New Pension Scheme
Standard Operating Procedure (SOP)  Version – 2.0
# Table of Contents

<table>
<thead>
<tr>
<th>Serial No.</th>
<th>Contents</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Preface</td>
<td>1</td>
</tr>
<tr>
<td>A</td>
<td>Salient future of NPS</td>
<td>2</td>
</tr>
<tr>
<td>B</td>
<td>Forms and Documents required to open NPS accounts</td>
<td>3</td>
</tr>
<tr>
<td>C</td>
<td>Service Charges and Initial Contribution</td>
<td>4</td>
</tr>
<tr>
<td>D</td>
<td>NPS Transactions flow</td>
<td>5</td>
</tr>
<tr>
<td>E</td>
<td>POP-SP (PO) check list</td>
<td>7</td>
</tr>
<tr>
<td>F</td>
<td>Issuance of receipt by POP-SP to Subscriber</td>
<td>7</td>
</tr>
<tr>
<td>G</td>
<td>Booking of NPS transactions in Point of Sale Module</td>
<td>8</td>
</tr>
<tr>
<td>H</td>
<td>Submission of Application Forms &amp; Documents to CRA-FC</td>
<td>10</td>
</tr>
<tr>
<td>I</td>
<td>Issuance of PRAN kit</td>
<td>10</td>
</tr>
<tr>
<td>J</td>
<td>PRAN (Permanent Retirement Account Number)</td>
<td>11</td>
</tr>
<tr>
<td>K</td>
<td>Acceptance of Subsequent Contribution Transactions</td>
<td>11</td>
</tr>
<tr>
<td>L</td>
<td>Other Services. – a. Tier-II Activation</td>
<td>11</td>
</tr>
<tr>
<td>M</td>
<td>Booking of NPS Tier-II activation in Point of Sale</td>
<td>12</td>
</tr>
<tr>
<td>N</td>
<td>Submission of forms &amp; Documents to NPS Nodal office</td>
<td>13</td>
</tr>
<tr>
<td>O</td>
<td>Contact details</td>
<td>14</td>
</tr>
</tbody>
</table>
Launching of NPS at India Post.

Preface

The Government of India (GOI) has introduced a new Defined Contribution Pension System known as the New Pension System (NPS) replacing the existing system of Defined Benefit Pension System vide Government of India, Ministry of Finance, Department of Economic Affairs Notification, dated 22nd December 2003. The NPS came into operation with effect from 1st January 2004 and was made applicable to all new employees to Central Government service, except to Armed Forces, joining Government service on or after 1st January 2004.

The GOI decided to roll out the Voluntary NPS for all citizens from 1st May, 2009. Hence, various facilities (like opening Permanent Retirement Account, contributing to NPS etc) will be required to be provided to all the citizens (known as ‘Subscribers’ in the NPS architecture) at various locations across India. These processes shall be carried out through the entities known as Points of Presence (POPs) appointed by the PFRDA. POPs shall provide the services under NPS through their network of branches called POP Service Providers (POP-SP).

The Department of Posts, would act as a POP for extending the new pension scheme on behalf of the Pension Fund Regulatory and Development Authority (PFRDA).

PFRDA has appointed the Department of Posts as POP to operate the scheme through identified Post Offices (POP_SP). India Post is one of the POPs appointed by the PFRDA.

The scheme was being made available through Head post offices on an experimental basis in Southern Region of Karnataka and Coimbatore region of Tamil Nadu. In the first phase, 49 Head post offices in the Southern Region of Karnataka and Coimbatore region of Tamil Nadu will act as POP-SP (Point of Presence- Service Provider). Now the NPS scheme was extended to All 808 Head Post offices throughout the country from 01.05.2010. The department would operationalise the NPS in terms of subscriber registration for opening new pension account, acceptance of forms, verification, processing and forwarding the forms to Central Record Agency-Facilitation Centre, initial contribution processing, regular subscriber contribution upload through Meghdoot Software, subscriber servicing, grievance handling and MIS uploading.

