

Options available NPS Subscribers upon attaining 60 years/Retirement Age

Description	Exit from NPS	Continue NPS
What is exit/continuation?	To start pension immediately at age 60 or retirement age, subscriber can exit from NPS by giving withdrawal request.	If subscriber doesn't want pension immediately at age 60 or retirement, NPS account can be continued till age 75
What is scope of exit/continuation?	You as NPS subscriber may exit NPS at retirement age to start your pension and receive a lump sum withdrawal. At the time of withdrawal you need to submit the withdrawal documents to StockHolding after online entry in CRA system.	You may continue your NPS account beyond your retirement age, up to your age of 75 years. You may choose to exit any time even prior to 75 years. This offers you benefits of receiving tax benefits on regular contribution and growth of corpus with a very small amount of cost.
Tax Benefits on contribution	Not available after exit.	Subscriber can invest in NPS till age 75 & get the applicable tax benefits on investment.
Tax Benefits on Withdrawal	At the time of exit Maximum 60% of corpus can be withdrawn as Lump sum which is tax free. Minimum 40% corpus to be used for purchasing annuity to get pension. Subscriber need not pay GST on annuity purchase.	Withdrawal benefits will be available at the time exit, depending upon your decision to exit any time between age of 60 years and 75 years.
Maximum Lumpsum	If total corpus is less than 5 lacs, full amount can be withdrawn as lump sum	Available only after Exit
Complete withdrawal without any pension	In case the total corpus is less than 5 lakh at the time of exit, the entire amount is allowed to be withdrawn without any purchase of annuity thus no pension.	In case the total corpus is less than 5 lakh at the time of exit, the entire amount is allowed to be withdrawn without any purchase of annuity thus no pension.
Annuity rates	Likely to get lesser annuity rates due to more years in retired life	Likely to get higher annuity rate due to lesser years in retired life.
Pension	Likely to get less pension	Likely to get higher pension due to higher maturity value over longer duration of investment.
Returns on Investment	No benefits after exit.	Subscriber can get more returns on total corpus accumulated based on scheme performance as he remains invested in scheme for longer duration
Option to re-join the NPS scheme	Yes. After exiting from NPS at 60, Subscriber can open new NPS account till age 70.	Subscriber can exit any time after 60 & before completing 75 years. New NPS account can be opened before 70 yrs. age only.
Procedure	Withdrawal request to be created online on CRA portal	The subscribers in unorganised sector (All Citizen Model) there is no procedure to be followed for continuation of NPS account beyond 60 years of age. However the subscribers under corporate sector are required to switch to unorganised sector for continuation of NPS account beyond retirement age.
Documents Required	Please submit the withdrawal form generated during online entry in CRA system along with supporting documents like Original PRAN card, KYC document bank proof and passport size photograph.	Inter-sector shifting request form along with self-attested copy of PRAN card to be submitted to Stockholding office