Central Recordkeeping Agency

NSDL e-Governance Infrastructure Limited

Standard Operating Procedure (SOP)

for

One way Switch by POP / POP - Service Providers (POP-SP)

(Version 1.0)

Acronyms and Abbreviations

The following definitions, acronyms & abbreviations have been used in this document:

ACRONYM	DESCRIPTION
CRA	Central Recordkeeping Agency
CRA-FC	CRA Facilitation Centre
DSC	Digital Signature Certificate
NPS	National Pension System
PFRDA	Pension Fund Regulatory and Development Authority of India
NSDL	NSDL e-Governance Infrastructure Limited
PRAN	Permanent Retirement Account Number

Important terms defined:

IMPORTANT TERMS	DESCRIPTION
CRA-FC

POP

POP-SP | CRA-FC is Facilitation Centre appointed by CRA to facilitate Nodal Offices (PoP) to submit applications for allotment of PRAN

PFRDA has appointed entities known as Points of Presence (POPs) to extend customer interface for all citizens of India, who wish to open Permanent Retirement Account (PRA) with CRA for the purpose of subscribing to the NPS.
PoPs shall provide the services under NPS through their network of branches called PoP Service Providers (PoP-SP) |
PRAN	12 digits unique Permanent Retirement Account Number allotted by CRA to each Subscriber registered in CRA system.
Subscriber	The citizen of India who has opened Permanent Retirement Accounts (PRA) with CRA for the purpose of subscribing to the NPS.
Maker User	The user responsible for entering/capturing various requests in the CRA system.
Authoriser/Checker User	The user responsible for authorising and confirming the details entered/captured by the maker user of the same POP-SPs.

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One way switch:

1. A. Introduction

All the NPS subscribers registered under All Citizens of India [Unorganised Sector (UOS)] and Corporate sector and having both Active Tier I and Tier II accounts have the facility to switch funds from Tier-II to Tier-I account. This facility is called 'One Way Switch'. Under the functionality of one way switch, the subscriber has an option to transfer funds from Tier II to Tier I account, however the vice-versa is not allowed i.e., transfer of funds from Tier I to Tier II account is not allowed. For availing this facility, the Subscriber is required to submit a written request at its parent POP-SP. POP/POP-SP will execute the 'One way switch request' in the CRA system for the subscribers associated with them. This document describes the standard operating procedure to be followed by POP for execution of 'One way switch' request.

1. B. Salient Features of one way switch:

1. NPS subscribers from UOS and Corporate Sector with Active Tier I and Tier II accounts can opt for the facility of one way switch to transfer funds from Tier II to Tier I account.

2. Transfer of funds from Tier II to Tier I without any minimum or maximum limit in amount.

3. There is no maximum limit on the number of one way switches that can be requested by a Subscriber depending on the availability of holding in the PRAN.

4. The amount switched is considered as contribution to Tier I account and hence will be considered for fulfillment of criterion of minimum contribution amount in Tier I.

1.   C. Below is the brief process flow for 'One way switch':

*   The Subscriber has to submit the request as per the prescribed format at any POP-SP of his/her POP. The form (UOS-S) for request for switch (from Tier II to Tier I) can be freely downloaded from CRA website www.npscra.nsdl.co.in.

*   POP-SP shall verify the request before processing the request in the CRA system. POP-SP should check the following details:

> ➢ The PRAN provided is under UOS or Corporate Sector model
> ➢ Validity of the PRAN mentioned by the Subscriber
> ➢ PRAN (Subscriber) association with the POP-SP
> ➢ The status of Tier I & Tier II account

- POP-SP shall issue a 17 digit receipt number as an acknowledgment for the accepted request. POP/POP-SP shall generate this receipt number for the request. The 'Receipt Number' should be as per the algorithm specified by CRA as mentioned below:

  ➢ First 2 digits (from left) – Type of request e.g., **22** for One way switch.
  ➢ Next 7 digits - Registration Number of POP-SP e.g., 6000002
  ➢ Next 8 digits - Running sequence number eg.00000001

  For Example: 17 digit receipt number will be "22600000200000001"

- Upload of MIS by the POP in the CRA system
- Capturing of the request by POP/POP-SP (maker user) in the CRA system
- Authorization of One way switch request by POP/POP-SP (checker user) in the CRA system.
- POP has to retain the form and need not send any supporting documents to CRA FC.

