

# Exit/Withdrawal from NPS - Swavalamban

## Exit / Withdrawal from NPS -Swavalamban

### **Exit before attainment of 60 years of age:**

- Subscriber would be required to invest minimum 80 % of accumulated savings (pension wealth) to purchase annuity.
- Subscriber can withdraw balance 20%.

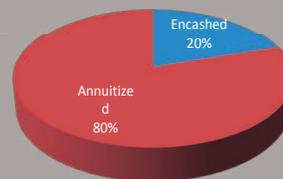
### **Exit upon attainment of 60 years of age:**

- Subscriber would be required to invest minimum 40% of accumulated savings (pension wealth) to purchase annuity.
- At the time of exit, the effort is to give a monthly pension of Rs.1000/-. If 40% of corpus is not sufficient to give pension of Rs.1000/-entire pension wealth would be subject to annuitisation.

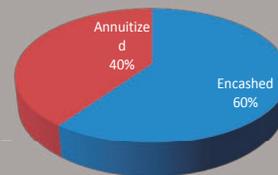
### **Exit due to death of subscriber :**

- Entire accumulated pension wealth would be payable to the nominee/legal heirs of the subscriber.

### **Exit before 60 Years**



### **Exit on 60 years**



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## Trainer /Facilitator Information

Presenter should explain the exit/withdrawal process .

Subscribers can normally exit from New Pension System (NPS) on attaining the age of 60. Any exit before the age of 60 is permitted but will be deemed as pre-mature withdrawal.

**Normal Exit :** On attaining the age of 60 years, a subscriber would be required to invest minimum 40% of his / her accumulated savings (pension wealth) to purchase a life annuity.

A subscriber may choose to purchase an annuity for an amount greater than 40%. The remaining pension wealth can either be withdrawn in a lump sum on attaining the age of 60 or in a phased manner, between age 60 and 70, at the option of the subscriber.

**Premature withdrawal:** On premature withdrawal of the subscriber, 80% of the corpus has to be annuitized and the subscriber can withdraw remaining wealth.

**Death:** On death, the entire corpus of the subscriber will be handed over to the nominee of the subscriber.

The withdrawal request can only be submitted to the aggregator.

It should be made clear that once the withdrawal request is executed in full, the NPS account is closed in the system and corpus in the account will be disbursed as per instructions in the withdrawal request.