURPOSE OF PARTIAL WITHDRAWALS

- For **Higher Education** of his/her children including legally adopted child
- For the **Marriage** of his/her children including legally adopted child
- For the **Purchase/Construction of residential house or flat**

*Note: If the subscriber already owns either individually or in the joint name a residential house or flat other than ancestral property, no withdrawal shall be permitted.*

- **Treatment of Specified illness** – Suffered by subscriber, his legally wedded spouse, children including a legally adopted child and dependent parents.
  - i)cancer  ii)Kidney 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) Accidents of Serious/life threatening nature;

xv) Any other critical illness of a life threatening nature as per the guidelines or notifications issued by the authority from time to time.

• To meet medical and incidental expenses arising out of the disability or incapacitation suffered by the Subscriber.
<table>
<thead>
<tr>
<th>SL.No</th>
<th>Type of Partial Withdrawal</th>
<th>Documents to be submitted by Subscriber/.Employee/Claimant</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>for Higher education</td>
<td>Attested copy of admission letter of the institute along with Fee Schedule</td>
</tr>
<tr>
<td>2</td>
<td>for the marriage of his or her children</td>
<td>Self - declaration (annexed herewith)</td>
</tr>
<tr>
<td>3</td>
<td>for the purchase or construction of residential house or flat in his or her own name or in a joint name with his or her legally wedded spouse</td>
<td>Attested copy of Title documents of the Property, Approved Plan and Self-declaration (or) Loan offer letter from a housing finance company/Bank ; and self - declaration (annexed herewith)</td>
</tr>
<tr>
<td>4</td>
<td>for treatment of specified illnesses; if the subscriber, his legally wedded spuse, children including a legally adopted child or dependent parents.</td>
<td>Certificate form Doctor</td>
</tr>
<tr>
<td>5</td>
<td>Medical and incidental expenses arising out of the disability or incapacitation suffered by the Subscriber.</td>
<td>Certificate from Doctor; and expenses vouchers.</td>
</tr>
</tbody>
</table>
Procedure for uploading the regular government servants, who come under NPS and who are working on Foreign service

The DDO of the borrowing dept shall deduct the CPS and has to provide the details of the employee by logging in to the treasury system.

The system will generate two challans. One towards 8342-00-117-00-04-001 and the other towards Employer contribution under 8342-00-117-00-04-00

The DDO shall remit the Two Challans to HOAs concerned through a Govt authorized bank

The details of challan remittances made as above are captured centralized in the DTA, processed and uploaded to the CRA for crediting in to the individual accounts.
Employees working on Foreign service-Remittance through Treasury Challan-Instructions

• All the remittances made to the above Heads of Account by way of challan should be captured in favour of the said Nodal officer (27020702005) only, No treasury officer should take any action to conduct a transaction or provide a service with reference to them.

• Any remedial action like correction of misclassification with references to the above nature of transactions should be done with prior consent of the said Nodal officer duty furnishing justification for such an action.

• All receipts of above said nature would be captured automatically from 1.4.2016 onwards, to that account of the said DDO. In request of the receipts prior to that period, the treasury officers concerned have to effect transfer. Instructions in this regard would be issued separately.
Cir. Memo No. D5/14457/2013 dt 18/01/2016 of DTA, A.P, Hyd

- Login Functionality for DDO’s
  - Logon to www.cra-nsdl.com
  - User ID: DDO Registration Number followed by Two Zeros. Ex: SGV016536C00
  - Password (I-PIN): Click Instant Reset I-Pin
    - Acknowledgement Number will be Generated and is to be authorized by Associated Treasury Office.