The activities that will be performed by POP & POP-SP in case of Centralized Model and Decentralized Model are given below:

Activity	Centralized Model	Decentralized Model
Acceptance of One way switch request from subscriber	POP-SP	POP-SP
Issuance of acknowledgment receipt to subscriber	POP-SP	POP-SP
Capturing of One way Switch request	POP (by maker)	POP-SP (by maker)
Authorization of One way switch request	POP (by checker)	POP-SP (by checker)
Upload of MIS	POP	POP-SP

Summary

- POP-SP shall accept the One way switch request for a Subscriber who is associated with it.
- POP-SP to verify the request and shall issue 17 digit receipt number as an acknowledgment for the accepted request.
- POP/POP-SP to upload MIS in the CRA system for the accepted requests.
- POP/POP-SP shall process the request in the CRA system by using DSC based user IDs allotted by CRA.

2.1. MIS upload

POP/POP-SP shall upload the MIS in the CRA system for the one way switch requests similar to various other functions carried out by POP under NPS such as acceptance of Subscriber registration applications for allotment of PRAN, contribution acceptance, etc. The MIS uploaded for one way switch can be rejected if the status of the PRAN (either the Tier I or Tier II) is inactive/deactive/frozen in the system. MIS

2.2. Capturing and authorization of One way Switch request:

2.2.a. Capturing the request in the system:

- POP/POP-SP shall login to CRA system with DSC based Operational User ID allotted by CRA as given below (*Figure 1*)

Figure 1
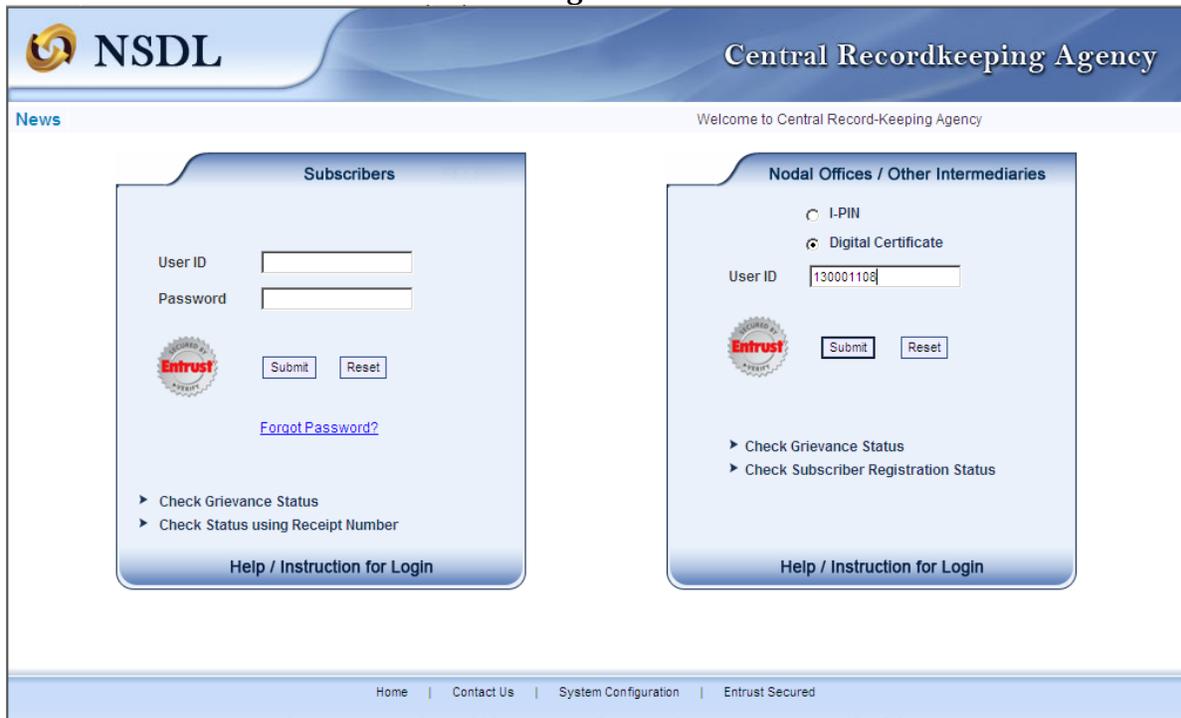
- On successful login, the home page containing the various menus, as shown below in **Figure 2** will be displayed.

Figure 2

- From the menu, POP/POP-SP shall click on the 'Transaction' menu and select the option **, 'One way Switch'** as shown above in **Figure 2**

- CRA system will prompt the POP/POP-SP user to capture the PRAN for which one way switch request is to be initiated in the CRA system as shown below in **Figure 3:**

Figure 3

- POP/POP-SP user shall enter the PRAN mentioned in the request form and click on the '**Submit'** button. Once the **'Submit'** button is clicked, a screen as shown below in **Figure 4** will be displayed to the POP/POP-SP user.