Any Indian citizen in the age group of 18 to 55 years could join and continue till 60 years. Minimum contribution is Rs. 500 a month and Rs 6,000 per annum and there should be a minimum of four contributions. Account holders could decide on the frequency and extent of contribution across the year as per their grievance. Subscribers’ contribution would be invested as per the scheme preference opted by the subscriber and options are low risk: low returns, moderate risk: moderate returns and high risk and high returns. The subscriber could opt for the options failing which the investment would be done in auto choice considering the age of the subscriber. The pension contribution would be invested in various schemes by any one of the seven pension fund managers appointed by PFRDA. The return on investments would be in the range of Ten to Twelve per cent.
A. Salient Futures of NPS

1. Types of NPS accounts.

Tier I - A Non-withdrawable account to which the Subscriber shall contribute his/her savings for building a retirement corpus. **This is mandatory.**

Tier II - A voluntary savings facility which provides liquidity to subscribers, i.e. subscribers will be free to withdraw their savings whenever they wish. **This is optional**

2. Eligibility.

a. All Citizens of India (Resident or Non Resident)
   Age Limit between 18 years to 55 years, As on date of submission of application to PO
   (Employees appointed before 01.01.2004 can also join to NPS)

b. Who cannot join to NPS
   i. Insolvent person
   ii. Individual of unsound mind
   iii. Pre-existing account holders under NPS
   iv. Person under 18 years of age (Minor).

3. Types of Transactions Handled by POP_SP (Pos)

   - Subscriber Registration ('Opening of Account')
   - Initial Subscriber Contribution ('First Deposit')
   - Subsequent Subscriber Contributions ('Subsequent Deposits')
   - Handling Service Requests from subscribers (including withdrawal requests)
   - Grievance handling.

4. Types of NPS accounts open by Subscriber.

   - Tier -I
   - Tier -I & Tier-II (Both)
   - Tier- II activation for Tier- I subscribers

   - Govt servants appointed after 01 Jan 2004 are eligible only for Tier II activation (since they are already covered under NPS, and having Tier I account)

   - Govt servants appointed prior to 01 Jan 2004 & other citizens can open both Tier-I and Tier-II NPS accounts.

   - Only Tier –II account cannot be opened without Tier-I account.
5. **Amount of Contribution in NPS**
   - Minimum amount per contribution: Rs 500
   - Minimum contribution per year: Rs 6000
   - Minimum number of contributions per year: 4
   - No maximum contribution
   - No periodicity prescribed
   - Contribute through cash, local cheque or DD can be accepted, but transaction booked after realization of cheque or DD. **Outstation cheques not accepted**

B. **Forms and Documents required to open NPS accounts.**
   (All forms available and downloaded from our web site → [www.indiapost.gov.in](http://www.indiapost.gov.in) → Forms)
   a. **Forms**
      - Application form for Subscriber Registration (UOS-S1) For Tier-I
      - Composite Application Form for Subscriber Registration (UOS-S1) for both Tier-I and Tier –II NPS accounts.
      - Application for Allotment of Permanent Retirement Account Number (PRAN) (Annexure-S1)
      - NPS Contributions Instruction Slip (NCIS) (Annexure NCIS)

   b. **Documents**
      - Identity Proof
      - Address Proof
      - Date of Birth Proof
      - Two Recent colour photos with size 3.5 X 2.5 cm

C. **Service Charges and Initial Contribution**
   Every NPS registration (Opening of Account) involves, 2- Types of Transactions
   a. Registration
   b. Initial Contribution

   Service Charge for Registration = Rs.20 +3 (Service Tax)
   Service charge for Initial Contribution = Rs.20+3 (Service tax)

   **Initial Contribution for Tier - I = Minimum Rs.500/-**
   **Initial Contribution for Tier-II = Minimum Rs.1000/-**

   **Illustration: 1**

   If only Tier –I account opened, then Registration service charge + Initial Contribution Service charge + initial contribution amount (23+23+500=546) should be collected.