- DDO’s can access now:
  - Views:
    - Subscriber Details
    - Subscriber List
    - Statement of Transaction
    - E-Pran
  - Grievance:
    - Log Grievance Request
    - Grievance Status View
    - Provide feedback for grievances raised against STO/DTO.
  - Downloads:
    - List of Subscriber
    - Statement of Transaction Subscriber – wise
    - E-Pran
Cir. Memo No. D5/13804/2012 dt 04/02/2016 of DTA, A.P, Hyd

✓ Validity of Subscriber Contribution Files in CRA System reduced to 10 days from 01-04-2016.
INSTRUCTIONS ON USER ACCOUNT CREDENTIALS:

• The District Treasuries shall take action to train the accountants /treasury officers of divisional sub treasury / sub treasury; and get them skilled enough to handle all the NPS related issues independently.

• Ensure that they independently handle the job of text file generation, NPS data transfer to CRA, funds transfer, and all other NPS related activities.

• CaseWorker(maker)/ Treasury officer(checker/Authorizer) concerned at district treasury /Divisional sub treasury / Sub Treasury is the sole authorized users to conduct the transactions through CRA system and NPS Portal; and are fully responsible for all activities that takes place under the respective users credentials.
• Third party users should not be given access through treasury officer credentials. Treasury officers shall be held personally responsible for any possible errors / adverse consequences of such actions.

• CRA / NPS portal should not be accessed from a Cyber-care/internet café or any shared computer.

• Ensure to maintain the confidentiality of the user credentials of ‘CPS login’ in IMPACT system, CRA / NPSCAN system and NPS portal.

• Not to disclose / share the user credentials (user ID and password) with data processing officer / data entry operator / anyone under any circumstances.

• Ensure to change password periodically.

• Do not allow the browsers password manager to store login credentials.

• Keep updated utilities, FPU (file processing utility), FVU (file validation utility), which are provided by the CRA; and JRE - 1.5 (java run Time Environment), can be downloadable freely from (http://www.java.com/en/download/).
INSTRUCTIONS ON RECONCILIATION OF MORE THAN Rs 10000/- onwards:

• the employee Id should be that of ‘NPS category’.

• Month and year should not be repeated in respect of an employee, if repeated, it should be “Arrears”.

• Month and year should not be greater than scroll date.

• All fields are mandatory.

• A months subscription should not be 10% OF 9BASIC + Da).

• PRAN number gets automatically populated as per the DDO-EMP mapping, i.e. proforma-1 otherwise it considers as “non –NPS category.

• The total value of the schedule should be equal to sum of the spilt value.

• How to Login: treasury.ap.gov.in-click NPS –User as TREASURY OFFICER- User id : 0516 pw 123456
• Stoppage of deductions from the salary of employee, who comes under NPS, three (3) months prior to the date of superannuation / Retirement.
Precautions before forwarding of PRAN applications

- Mandatory details not filled.
- Invalid date of birth.
- Non provision of fathers name
- Non provision of subscriber / employee signature
- Invalid date of joining.
Extension of benefits of “Retirement Gratuity and death Gratuity” to the state government employees covered by CPS as are applicable to employees governed by APRPR 1980.
Invalid pension and family pension to the CPS Employees.

• Extension of Invalid and Family pension benefits:
  • Invalid pension
  • Family pension
  • Disability pension
  • Extra-ordinary family pensions

• CONDITIONS:
  • The funds accumulated in the NPS should be adjusted against the payments mode.
  • OPTION – Employees covered by CPS or their family members either to opt for family pension benefits or to draw accumulated wealth as per the regulations of PFRDA.
The first salary claim of a newly appointed Government servant should be admitted as-usual and the subsequent claims should be admitted only on producing PRAN (or) an acknowledgement issued by the CRA—FC in token of accepting the application of the Government servant for generation of PRAN.
Pensions – Contributory Pension Scheme (NPS) – Payment of Gratuity to the employees covered by CPS and invalidation pension & family pension at the option of the employee/family members in case of premature exit due to invalidation/death of the Comprehensive guidelines - issued.
• a. The Accountant General (A&E), Andhra Pradesh shall be the competent authority to issue authorisations for Death Cum Retirement Gratuity and invalidation pension/family pension to the state government employees covered by CPS (NPS) and their family members. In respect of Class-IV and other low paid employees i.e. Police constables, Head constables, Excise constables & Forest guards the Audit Officers of the Local fund Audit Department in each District and in the case of Headquarters the Audit Officer working in the Office of the Director of Local Fund Audit, Vijayawada shall be the competent authority.
Those who opt for the benefit of invalidation pension/family pension, shall remit back the accumulated Pension Wealth in the CPS account into the Government account under the following head of account:

- Major Head : 0071- Contributions and Recoveries towards Pension
- and other Retirement benefits
- Sub Major Head : 01 – Civil
- Minor Head : 101 – Subscriptions and Contributions
- Sub-head : 06 – Refund of Accumulated Pension Wealth in lieu of Family Pension sanctioned to CPS (NPS) employees (to be opened)
• NATIONAL PENSION SYSTEM – Contributory Pension Scheme – Extension of benefit of Death -cum- Retirement Gratuity; and extension of option of Invalidation Pension and Family Pension to the State Government employees covered by NPS and their family members in case of premature exit due to Invalidation / Death – Orders issued by Government – Instructions – Issued.
• The Government have extended the following benefits to the State Government employees, who joined Government service on or after 01/09/2004 and covered under National Pension System:-

• a.) Benefit of ‘Death -cum- Retirement Gratuity’ on the same terms and conditions, as applicable to the State Government employees governed by the Andhra Pradesh Revised Pension Rules, 1980; and

• b.) Option to receive Invalidation Pension or Family Pension in case of premature exit due to invalidation / death, whatever the case may be, on par with the employees governed by the Andhra Pradesh Revised Pension Rules, 1980, subject to condition that the Accumulated Pension Wealth in the PRAN account of the employee / subscriber concerned shall be remitted back to Government.
On examination of the procedures envisaged by the PFRDA in such matters in their File No. PFRDA/16/14/02/0002/2017-REG-EXIT, Dated 15/01/2018 read with F. No. PFRDA/24/Exit/1, Dated 26/05/2016 and CRAs Cir. No. CRA/SNPSL/SG/2016/62, Dated 09/06/2016 and the Government Order the following instructions are issued

- a.) Employee / Family member of the deceased employee, who is entitled to and opts for availing Family Pension or Invalidation Pension, shall submit an application in prescribed Form. 103-GD along with ‘No Objection Certificate’ (Annexure-II), Death Certificate, Legal Heir Certificate and Original PRAN Card (if PRAN card is not available, the claimant needs to submit a duly notarized Affidavit as to the reasons of non-submission of Original PRAN card) etc. along with application for sanction of Family Pension / Death - cum- Retirement Gratuity and relevant documents to the Pension Sanctioning Authority (Drawing and Disbursing Officer -cum- Nodal Officer.3) concerned as prescribed by Government in GO Ms. No. 263, Dated 23/11/1998 of Finance and Planning (FW.PSC) Department and GO Ms. No. 97, Dated 07/05/2014 of Finance (PSC) Department.
b.) The Pension Sanctioning Authority shall verify the proposals with reference to the entitlement of the claimant and the documents submitted and attest both the proposals, whenever required and forward the pension proposals to the respective Pension Authorizing Authority, viz., Principal Accountant General (A&E), Andhra Pradesh, Hyderabad / State Audit, as the case may be. In case of Class-IV employees and other low category employees, i.e., Police Constables and Forest Guards, etc., the Audit Officers of the State Audit department (district level); and Audit Officer working in O/o the Director of State Audit, Amaravati @ Ibrahimpatnam (State Head Quarters) is the competent authority, as the case may be.
c.) Immediately after receiving the intimation of Family pension / pension authorization from the respective Pension Authorizing Authority, the Pension Sanctioning Authority, if itself is the Nodal Officer.3, shall take action to forward the NPS Withdrawal proposal in Form. 103-GD along with Annexure-I, ‘No Objection Certificate’ (Annexure.II), Death Certificate, Legal Heir Certificate, Original PRAN Card, etc. to the mapped Treasury Officer / Nodal Officer.2 concerned. If the Pension Sanctioning Authority is not the Drawing and Disbursing Officer / Nodal Officer.3, these forms shall be forwarded to the latter, i.e., Nodal Officer.3 to take similar action as above. The Pension Sanctioning Authority / Drawing and Disbursing Officer / Nodal Officer.3 located under the jurisdiction of Amaravati Capital Region shall forward the NPS Withdrawal proposals along with copy of attested Pension Payment Order, to the Pay and Accounts Officer, Andhra Pradesh, Amaravati @ Ibrahimpatnam / Nodal Officer.2.
d.) The Pension Sanctioning Authority along with the prescribed Certificate of non-drawal of Anticipatory Pension and Gratuity shall issue another Certificate in the proforma prescribed in Annexure-III certifying that proposals for withdrawal of Accumulated Pension Wealth has been forwarded to the Treasury Officer / Nodal Officer concerned. The Pension Disbursing Authority / Treasury Officer shall obtain this certificate along with other documents prescribed to be obtained at the time of identification of the pensioner / Family pensioner and file the same in the PPO record.