Figure 4

- On submitting the PRAN, the name of the subscriber will appear to the user along with a link to verify the Signature of the Subscriber. The user shall verify the signature appearing in the CRA system with the signature available in the form.

- The user then has to enter the 17 digit Receipt Number as well as the amount for which the switch has to be executed (an additional option of switching the entire holdings too is available) as shown in **Figure 5**.

Figure 5
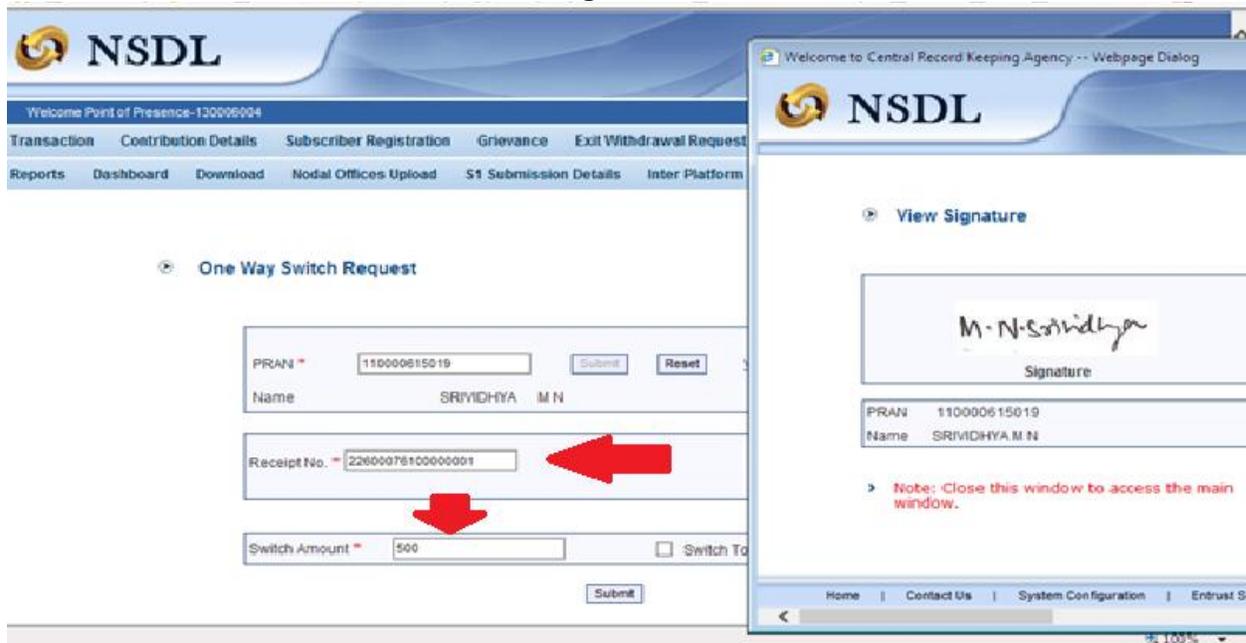
- The switch request will be captured only in amounts and the same will be made as per the existing scheme allocation ratio for the subscriber.
- On completion of capturing the above said details, the user has to click on the 'Submit' button after verifying the signature of the subscriber with the request form submitted. The system will ask for confirmation or cancellation of capturing process as mentioned in **Figure 6.**

Figure 6

- The user has to click 'confirm' button for the request to get captured. Once the request is successfully captured in the system, the system displays the system generated Acknowledgement number as shown in Figure 7 stating the message 'pending for authorization'

Figure 7

Note: The request will not be captured in the CRA system in the following circumstances: In such case, the reason/error message will be displayed to the user as shown in Figure 8 (few of the below criteria).

➢ MIS has not been uploaded in the system

- ➢ Insufficient balance in Tier II account
- ➢ The Tier I or Tier II is in "Freeze" status
- ➢ Previous 'One way switch request' is pending for authorization
- ➢ Request not captured during business hours .e.g. approximate business hours may be from 8.30 a.m. to 8.30 p.m. and request captured during the period will be accepted.
- ➢ The amount mentioned to be switched is not numeric or negative (less than zero)
- ➢ The subscriber belongs to government sector.

Figure 8

Dashboard	Download	CGMS Back Office	Nodal Offices Upload	S1 Submission Details	Transaction Statement	Knowledge Centre

• Request cannot be captured, as either MIS for this request is not uploaded or the MIS combination may not be correct.

