

Protean eGov Technologies Limited



Frequently Asked Questions (FAQs) on Partial (Conditional) Withdrawal Request

Version 1.3

Partial Withdrawal

1. Can Subscriber avail loan against his/her NPS account?

No, NPS Subscriber can't avail loan against his/her NPS account. Though Subscriber may opt for Partial Withdrawal subject to certain conditions.

2. Can Subscriber opt for Withdrawal during his/her service period?

Yes, Partial Withdrawal facility is available for NPS Subscribers whereby Subscriber can opt for Withdrawal of certain amount out of his own contribution subject to certain conditions.

3. What are the conditions for availing Partial Withdrawal?

Following are the conditions for availing Partial Withdrawal:

1. The Subscriber shall have been in the NPS at least for the period of **three years** from the date of his or her Joining in NPS.
2. The Subscriber shall be allowed to withdraw only a maximum of **three times** during the entire tenure of subscription. For subsequent partial withdrawals, only incremental contributions made by the subscriber from the date of the previous partial withdrawal shall be allowed.
3. The Subscriber can opt for withdrawal **not exceeding 25%** of self-contributions made by him/her. Returns generated on the contributions shall not be eligible for partial withdrawal.

4. What are the reasons for availing Partial Withdrawal?

Withdrawal is allowed only against the specified reasons such as,

- A. Higher education of children
- B. Marriage of children
- C. For the purchase/construction of residential house.
- D. For treatment of specified illnesses for Subscriber, Spouse, children.
- E. To meet medical and incidental expenses arising out of the disability or incapacitation suffered by the Subscriber
- F. For Skill development/re-skilling or any other self-development activities
- G. For Establishment of own venture or any start-up (Only for 'All Citizens' Sector Subscribers).

For more detailed description of Partial Withdrawal option under NPS, please refer Regulation 8 of PFRDA (Exits & Withdrawals under NPS) Regulations 2015 and amendments thereto.

5. How can the Partial Withdrawal be processed? What is the process for Partial Withdrawal?

As per PFRDA guidelines, the Subscribers will have an option to avail Partial Withdrawal based on self-declaration and no supporting documents (w.r.t. stated withdrawal reason) are required to be submitted by the Subscriber for availing Partial Withdrawal. The Subscriber will follow below steps:

- Subscriber will initiate online Partial Withdrawal request in CRA system (www.cra-nsdl.com) by logging with PRAN as User ID & Password.
- Subscriber will select **"Tier I Partial Withdrawal"** option under **"Manage My Withdrawal"** Menu. The eligible amount for Partial Withdrawal will be displayed to the Subscriber.
- Subscriber will provide the required percentage and reason for partial withdrawal.
- During request initiation, Name and Bank Account of the Subscriber will be verified through online Bank Account Verification (Penny drop facility). The Bank of the Subscriber should be empaneled for Online Bank Account Verification. Only if name and Bank Account verification is successful, then the Subscriber will be allowed to initiate Partial Withdrawal request.
Online Bank Account Verification (Penny drop) charges will be applicable for every penny drop attempt. These charges will be recovered through unit deduction from Subscriber's NPS Account.
- Subscriber will accept the self-declaration for reason for Partial Withdrawal.
- Subscriber is required to submit the request using OTP Authentication / eSign.
 - In case of OTP Authentication, two separate One Time Password (OTP) will be sent on Mobile Number and email ID registered in CRA.
 - In case of eSign, the OTP will be sent on Mobile Number registered with Aadhaar.

Partial Withdrawal request will get auto cancelled after 15 days if OTP/eSign is not done by subscriber.

- In case of eNps Subscriber, after successful OTP Authentication / eSign, Online Partial Withdrawal request will get executed in CRA System. There is no need to verify and Authorize the request by POP.
- Nodal Office/POP will verify Online Partial Withdrawal request in CRA System with one User ID.
- Nodal Office/POP will authorize Online Partial Withdrawal request in CRA System with other User ID.
- On authorization of Partial Withdrawal request by Nodal Office/POP, the request will get executed in the CRA system. *Physical Partial Withdrawal Form and supporting documents are not required to be submitted by Nodal Office/POP to Protean-CRA for storage purpose for partial Withdrawal request initiated by Subscriber online in CRA through digital signature (OTP Authentication/eSign) & if complete scanned documents are uploaded in CRA*
- Partial Withdrawal amount will be transferred to Subscriber's Bank Account within stipulated timeline.