e.) Maker of the Treasury Officer / Nodal Officer shall login to CRA System to select the option ‘Family Pension’ and key-in the required information to claim Accumulated Pension Wealth; and provide the Bank account details of Treasury Officer / Nodal Officer as declared in Annexure-I. Thereby a Claim ID gets generated. This Claim ID should be authorized by the Treasury Officer / Nodal Officer in his / her login.
f.) After successful authorization, the Treasury Officer / Checker Nodal Officer.2, print the output form (Form. 103-GD) and dispatch the same along with filled-in and attested Annexure-I and II, Death Certificate, etc. to the CRA authorities. Simultaneously the Treasury Officer / Nodal Officer.2 shall enter the details of the proposal in Column. (01.) to (09.) of the register to be maintained in the proforma (Annexure-IV).

g.) On receiving the said online confirmation by the Treasury Officer / Nodal Officer.2, the CRA initiates payment process in the CRA System. The Accumulated Pension Wealth of the deceased Government servant / Government servant (in case of disability) for whom withdrawal request is raised, will be transferred to the Bank Account of the Treasury Officer / PAO as mentioned in Annexure-I, as per settlement cycle. The Treasury Officer / Nodal Officer.2 on receiving the information shall update the Column. (11.) of the register.
• h.) On receiving the funds from CRA, the Treasury Officer / Nodal Officer.2 has to remit the entire amount to the HOA: 0071 - Contributions and Recoveries towards Pension and other Retirement benefits 01 - Civil 101 - Subscriptions and Contributions 06 - Refund of Accumulated Pension Wealth in lieu of Family Pension sanctioned to CPS (NPS) employees, by way of challan through CFMS window and update the remittance details in Column. (13.). Then login to NPS Portal (treasury.ap.gov.in/nps) and key-in the details of deceased employee / employee, viz., Employee ID, PRAN No., Date of demise, PPO No., total value of Accumulated Pension Wealth, Challan remittance details, etc. for record of Pension Disbursing Authority / Treasury Officer (Snapshots are annexed herewith for ready reference). The Deputy Director, District Treasury concerned can view the treasury wise report under his / her jurisdiction in Online NPS Portal and shall monitor on weekly basis.

• i.) The Treasury Officer / Nodal Officer.2 shall watch the status of such withdrawal requests on day-to-day basis and take action to remit the amount as stated at para. 3 (h.) above. He / She shall maintain the watch register in the proforma prescribed in Annexure.IV and update it at different stages of the withdrawal process till the final remittances are recorded. The Deputy Director, District Treasury concerned shall verify this register and watch the status of the withdrawals and updation of records at periodical intervals.
j.) In all cases of pre-mature exit due to invalidation / death, which are settled in terms of Government Orders 03rd to 05th cited, it is the responsibility of Pension Sanctioning Authority to ensure that proposals for withdrawal of Accumulated Pension Wealth is forwarded to the Treasury Officer / Nodal Officer.2 concerned simultaneously along with pension authorization.