⊗ **One Way Switch Request**

* Mandatory Fields

PRAN * `110001280242`   Submit   Reset   View Signature

Name   LAXMAN   OBALAPURAM

Receipt No. * `22622599500000001`

Switch Amount * [   ]   ☑ Switch Total Holdings

Welcome Point of Presence-130006004   28-May-2015   Home | Logout

Transaction	Contribution Details	Subscriber Registration	Grievance	Exit Withdrawal Request	User Maintenance	Document Management	Views	MIS	Reports

Dashboard	Download	CGMS Back Office	Nodal Offices Upload	S1 Submission Details	Transaction Statement	Knowledge Centre

• The One Way Switch Request can not be processed for Central or State (CG/SG) Govt. Subscriber.

⊗ **One Way Switch Request**

* Mandatory Fields

PRAN * `110070281867`   Submit   Reset

Home | Contact Us | System Configuration | Entrust Secured

Best viewed in Internet Explorer 7.0 & above or Mozilla Firefox Ver 3 & above with a resolution of 1024 X 768.

Central Recordkeeping Agency

| Welcome Point of Presence-130006004 | 28-May-2015 | Home \| Logout |

Transaction | Contribution Details | Subscriber Registration | Grievance | Exit Withdrawal Request | User Maintenance | Document Management | Views | MIS | Reports

Dashboard | Download | CGMS Back Office | Nodal Offices Upload | S1 Submission Details | Transaction Statement | Knowledge Centre

⊙ One Way Switch Request

PRAN	110092878939
Name	DICKY NARAYAN
Receipt No.	22601422300000011
One Way Switch Request has been Rejected.	
Reason of Rejection *	Insufficient Balance in account.

Home | Contact Us | System Configuration | Entrust Secured

Best viewed in Internet Explorer 7.0 & above or Mozilla Firefox Ver 3 & above with a resolution of 1024 X 768.

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2.2.b. Authorization of One way switch request

- POP/POP-SP User (Checker/Verifier) user needs to go to menu 'Transaction and click on the option 'Authorize Transaction' as shown below in *Figure 9*

Figure 9

- User has to choose the transaction type as 'One Way Switch' as shown in **Figure 10**.

- *Figure 10*
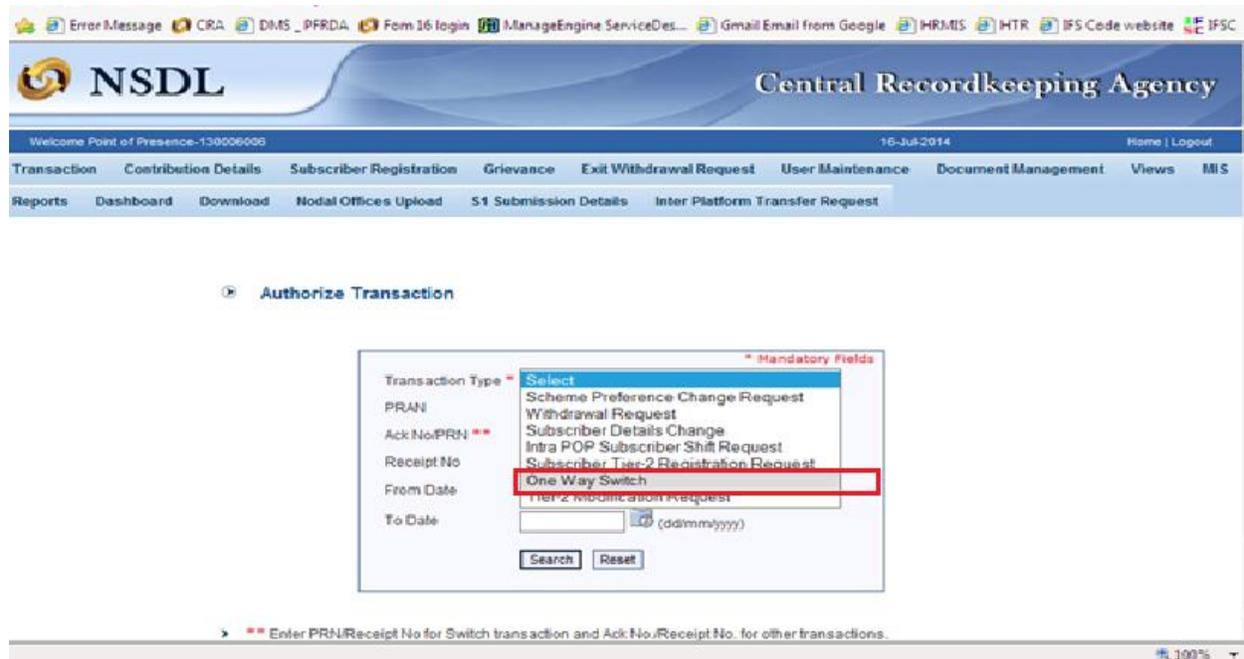
- On selecting the required option, the screen **below as shown in Figures 11 (a and b)** will be displayed to the user.