Detailed SOP on processing online Partial withdrawal request by Subscriber and Nodal Office / POP is available on website www.npscra.nsdl.co.in.

6. What are the pre-requisites for Online Partial Withdrawal?

- NPS account should be FATCA compliant – Partial Withdrawal request is not allowed if PRAN is not FATCA-compliant.
- Subscriber should have fulfilled the conditions for Partial Withdrawal as per PFRDA guidelines as mentioned above.
- Bank Account details of the Subscriber are updated in his/her NPS account. Bank of the Subscriber should be empaneled for Online Bank Account Verification. Also, the Subscriber needs to be the First Account Holder of the Bank Account.
- Bank details should be correct/valid - During request initiation, Bank Account and Name of the Subscriber will be verified through online Bank Account Verification (Penny drop facility). **If Online Bank Account Verification (Penny drop) fails, request initiation will not be allowed.**
- Subscriber is required to submit the request using OTP Authentication / eSign. Hence, valid Mobile Number and email ID of the Subscriber should be registered in CRA to receive OTP as part of OTP Authentication. Else, the Mobile Number registered with Aadhaar should be valid to receive OTP as part of eSign and also the name in Aadhar & CRA record should match.

7. What process to be followed if OTP Authentication / eSign is not possible or Subscriber is not able to initiate online Partial Withdrawal Request?

- If OTP Authentication / eSign is not possible or the Subscriber is not able to initiate online Partial Withdrawal request in CRA system for any reason, then the Subscriber is required to submit physical Partial Withdrawal Form (with self-declaration) to the associated Nodal Office/POP.
- Subscriber will accept self-declaration for reason of withdrawal and submit copy of Bank Proof for Bank Account registered in CRA if required by office.
- The Nodal Office/POP will initiate and authorize the Partial Withdrawal request in the CRA system with Maker-Checker User ID. No supporting documents (w.r.t. stated withdrawal reason) are required to be submitted by the Subscriber. However, Nodal Office/POP may obtain documents, if required.
- Partial Withdrawal Form (with self-declaration) is available under **"Forms" section**, which is available under respective sector on this website www.npscra.nsdl.co.in.

8. Can Subscriber do Partial Withdrawal for Covid?

Yes, Partial Withdrawal is permitted for treatment of specified illnesses which includes Covid as well.

9. Are any supporting documents required to be submitted for Partial Withdrawal?

No supporting documents (w.r.t. stated withdrawal reason) are required to be submitted by the Subscriber for availing Partial Withdrawal. The Subscriber is required to accept the self-declaration for reason for Partial Withdrawal.

10. What Tax benefits are available in case of Partial Withdrawal?

The amount received by employee under the NPS is tax exempted.

11. What is the Process to be followed if Online Bank Account Verification (Penny drop) fails?

- **Due to Bank Account related rejection** - Subscriber is required to update the correct (new) Bank Account details in his/her NPS account. Once the Bank details are updated in CRA, then Subscriber can initiate new request in CRA System.

For updation of Bank details in CRA records, the Subscriber has an option to update the same online in CRA system (www.cra-nsdl.com) or submit Form S2 – Subscriber details change Form to associated POP. The Form S2 is available under "Forms" section, which is available under respective sector on CRA website (www.npscra.nsdl.co.in).

- **Due to name mismatch** – If failure in online Bank Account Verification (Penny drop) is due to name mismatch then the Subscriber is required to update his/her correct name in CRA/Bank records. Once the name of Subscriber is updated, then Subscriber can initiate new request in CRA System.

12. Is there any gap between two partial withdrawals?

No. However, you will receive 25% of own contribution made between two partial withdrawals.

13. What is the 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.