k.) In all cases of pre-mature exit due to invalidation / death, which were so far settled in terms of Government Orders 02nd cited, the benefit mentioned at para.2 above shall be extended only after remitting the Accumulated Pension Wealth in the PRAN Account of the deceased employee / employee by their family members / employee, to the Government account.

l.) All cases of Death -cum- Retirement Gratuity sanctioned in pursuance of orders in Government Orders 03rd cited shall be settled on the same terms and conditions, as are applicable to employees governed by the Andhra Pradesh Revised Pension Rules, 1980.

Note: The District Treasury personnel shall opt Family Pension category as ‘NPS-FAMILY-

Pension’ in ‘Family Info’; and also opt category as ‘NPS-Family-Pension’ in ‘Pension Basics’ under ‘PPO RECORD’ module in ‘Pension Portal’, while forwarding the Pension authorization to the Treasury Officer / Pension Disbursing Authority concerned.
As for Andhra Pradesh concerned, CRA has three Acceptance Centers (CRA-FC-AC) as of now, working as CRA-FCs. They are:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>CRA-FC ID</th>
<th>POP-SP City</th>
<th>CRA-FC-AC Address</th>
<th>Contact details</th>
</tr>
</thead>
</table>
| 1.     | 52025     | Visakhapatnam | KARVY Data Management Services Ltd., 48-8-7, Ground Floor, Dwaraka Diamonds Srinagar, Visakhapatnam – 530 016, Andhra Pradesh. | Mr. Uday Kumar, Mr. M. Sudhakar  
**Mobile No:** 7382411982  
**E-mail ID:** TINVIZAG@KARVY.COM |
| 2.     | 51022     | Visakhapatnam | Alankit Limited, Flat No. 204, II Floor, GVK Plaza, Behind: Central Bank of India, Seethammapet, Visakhapatnam – 530 016, Andhra Pradesh. | Mr. Shaik Jilani, Mr. J. Srinivasa Rao  
**Mobile No:** 9676186976  
**E-mail ID:** DMRAO_CO@REDIFFMAIL.COM |
| 3.     | 51062     | Visakhapatnam | Alankit Limited, 47-3-10, Ground Floor, Sri Nivas Apartment, Block No. 23, Dwaraka Nagar, Visakhapatnam – 530 016, Andhra Pradesh. | Mr. G. Rajagopal Reddy  
**Mobile No:** 9676186976  
**Alt Mobile No:** 9949682782, 9848633556  
**E-mail ID:** GRREDDY@ALANKIT.COM |
<table>
<thead>
<tr>
<th>CRA- FC Name</th>
<th>INTEGRATED ENTERPRISED (INDIA) PVT LTD.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>DOOR NO.29-13-29, 1ST FLOOR</td>
</tr>
<tr>
<td></td>
<td>KAESWARA RAO ROAD</td>
</tr>
<tr>
<td></td>
<td>SURYARAOPETA</td>
</tr>
<tr>
<td>City</td>
<td>VIJAYAWADA</td>
</tr>
<tr>
<td>State</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>Pin Code</td>
<td>520002</td>
</tr>
<tr>
<td>Phone No.</td>
<td>0866-2472414</td>
</tr>
<tr>
<td></td>
<td>0866-2470517</td>
</tr>
<tr>
<td>Email Id</td>
<td><a href="mailto:VIJAYAWADA@INTEGRATEDINDIA.IN">VIJAYAWADA@INTEGRATEDINDIA.IN</a></td>
</tr>
</tbody>
</table>
**Process-flow mechanism of funds transfer to NPS Trust through CFMS:**