Figure 11 (a)

Figure 11 (b)

- As shown in the above **Figure 11(a)** POP/POP-SP shall provide the PRAN or the acknowledgement number generated at the time of capturing of the request.

User also has the option to search the request by providing the required date range as shown in above in **Figure 11 (b)**.

- After entering the details either the PRAN or the ack. ID as shown above (figure 11(a)), POP/ POP-SP user shall click on the **'Search'** button. Once the user clicks on to the search button, the system pops up with the details about the 'One way switch' requests pending for authorization as shown below in **Figure 12 (a)**

Figure 12 (a)
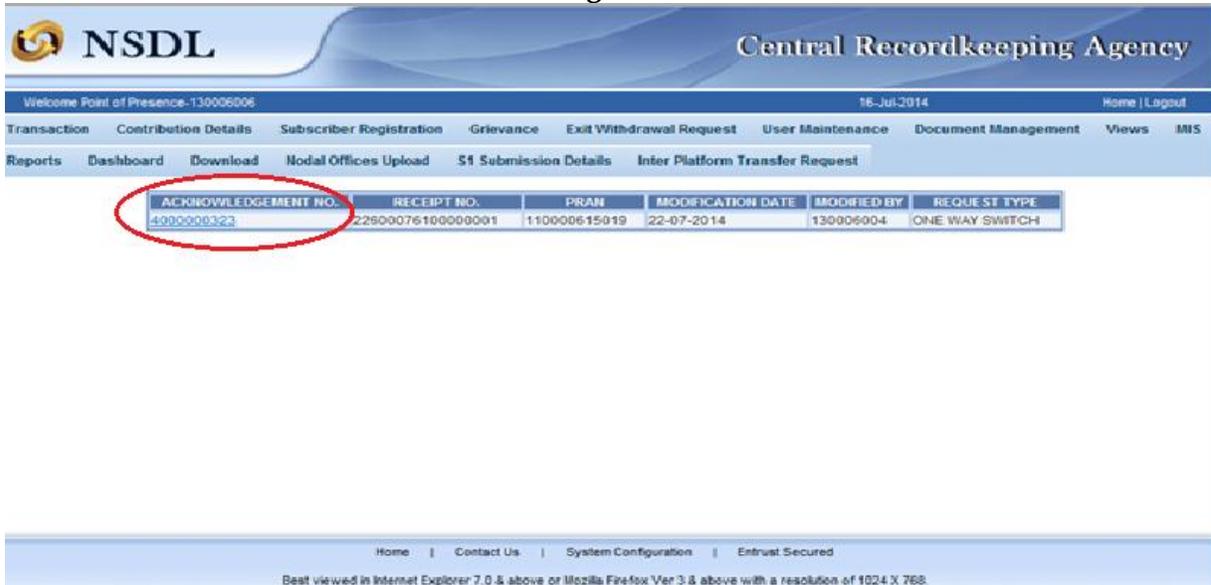
- The user can also search the pending request for authorization by entering the date range as shown in the above **Figure 11(b).** The below given **Figure 12 (b)** displays captured request in the specified date range which is pending for authorisation in the system.

Figure 12 (b)

- To authorize the switch request, the user needs to click on the 'Acknowledgement number' (highlighted in blue color in Figure 12). Once the user clicks the Acknowledgement number, the authorization screen appears as shown in **Figure 13**.

