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SUBSCRIBERS TO NPS TO NOW HAVE CHOICE OF ANNUITY SERVICE PROVIDERS; PFRDA TAKES IMPORTANT STEP TOWARDS PROVIDING AN EXIT ROUTE TO THE SUBSCRIBERS

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Subscribers to the National Pension System (NPS) will now have a choice of Annuity Service Providers, from whom they can choose their annuity schemes on their exit from NPS on attainment of 60 years of age. Pension Fund Regulatory and Development Authority (PFRDA) has empanelled the following six IRDA approved life insurance companies for providing annuity services to the subscribers of National Pension System (NPS).

1. Life Insurance Corporation of India
2. SBI Life Insurance Co. Ltd.
3. ICICI Prudential Life Insurance Co. Ltd.
4. Bajaj Allianz Life Insurance Co. Ltd.
5. Star Union Dai-ichi Life Insurance Co. Ltd.
6. Reliance Life Insurance Co. Ltd.

under the provisions of NPS, a maximum of 60% of corpus accumulated at the time of exit, normally on the attainment of 60 years of age, can be withdrawn but a minimum of 40% corpus has to be utilized for purchasing an annuity from one of the empanelled annuity service providers. Subscriber can choose from any of the six above mentioned annuity service providers and can also make their choice of the annuity scheme from amongst the schemes being offered by these providers.

With the above empanelment, PFRDA has taken an important step towards providing an exit route to the subscribers.

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