- After successful uploading of SCF to CRA

  a.) the maker PD Administrator has to raise an adjustment claim from the HOA: 2071011170004320000VN (Govt. Cont) to the HOA: 8342001170004002000VN. After successful authorization of claim by the Authorizer, the said claim is forwarded to Auditor in Treasury. After successful authorization of claim by the Approver, the funds are adjusted to 002;

  b.) the maker PD Administrator has to raise another adjustment claim* from the HOA:8342001170004001000VN (Emp Sub) to the HOA: 8342001170004002000VN. After successful authorization of claim by the Authorizer, the funds are adjusted to 002 (Here no role of Treasury, as this HOA is under the Category.A);
c.) After pooling of funds in 002 (Emp Sub + Govt. Cont), the Maker PD Administrator has raise a regular claim for entire amount (Total SCF value, i.e., Emp Sub + Govt. Cont) by mentioning TO Current A/c No. as beneficiary. After successful authorization of claim by the Authorizer (Here no role of Treasury, as this HOA is under the Category.A); and after completion of payment process by the CFSS team, the funds are credited to the A/c No. mentioned in claim; and

• d.) finally, after crediting the funds, the Treasury Officer send a request to mapped Treasury Bank branch to transfer the funds to NPS Trust through RTGS / NEFT duly submitting Banker cheque and RTGS form*. Here PAOFINID is mandatory.
All fields are mandatory.
<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSAs Ref No. with date</td>
<td></td>
</tr>
<tr>
<td>Date of Proposals forwarded to CRA</td>
<td></td>
</tr>
<tr>
<td>Claim ID</td>
<td></td>
</tr>
<tr>
<td>Value of AFW returned by CRA</td>
<td></td>
</tr>
<tr>
<td>Date of returned</td>
<td></td>
</tr>
<tr>
<td>Challan No. remitted by TG / IN?</td>
<td></td>
</tr>
<tr>
<td>Date of Remittance</td>
<td></td>
</tr>
<tr>
<td>Challan Amount</td>
<td></td>
</tr>
<tr>
<td>Death Certificate</td>
<td></td>
</tr>
</tbody>
</table>

(Only .pdf Format. Max size 1MB)
Record saved successfully.
<table>
<thead>
<tr>
<th>Emp ID</th>
<th>Name</th>
<th>Dos</th>
<th>Dous</th>
<th>PDAN</th>
<th>DoDenise</th>
<th>DUO Code</th>
<th>PP ID No.</th>
<th>PSA Lr.</th>
<th>Dt of req to CRA</th>
<th>Claim ID</th>
<th>Value of APW</th>
<th>Dt of returned</th>
<th>Challan No.</th>
<th>Dt of Remittance</th>
<th>Challan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1
Tier II Account:

Tier II account in NPS is a voluntary Investment account aims to provide a window of liquidity to meet financial contingencies and build savings through investments.

“Tier II account is a voluntary saving facility wherein the withdrawal is as per Subscriber’s choice”.

Key features of Tier II account

1. No additional CRA charges for account opening and annual maintenance in respect of Tier II
2. Enjoy unlimited online withdrawals and get credit in your Bank Account depending upon your requirements.
3. Separate Nomination in Tier II account
4. Contribute in Tier account online at www.enps.nsdl.com or deposit your contribution to any POP/POP-SP of your choice.
5. Separate Scheme Preference for Tier II
6. You can changes Scheme Preference twice a year and Pension Fund Managers (PFM) once a year.
7. Two Investment options
   1. Active Choice - Individual Funds (E,C,G assets)
   2. Auto Choice – Life Cycle Funds
8. Bank details are mandatory for opening Tier II account (Along with cancelled cheque leaf)
9. Minimum contribution amount is Rs.250
BENEFITS OF NPS

• Dual Benefit of low cost and power of compounding
• Tax Exempted an employees/ employers contribution.
• Additional Tax benefit of RS.50000/- under section 80CCD1(B)
• At the time of exit on the 40% of corpus is exempted
SAFETY

- Regulated by PFRDA and introduced by Govt. of India and other states

Transparency

Portability
DRAWBACKS

• No minimum pension
• No loans facility
• Family Pension benefits less (in case of short service subscribers)
• Market linked shares – No guaranty
• No revision of pensions
Thank you ...