Figure 13
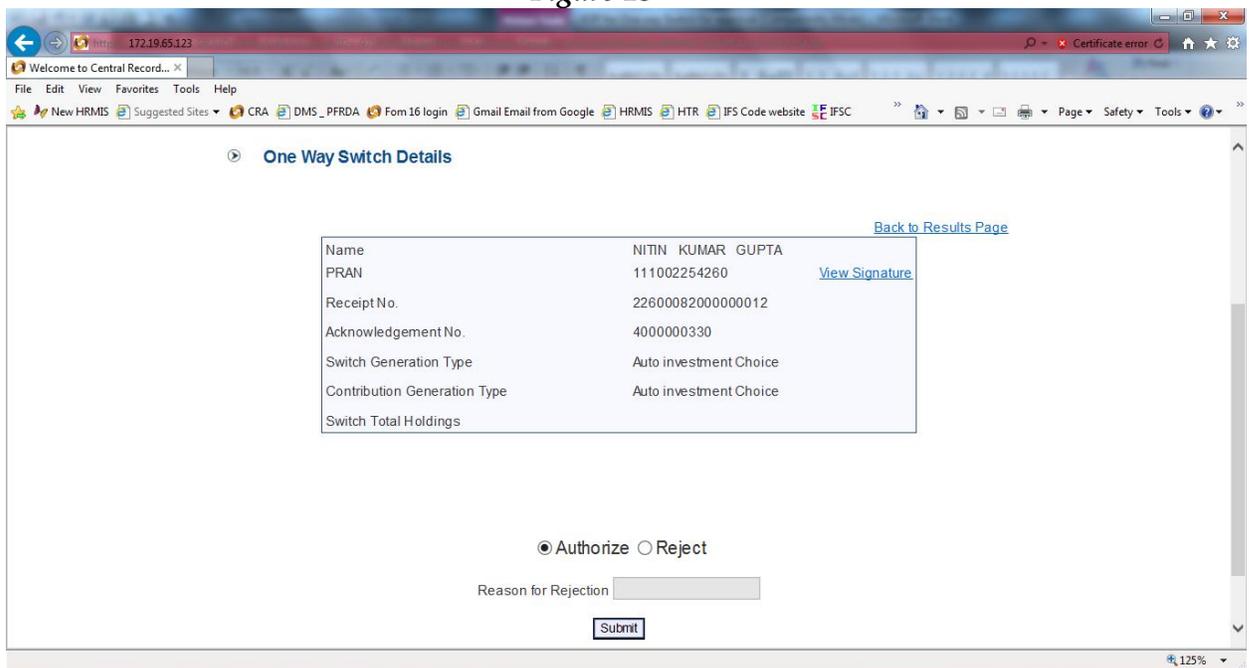
- The user can either accept or reject the authorization request. In case if the user wants to reject the captured request, the POP/POP-SP user has to select the option as Reject and mandatorily enter the rejection reason in the populated section as shown in the below **Figure 14** and click on submit button

Figure 14

- On submission of rejection, the status of rejected request will be displayed in the CRA system as shown in *Figure 15 below* with the rejected reason mentioned in the above **Figure 14** highlighted in red

Figure 15
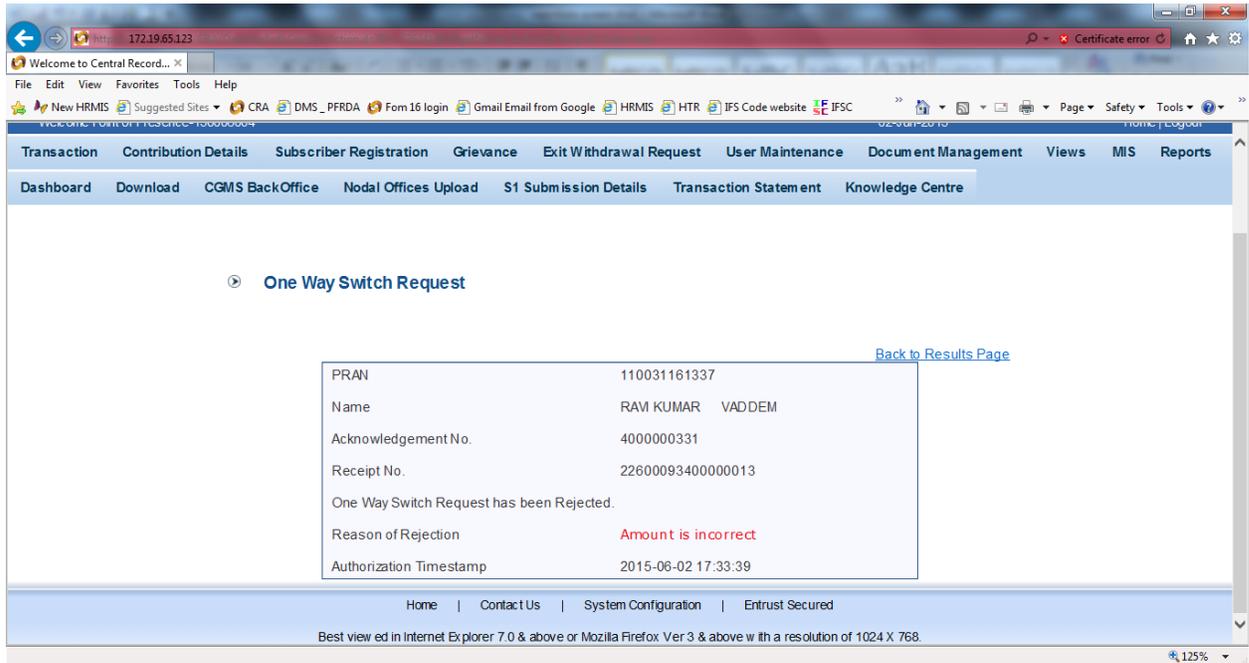
- If all the details captured is correct then the POP/POP-SP user may click 'submit' button as shown below in *Figure 16* to authorize the switch request after verifying the signature in the system.

