



Protean eGov Technologies Limited

Frequently Asked Questions (FAQs) on Systematic Lumpsum Withdrawal (SLW)

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What is Systematic Lumpsum Withdrawal (SLW)?

Systematic Lumpsum Withdrawal (SLW) is a facility under NPS wherein upon Superannuation exit, lumpsum corpus can be withdrawn in a phased manner. Subscriber has an option to withdraw desired amount systematically at regular periodic intervals i.e. Monthly, Quarterly, Half-Yearly or Yearly. This is similar to Systematic Withdrawal Plan under Mutual Funds.

What are the benefits of opting SLW as compared to one time lumpsum withdrawal?

With SLW facility, Subscriber will get following benefits:

- ✓ It will help Subscriber to generate regular cash flows.
- ✓ Along with Annuity, the regular cash flows through SLW will lead to increase in the monthly income of the Subscriber.
- ✓ SLW is a Tool for additional Wealth Creation as returns shall continue to accumulate on the remainder Corpus which remains invested under NPS.

What are the features of SLW?

- ✓ Subscribers who are eligible for Superannuation Exit (i.e. exit upon retirement / exit on or after completion of 60 years) are eligible to opt SLW facility
- ✓ Lumpsum corpus (i.e. maximum 60% NPS corpus, which is permitted to be withdrawn upon exit) can be utilised by Subscriber for SLW facility. *In case, a Subscriber is eligible for complete withdrawal, if his/her corpus is upto 5 lac, then such subscriber can utilise 100% corpus for SLW.*
- ✓ At present, any date out of 1st / 5th / 10th / 15th / 20th / 25th of month can be opted as "SLW Date".
- ✓ Two different options available for opting SLW:
 - **SLW based on age** – In this option, Subscriber can select his/her age upto which SLW facility is required)
 - **SLW based on instalment amount** – In this option, Subscriber can select the amount which he wish to withdraw systematically as per decided frequency.

What is frequency option available to Subscriber for SLW?

The option of Monthly, Quarterly, Half-Yearly or Yearly Frequency is available to Subscriber.

How can a Subscriber activate SLW facility for his / her NPS Account?

- ✓ Subscriber can initiate SLW at the time of submitting Superannuation/Exit at 60 withdrawal request in CRA system.
- ✓ At the time of initiating exit request, an option is available to Subscriber either to opt for SLW or withdrawal complete lumpsum amount
- ✓ Subscriber needs to select the SLW option and provide relevant details for activation of SLW
- ✓ If in case, SLW facility is not opted at the time of exit, then Subscriber can also initiate SLW request subsequently any time prior to processing of exit request in CRA system.

Is SLW request required to be verified/authorized by Nodal Office/POP/CRA/any other Entity?

Subscriber can initiate SLW request in the CRA system with Dual OTP or eSign. There is no requirement to verify/authorize SLW request by Nodal Office / POP / CRA or by any other entity.

How will Subscriber get to know about activation of SLW facility for PRAN?

Subscriber will get SMS/Email Alerts from Protean CRA on activation of SLW as well as after credit of funds in his/her Bank Account. Mobile number and email ID should be updated in CRA system to receive such alerts.

When will Subscriber get first instalment amount of SLW?

First SLW will start only after Subscriber attains Date of Superannuation/Retirement/60 Years of Age and his / her exit request is authorised in the CRA system. The amount will be credited in Subscribers Bank Account as per SLW Frequency and SLW date opted by the Subscriber.

What timelines for credit of SLW amount in Subscriber's account?

There will be a gap of 5 days for start of SLW after authorisation of Superannuation exit request in CRA.

For example: SLW Date is say 1st of the month & frequency selected is Monthly. Date of Superannuation/Retirement (DOR) – July 31, 2023

- ✓ If exit request is authorised on July 25, 2023, SLW will start from August 1, 2023.
- ✓ If exit request is authorised on July 28, 2023, SLW will start from Sept 1, 2023.

- ✓ If exit request is authorised on August 10, 2023, SLW will start from Sept 1, 2023.
 - In the event of SLW date is Saturday/Sunday or Business Holidays then SLW will get executed in the CRA system on the next working day.
 - Funds will be transferred to the bank account on T+ 2 days, where "T" is the date of execution of SLW in the CRA system.

What is the maximum tenure for which SLW can be opted?

SLW can be opted for maximum till the time Subscriber attains 75 years of age.

Can a Subscriber contribute an additional amount or withdraw partially during SLW facility?

At present, once SLW is started, option of contribution submission or partial withdrawal is not available to Subscriber.

What types of requests / Transactions can be carried out by Subscriber with active SLW?

At present, below request can be carried out by Subscriber:

- ✓ Modification of Bank Details
- ✓ Updation of Contact Details (Mobile Number and/or email ID)
- ✓ Modify / Cancel SLW

What are the charges applicable for SLW?

Systematic withdrawal will be considered as a transaction and accordingly, transaction charges will be levied by CRA. Charges will be recovered from PRAN by way of unit deduction alongwith other charges (such Annual Maintenance Charges, penny drop verification etc.) on a quarterly basis.

How can a Subscriber check status of SLW request in CRA system?

Subscriber can check the status of SLW request in CRA system by logging to their account by accessing Continuation & Withdrawal -> Systematic Lumpsum Withdrawal (SLW) -> Status View option. Apart from status, Subscriber can also check details of Instalments.

Can SLW be modified/cancelled in future?

Yes, if Subscriber wishes to modify/cancel SLW then same can be done by submitting request in CRA system.

Will the valuation of balance NPS amount change during SLW or will it be freezed?

After opting SLW, the balance corpus will remain invested in NPS as per the scheme choice opted by Subscriber.

What will happen to balance lumpsum corpus &/or annuity, if after opting SLW Subscriber expires?

In case of unfortunate demise of Subscriber during systematic withdrawal, entire corpus will be paid to the nominee / legal heirs. If annuity corpus is not withdrawn, then as per PFRDA Exit guidelines, in case of Govt. Sector, Nominee/legal heir will have to mandatorily opt for Annuity whereas in case of Non Govt. Subscriber annuity will be optional.

Is SLW applicable for all types of Exit under NPS?

Subscribers who are eligible for Superannuation or Exit at 60 withdrawal can only opt for SLW option. At present, SLW facility is not available for Premature/Incapacitation/Death Exit.

Can I opt SLW if I continue & contribute my NPS Account post retirement/60 years of age?

Yes. SLW can opt till 75 years of age.