   **Illustration :2**

   If both Tier –I and Tier –II accounts opened at a time, then Registration service charge+ Initial Contribution Service charges for both tiers + initial contribution amount for both tiers.
   i.e, (23+23+23+500+1000= 1569) should be collected
D. NPS Transactions flow

[Diagram showing the flow of transactions involving POP, CRA, Trustee Bank, NPS Trust, PFRDA, and other entities]

NPSCAN: NPS Contribution Accounting Network

Information Flow
Funds Flow

Orientation Workshop for POP by CRA

Subscriber
POP-SP
CRA (NSDL)
CRA-FC
Trustee Bank
PFMs
NPS Trust
PFRDA

Service Requests & Transaction Data
Registration Form
PRAN Kit

NPSCAN: NPS Contribution Accounting Network

1. Submission of Form
2. Verification of details and generation of receipt number
3. Consolidation & Submission of Forms
4. Generate PRN and/or Rejection Letter
5. Verification and generation of PRN
6. Scanning & Digitalization of Forms
7. Verification through PVR and Upload
8. Dispatch of PRAN kit
9. Information of PRAN
10. Data Download

Subscriber
POP-SP
CRA
FC Acceptance Centre
Upload Centre

NPSCAN
E. POP-SP (PO) check list for Subscriber Registration form: POP-SP should reject the form if the following details are not present in the Subscriber Registration Form.

1. See whether 3-Prescribed Applications filled with **Bold letter and Black Ink**
2. Subscriber’s Photo
3. Subscriber’s Signature/Thumb impression within the rectangular box
4. Subscriber’s Personal Details
   - First Name
   - Gender
   - Father’s First name
   - Date of Birth
   - Complete Present Address with Pin Code
   - Complete Permanent Address with Pin Code (if different from Correspondence Address)
5. Subscriber Scheme Preference
   - PFM selection (only one)
   - Asset Allocation (in case of Active Choice)
     i. Total should equal 100%
     ii. Equity should not exceed 50%
6. See whether all **mandatory ( * marked)** data fields correctly filled by the applicant; incomplete information to be pointed out and corrected before accepting
7. KYC Documents
   - Identity Proof
   - Address Proof
   - Date of Birth Proof
8. Collect the required amount (Cash) from the subscriber.

F. **Issuance of receipt by POP-SP to Subscriber:**

On successful verification of the forms submitted, POP-SP shall accept the same and shall generate an acknowledgement containing a Receipt Number. POP-SP shall handover the acknowledgment t to the Subscriber for the receipt of the application.

POP-SP shall generate 17 digit receipt number in POS module, on each receipt provided to the Subscriber containing the below mentioned logic:

**First 2 digits** (from left) – Type of request (Starting with 11 for Subscriber registration) 
(Starting with 12 for contribution)

**Next 7 digits** - Registration Number of POP-SP

**Next 8 digits** - Running sequence number

**Ex:** 11601000100000001 – 17 Digit Receipt number for Registration

The above 17 digit receipt number should be entered in the Application (UOS-S1), where space provided in first page of the application (Receipt number to be provided by POP-SP)

**Ex:** 12601000100000002 – 17 Digit receipt number for Contribution

The above 17 digit receipt number should be entered in the NCIS Application (Annexure NCIS), where space provided (Receipt number to be provided by POP-SP)
G. Acceptance and Booking of NPS transactions in Point of Sale Module.
   a. Registration Transaction.

   (Go to Tools menu ➔ deselect close screen after transaction, Then start booking of NPS txn)

Select Financials in main menu ➔ select ePayment ➔ select NPS trust ➔ enter the details
For Fresh registration type subscriber name, then select service type ➔ Registration Both Tiers
or Tier I. Click Print button, Receipt will be generated with 17 digit number. (11601000100000001)
(The receipt will be for Rs. 23/-). This number should be entered in UOS-SI application form.
b. Contribution transaction

After booking of NPS Registration transaction Contribution acceptance screen will appear automatically, with 17 digit receipt number generated for registration in the field PRAN number, Subscriber name & service type as Contribution- Both Tiers or Tier-I, then enter the amount in Tier-I and Tier-2 fields,(If Registration done for Both Tier-1 and Tier-2 then Contribution for tiers Tier-1 & Tier-2 is a must) collected from the subscriber. Click print button. Again 17 Digit receipt number generated (12601000100000002). This number should be entered in NCIS form.
H. Submission of Application Forms & Documents to CRA-FC.