Figure 16
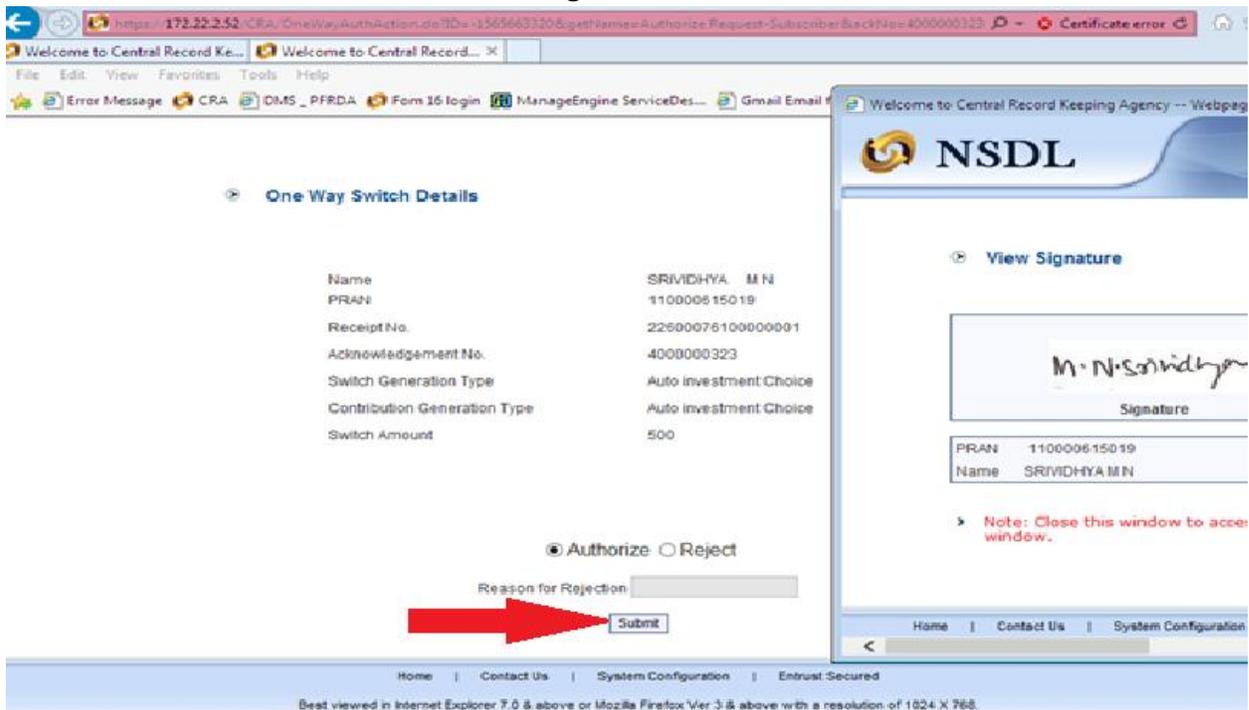
- After verification, a confirmation screen is displayed along with the details of 'One way switch request' as mentioned in **Figure 17.**

Figure 17

- On authorization of one way switch request, the units to be switched from schemes of Tier II will be blocked immediately.

- Once the request is authorized, the transaction will be effected in the subscribers' account and units will be redeemed from Tier II and reinvested in Tier I account as per the request.

- A sample view of the transaction statement after completion of the switch of units shown as under in Figure 18:

Figure 18

PRAN: 110050994608
Name: SHRI HEMANTHA KUMAR BALLA
Tier-1 Details:
Tier-1 Status:Active   Activation Date:22/07/2010
Tier-2 Details:
Tier-2 Status:Active   Activation Date:24/01/2014
Statement Date: Aug 28, 2014 02:35 PM
From 01/04/2014   To 28/08/2014

Change in Subscriber details

Date	Transaction Type	Remarks
26/07/2014	ONE WAY SWITCH	One Way Switch From Tier-2 To Tier-1

