

## NATIONAL PENSION SCHEME

### National Pension System (NPS):

NPS is one such retirement scheme established by the Indian Government on 1 January 2004, to offer retirement income to all the citizens. Indian citizens aged between 18 and 60 are eligible to open an NPS account. Here is must to know details of NPS.

### Key Features of NPS:

NPS generates income during old-age by offering reasonable market-based returns over the long term. The scheme extends to old age security coverage to its subscribers. Its crucial features include:

- a. Allotment of a unique Permanent Retirement Account Number (PRAN) for every NPS subscriber.
- b. The PRAN can be used from anywhere to make NPS transactions.
- c. With PRAN, you can access two personal accounts, which include Tier-I pension account and Tier-II savings account.
- d. **Tier-I pension account is a non-withdrawable account**, into which retirement savings can be deposited.
- e. **Tier-II savings account allows voluntary savings facility**, from where saving can be withdrawn anytime.

### Benefits Of NPS:

1. **Cost-effective:** The scheme requires you to make your first contribution while applying for registration. One must make contributions subject to the following:
  - a. INR 6,000 minimum contribution each year.
  - b. Minimum amount per contribution is INR 500.
  - c. Minimum number of contributions every year is one.
2. **Simplicity:** An NPS accounts can be easily opened through the nodal office or online, after which the PRAN number is generated. This single PRAN number can be used to make all the transactions.
3. **Transparency:** Through the cost-effective and transparent system, the pension contributions are invested into pension funds. Subscribers will be allowed to know the value of their investments on day-to-day basis.
4. **Regulated:** The Pension Fund Regulatory and Development Authority regulates the NPS. Besides transparent investment norms, the regulator monitors and reviews the performance of the fund managers.

5. **Portable:** Every employee holds a unique identification number and separate PRAN numbers that are portable. These numbers remain same for the entire life and can be carried even if an employee gets transferred to another office.
6. **Self-Allocation:** Investments under NPS can be made, based on the investor's choice or as per the "Auto Choice" option.
7. **Tax-Savings:** NPS investments allows tax benefits based on the below criteria to employees,
  - a. **Employees Own contribution** - INR1,50,000 as per section 80CCD (1) – deduction has to be minimum of 10% of gross income or salary.
  - b. **Own contribution** - Rs. 50,000 as per section 80CCD(1b). Thus, investors can avail maximum tax benefit of INR 2 lakhs.
  - c. **Employer contribution** - 10% of basic salary + dearness allowance as per section 80CCD (2).

For detailed benefits login at <https://cra-nsdl.com/CRA/> using PRAN & PW, credentials.

**PRAN Application Status (Through Ack. No.)**

<https://cra-nsdl.com/CRA/subRegReqSts.do>

**Registration and Contribution Status**

<https://cra-nsdl.com/CRA/limFileMisSts.do>

**Track PRAN Card Status (NPS Regular)**

<https://cra-nsdl.com/CRA/pranCardStatusInput.do>

**Find your nearest POP-SP**

<https://npscra.nsd.co.in/pop-sp.php>

**Annuity Services Provider (ASP)**

<https://npscra.nsd.co.in/annuity-service-provider.php>

**Generate Password**

<https://cra-nsdl.com/CRA/raisePasswordSubscriber.do>

**How to Open NPS Account**

<https://npscra.nsd.co.in/steps-to-join-nps.php>

**Update Aadhaar – APY**

<https://npslite-nsdl.com/CRALite/AadhaarOnloadAction.do>