- POP-SP shall submit the NPS application collected from subscriber to CRA-FC along with covering letter as well as the list of receipt numbers in duplicate **every day by hand or through Registered Post.** The covering letter of POP-SP shall contain the POP and POP-SP registration number and the total number of applications attached with the covering letter. As a good practice, POP-SP can have a running serial number for the covering letter for better control.

- POP-SP shall submit the application forms to CRA-FC with which it is mapped. The list of such mapping will be available at the website ‘www.npscra.nsdl.co.in’. In case of locations where the CRA-FCs are not located, POP-SP shall forward the applications along with documents to the nearest CRA-FC. The POP-SP should mention on the envelope the subject as “Subscriber Registration Form(s)”.

- On the receipt of the forms, CRA-FC shall conduct a preliminary level check of the forms.

- On successful preliminary verification by CRA-FC, POP-SP shall receive a Provisional Receipt containing one 15 digit Provisional Receipt Number (PRN) for each lot of fifty or less application forms. Provisional receipt issued by the CRA-FC shall contain CRA-FC stamp and signature.

- In case of discrepancy in preliminary verification, CRA-FC shall reject the applications and issue rejection memo mentioning reason for rejection across the counter. In case of rejection at the FC-digitisation centre, the rejection details will be sent by email to POP-SP. It may be mentioned that in both the cases, the rejected application form will not be returned to the POP-SP.

- It will be the responsibility of the POP-SP to communicate to the subscriber about the rejection of the form and get new form filled.

POP-SP shall ensure maintenance, reporting and retention of records of all transactions *(copy/couterfoil of form, rejection memo, etc)* in accordance with provisions of PML Act, 2002 and Rules framed there under, as may be applicable from time to time.

I. Issuance of PRAN kit:

After acceptance of NPS Applications from POP-SP, The CRA-FC Digitalize the documents and sent to CRA for issue of PRAN. On receipt of Digitalised Applications from CRA-FC , CRA will process the Registration. On successful registration of the Subscriber by the CRA , PRAN kit containing the PRAN card, Subscriber Master List, I-Pin/T-Pin to access CRA system/Interactive Voice Response system and information brochure will be dispatched to the Subscriber within 15 days of receipt of the application form by CRA-FC acceptance centre/CRA. Subscriber/POP-SP can view the status of the application form submitted to CRA-FC/CRA by using the acknowledgement number/receipt number on CRA website ‘www.npscra.nsdl.co.in’.
J. **PRAN (Permanent Retirement Account Number)**

- Permanent Retirement Account Number (PRAN) is a unique number allotted to every individual who joins the NPS
- PRAN is allotted by CRA
- PRAN is common to both Tier I & Tier II
- One individual is eligible for one PRAN only.

K. **Acceptance of Subsequent Contribution Transactions**

- For acceptance of Subsequent contributions PRAN number is mandatory.
- Only NCIS form should be collected
- Same procedure to be followed for acceptance of Contribution transaction explained above.
- In the NPS booking screen, PRAN number filed PRAN number must be entered.
- NCIS form should be kept in the post office, need not to be sent to anywhere
- **Service Charges & Contribution amount for subsequent transaction**
  - Subsequent contribution for Tier –I account = Contribution Service charge +Minimum contribution amount (23+500= 523) should be collected.

L. **Other Services. – a. Tier-II Activation**

This is a voluntary savings facility account which provides liquidity to subscribers, i.e subscribers will be free to withdraw their savings whenever they wish. The Subscriber who is already having Tier-I NPS account can activate the Tier -II account.

**Eligibility Conditions.**

- Age Limit between 18 years to 55 years, As on date of submission of application.
- The Subscriber must having Tier-I NPS account.
- Subscriber must have **Bank account number with cheque book facility.**
- Govt. servants appointed after 01 Jan 2004 are eligible for Tier-II activation.
- Minimum Initial contribution amount is Rs.1000/-
- Minimum Subsequent contribution amount is Rs.250/- per transaction.