Tier-1 Details

Change in Tier details

Date	Transaction Type	Remarks	
06/05/2014	On account of Rebalancing of Assets as per Regulatory Requirement	New % Allocation - Scheme Preference Type- AUTO CHOICE, PFM - SBI PENSION FUNDS PRIVATE LIMITED, Scheme Name - SBI PENSION FUND SCHEME E - TIER I = 44% PFM - SBI PENSION FUNDS PRIVATE LIMITED, Scheme Name - SBI PENSION FUND SCHEME C - TIER I = 27% PFM - SBI PENSION FUNDS PRIVATE LIMITED, Scheme Name - SBI PENSION FUND SCHEME G - TIER I = 29%	Old % Allocation - Scheme Preference Type- AUTO CHOICE, PFM - SBI PENSION FUNDS PRIVATE LIMITED, Scheme Name - SBI PENSION FUND SCHEME E - TIER I = 46% PFM - SBI PENSION FUNDS PRIVATE LIMITED, Scheme Name - SBI PENSION FUND SCHEME C - TIER I = 28% PFM - SBI PENSION FUNDS PRIVATE LIMITED, Scheme Name - SBI PENSION FUND SCHEME G - TIER I = 26%

Investment Details

Date	Particulars	Contribution Subscriber Contribution (Rs.)	Total (Rs.)
01/04/2014	Opening Balance	25933.58	25933.58
01/08/2014	By Contribution - Tier-2 to Tier-1	18908.38	18908.38
	Total	44,841.96	44,841.96

Transaction Details

SBI PENSION FUND SCHEME C - TIER I

Transaction Date	Transaction Type	% Allocation	Net Amount (Rs.)	NAV (Rs.)	Credit (Units)	Debit (Units)	Balance Units
01/04/2014	Opening Balance						477.6336
06/05/2014	To Switch out to SBI PENSION FUND SCHEME G - TIER I(GOVERNMENT SECURITIES) On account of Rebalancing of Assets as per Regulatory Requirement	0	82.37	16.7892		4.9065	472.7271
01/08/2014	By Contribution - Tier-2 to Tier-1	27	5105.26	13.2191	386.2032		858.9303
28/08/2014	Closing Balance						858.9303

Value of closing units balance at NAV of   18.1191   as on 04/08/2014 is Rs. 15,563.04

SBI PENSION FUND SCHEME E - TIER I

Transaction Date	Transaction Type	% Allocation	Net Amount (Rs.)	NAV (Rs.)	Credit (Units)	Debit (Units)	Balance Units
01/04/2014	Opening Balance						1007.9312
06/05/2014	To Switch out to SBI PENSION FUND SCHEME G - TIER I(GOVERNMENT SECURITIES) On account of Rebalancing of Assets as per Regulatory Requirement	0	1337.38	14.2030		94.1624	913.7688
01/08/2014	By Contribution - Tier-2 to Tier-1	44	8319.68	13.0111	639.4294		1553.1982
28/08/2014	Closing Balance						1553.1982

Value of closing units balance at NAV of   18.0111   as on 04/08/2014 is Rs. 27,974.80

SBI PENSION FUND SCHEME G - TIER I

Transaction Date	Transaction Type	% Allocation	Net Amount (Rs.)	NAV (Rs.)	Credit (Units)	Debit (Units)	Balance Units
01/04/2014	Opening Balance						472.7500
09/05/2014	By Switch In From SBI PENSION FUND SCHEME E - TIER I(EQUITY) On account of Rebalancing of Assets as per Regulatory Requirement	0	1337.38	15.0703	88.7427		561.4927
09/05/2014	By Switch In From SBI PENSION FUND SCHEME C - TIER I(CORPORATE BONDS) On account of Rebalancing of Assets as per Regulatory Requirement	0	82.37	15.0703	5.4657		566.9584
01/08/2014	By Contribution - Tier-2 to Tier-1	29	5483.44	13.1231	417.8463		984.8047
28/08/2014	Closing Balance						984.8047

Value of closing units balance at NAV of   18.1231   as on 04/08/2014 is Rs. 17,847.71

Total Value of Investments across all schemes as on 04/08/2014 is Rs. 61,385.55

3. Timelines

- On execution of the request on day T, the units from Tier II will be blocked immediately. Redemption (withdrawal of units) will happen on T or T+1 depending on authorization of request before or after Pay-In (i.e. 1.30 p.m.). T being the date of execution.
- The Latest available NAV will be considered for units' redemption.
- On T+3, units will be credited in the subscriber's Tier I account as per the scheme preference selected for Tier-I.

This is explained with an example as given below:

- ✓ One Way switch request is authorized on July 02, 2015 after Pay-In (referred as T). The request will be executed on the next settlement day i.e., on July 03, 2015 (referred as Day T+1).
- ✓ The latest available NAV (i.e., NAV of July 02, 2015) will be considered for withdrawal of units from the subscriber's Tier II account.
- ✓ The units will be redeemed by the PFMs on July 03, 2015 on the basis of NAV of July 02, 2015.
- ✓ On T+4 day (i.e. on July 06, 2015), units as per new 'scheme preference' will be credited in subscriber's account.

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