Annexure 1

NPS Vatsalya Scheme Details

1. The Scheme and its applicability

a. The "NPS Vatsalya" scheme (hereinafter "the scheme") shall be covered under National Pension System (NPS) under section 12(1)(a) and section 20 of the Pension Fund Regulatory and Development Authority Act, 2013.

b. This shall be a contributory pension scheme exclusively for minors with an objective to create a pensioned society, emanating from the vision of"Viksit Bharat@2047", and to encourage empowerment of children.

c. The scheme shall be regulated by Pension Fund Regulatory and Development Authority (PFRDA) in accordance with the provision of PFRDA Act, 2013, regulations and guidelines, issued by the Authority.

d. All minors who are Citizens of India, shall be eligible to participate inthe scheme, on a voluntary basis.

2. Definitions

a. The "Account" shall mean an individual pension account of a minor opened through a guardian under the "NPS Vatsalya" scheme. It shall suitably draw from the features of National Pension System (NPS) Tier-1 Account.

b. The "Subscriber" for the purpose of this scheme shall mean a minorwho has opened the account under the scheme.

c. The "Guardian" shall mean either the parent of a minor or a legalguardian.

d. The "Minor" shall mean a person who has not reached the age ofeighteen years.

3. Eligibility of Joining

a. Any minor who is a Citizen of India is eligible for opening account underthe scheme, until attaining the age of eighteen years.

b. Any other requirements as may be laid down by the PFRDA from timeto time.

4. Operational Framework of the Scheme

a. The account shall be opened under the scheme by the natural/legal guardian in the name of the minor, who shall be the sole beneficiary.

b. The account shall be operated by the guardian for the exclusive benefit of the minor until attainment of age of majority (18years).

c. Know Your Customer (KYC) norms to be applicable to the guardian shall be in accordance with the KYC norms stipulated by the PFRDA from time to time. In case of court appointed legal guardian, a copy ofthe court order in respect of the appointment of the Legal Guardian shall be submitted along with the KYC documents.

d. Date of Birth proof (*ie Birth certificate of the minor, School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc and Passport of the minor etc*), and bank account details of the minor or joint account with minor are required for opening the account. The Bank account details of minor or joint accountwith minor is not mandatory for opening of account of Indian Resident, but it shall be mandatory at the time of partial withdrawal or exit on attainment of age of 18 years.
e. A unique Pension Retirement Account Number (PRAN) in the name of the minor subscriber shall be issued by the concerned CRA.
f. Upon attainment of 18 years of age, the account of the subscriber shallcontinue to be operational and will be seamlessly shifted into NPS-Tier1 Account- All Citizen Model.
g. Upon attainment of 18 years of age, a fresh KYC of the subscriber be carried out within 3 months from the attainment of majority as specifiedby PFRDA from time to time. The contribution shall be allowed into the NPS Tier-1 Account, post submission of fresh KYC.
h. On shifting into NPS-Tier I account upon attaining majority, the features, benefits including exit norms under the NPS-Tier-I -All CitizenModel shall be applicable.

5. Contributions into the account

a. Contributions under the scheme can be made by the guardian or the subscriber through various mode of contribution as specified by PFRDAfrom time to time. The minimum contribution is Rs 1000 per annuum and there shall be no limit on maximum contribution. The initial contribution for enrollment under the scheme is Rs 1000.

6. Charges and Fee

The charges and fee to be levied on the account at any time shall be same as the charges under NPS- All Citizen Model as stipulated by PFRDA from time totime.

7. Investment of the contributions into the account

The Investment of the contribution made into the account which include selection of pension fund shall be same as the choices available under NPS-All Citizen Model as stipulated by PFRDA from time to time.

8. Distribution Channel under the scheme

a. The banks, India Post, stock broking houses and any other entityregistered as a Point of Presence (POP) under PFRDA (Point of

Presence) Regulations, 2018 are eligible to enroll the subscribers under the scheme, either directly or through the means of Retirement Advisers or Pension agents, i.e. Business Correspondents, InsuranceAgents, mutual fund distributors engaged by them.

b. The enrolment under the scheme shall also be extended through online platform (eNPS).

c. Any other channel allowed by the PFRDA from time to time.

9. Exit and withdrawal from the account

a. For the purpose of education of subscriber, treatment of specified illnesses, disability more than 75%, or the reasons as may be specified by PFRDA in the interest of the minor subscriber under the regulations, the guardian shall be allowed to partially withdraw upto 25% of subscribers' contribution excluding returns thereon after minimum 3 years from the date of opening of account, for maximum three times tillthe subscriber attains 18 years of age. Such facility shall be made available on declaration basis.

b. In the case of death of the minor subscriber, the entire accumulatedpension wealth to be paid to the guardian.

c. In case of the death of the guardian registered under the account, another guardian to be registered on behalf of minor subscriber by submitting the KYC documents as specified by the PFRDA from time totime.

d. In case of death of both the parents, the legally appointed guardian may continue the account with or without making contributions to the account, and upon attainment of 18 years of age by the subscriber, thesubscriber shall have an option to continue or exit from the scheme.

e. The subscriber shall be allowed to exit only upon attainment of age of 18 years. On such exit, at least eighty percentage of accumulated pension wealth available in the account shall be utilized for purchase ofannuity and remaining balance shall be paid in lump sum. In case, the accumulated pension wealth available in the account is equal to or less than a two lakh fifty thousand, or purchase of annuity is not available from empaneled Annuity Service Providers ('ASPs'), the subscriber shall have option to withdraw the entire accumulated pension wealth.

f. The exits and withdrawals under the scheme shall be governed by the provisions of the Pension Fund Regulatory and Development Authority(Exits and Withdrawals under the National Pensions System) Regulations, 2015 and amendments thereof.