**Forms & Documents (For Tier-II activation)**

- Form UOS-S10 - Subscriber who has been registered for Tier-I and issued a PRAN card:
- Form UOS-S11 - Subscriber who has been registered for Tier-I and not issued a PRAN card
- Annexure NCIS- NPS Contribution Instruction slip.

**Documents**

- Copy of PRAN card
- One Cancelled cheque leaf
M. POP-SP (PO) check list for Subscriber Registration form: POP-SP should reject the form if the following details are not present in the Subscriber Registration Form.

- See whether Prescribed Applications filled with **Bold letter and Black Ink only**.
- Subscriber’s Signature/Thumb impression within the rectangular box
- Subscriber Scheme Preference
  - PFM selection (only one)
  - Asset Allocation (in case of Active Choice)
    - Total should equal 100%
    - Equity should not exceed 50%)
- See whether all **mandatory** (*marked*) data fields correctly filled by the applicant; incomplete information to be pointed out and corrected before accepting
- Collect the required amount (Cash) from the subscriber.

**Service Charges & Contribution amount for Tier-2 Activation transaction**

For Tier –II account activation = Activation Service charge + Initial Contribution Service Charge + Minimum contribution amount (23+23+1000= 1046) should be collected

N. **Acceptance and Booking of NPS transactions in Point of Sale Module.**

  a. **Tier-II activation Transaction.**

Select Financials in main menu → select ePayment → select NPS trust → enter the details PRAN number, subscriber name, then select service type → Subscriber Tier-2 Activate. Click Print button, Receipt will be generated with 17 digit number. (21601000100000001) (The receipt will be for Rs. 23/-). This number should be entered in UOS-S10 or UOS-S 11 application form.
b. Acceptance of Contribution transaction for Tier-2 activation.

After booking of NPS Tier-2 activation transaction Contribution acceptance screen will appear automatically, with 12 digit PRAN number, Subscriber name & service type to be selected as Contribution- Tier-2, then enter the amount collected from the subscriber. Click print option. Again 17 Digit receipt number generated (12601000100000002). This number should be entered in NCIS form.

O. Submission of forms & Documents to NPS Nodal office

The application (UOS-S10) collected from subscriber along with documents (copy of PRAN + Cancelled Cheque leaf) Should be sent to NPS Nodal Office Mysore, for Activation through Registered Post. And also send scanned copies of Forms and documents to NPS nodal office via email.

P. All the NPS transactions are done through ePayment, All other process are the same as in other ePayment transactions. Supervisor/ System Administrator must ensure after day end in the Point of Sale (POS), whether ePayment communication is running and all the files were transferred every day.
Q. Contact details:

a. **NPS, Nodal office PTC, Mysore:**

   Phone & Fax: 0821+2441010
   email: nps@indiapost.gov.in

b. **CRA, Mumbai,**

   National Securities Depository Limited
   4th floor, 'A' Wing, Trade World,
   Kamala Mills Compound, Senapati Bapat Marg,
   Lower Parel, Mumbai - 400 013.
   Tel: (022) 2499 4200 (60 lines), Fax: (022) 2495 2594/2499 4974
   Toll free number: 1800222080

c. **CRA website:** www.npscra.nsdl.co.in

**Note:-**

a. All the forms related to NPS transactions are available at our home page i.e, our website www.indiapost.gov.in . All are requested to download the forms and kept in Post office counters.

b. This NPS SOP and NPS PPT was kept in our PTC- ftp site. Please issue instructions to all to download the same and kept it in office.

c. The Following information’s are available in CRA website www.npscra.nsdl.co.in
   - All required NPS transaction forms also available and can be downloaded.
   - Offer documents for NPS and SOP for NPS is also available.
   - Post office can track the status of the subscriber Registration & PRAN generation ,by giving the 17 Digit receipt number and Pop-SP registration number.
   - Location of nearest CRA-FC can be identified.
   - POP and POP-SP registration numbers.
   - NAV of each PFM is also available.