



PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

CIRCULAR

CIR No.: PFRDA/2020/15/SUP-CRA/6

Date: 12th May 2020

To,

All stakeholders under NPS

D Remit- Empowers NPS Subscribers with another Convenient mode of depositing Voluntary NPS Contributions

NPS subscribers are provided with various convenient options to deposit their voluntary contributions through the associated Nodal Offices, POPs, e-NPS or through NPS Mobile Applications. Now, an additional option/mode of contribution namely Direct Remittance (D-Remit) is proposed wherein the existing NPS Subscribers under Government/Non Government/All Citizens Model would be able to deposit their voluntary contributions by creating a Virtual ID linked to their PRANs.

2). **D-Remit** will not only ease the deposit of the contributions by the subscribers, but would also optimize the investment returns by providing them the NAV of the date of deposit of contribution, if the contribution is made before the cut off time. Further, D-Remit enables the subscribers to set up Systematic Investment (through Auto Debit instructions in net banking) by which periodical and regular contributions can be made.

3). NPS subscribers who are intending to make their voluntary contributions through D-Remit would be required to access CRA System and generate Virtual ID linked to their PRAN. Post authorization of Virtual ID, subscribers can log-in to their Net Banking and add **Virtual ID** generated as above with **IFSC** details, as a **Beneficiary** to transfer their voluntary contributions. The detailed process of D-Remit is given in the **Annexure**.

4). In this regard, PFRDA has advised CRAs and Trustee Bank to develop the required technological platform and the same is likely to be operational shortly. PFRDA would inform all the stakeholders once such platform is ready for usage.

5). This circular is issued in exercise of powers conferred under Section 14 of PFRDA Act, 2013 to protect the interests of the subscribers and is available on PFRDA's website (www.pfrda.org.in) under Regulatory Framework and in Circular Section of CRA and Trustee Bank.

(K Mohan Gandhi)
General Manager

Annexure

Process of D-remit

- i. Subscribers intending to make NPS contributions through 'D- Remit' will access CRA System through different platforms namely NPS Mobile Applications, eNPS or CRA Login Page. Only active NPS Subscribers who are also Net Banking customers of Banks would be able to avail 'D Remit' feature.
- ii. By logging into CRA system, NPS Subscribers can generate a static Virtual ID in the CRA system. The subscriber will be sent an OTP to his registered mobile number for authentication. As Virtual ID generation is through OTP based authentication, Mobile Number should be mandatorily registered in PRAN in the CRA system. The generation of Virtual Id is a one-time activity.
- iii. A declaration as mentioned below will be obtained from the subscribers with respect to compliance under PMLA , 2002 at the time of generation of Virtual Id:

"I hereby declare that the contribution paid by me has been derived from my legally declared and assessed sources of income. I understand that NPS Trust has the right to peruse my financial profile or share the information, with other government authorities. I further agree that NPS Trust has the right to close my PRAN in case I am found violating the provisions of any law relating to prevention of money laundering."
- iv. Virtual Id will be linked to the PRAN no. of the subscriber and will be based on a predefined logic and based on which one will be able to identify the CRA of the subscriber. Thus, the subscriber belonging to Karvy CRA and NSDL CRA can be differentiated based on the Virtual Id. Separate Virtual Ids will be created for Tier I , Tier II etc. The virtual id thus created is constant and is to be created only once.
- v. Virtual Ids thus created can be used only for remitting NPS Contributions through 'Direct Remittance' to Trustee Bank along with the given IFSC code . For all other modes of contributions and NPS maintenance activities, PRANs need to be quoted.
- vi. SMS/e-mail alerts will be sent to Subscribers once Virtual Id is created and authorized. Information of the Virtual Id and IFSC details will be shared with the Subscribers.
- vii. Subscriber will log-in to his / her Net Banking portal to add Virtual ID and the unique IFSC details of Trustee Bank as beneficiary to transfer funds/set up auto debit / enable SI from their Bank accounts through NEFT/RTGS/IMPS etc.
- viii. Subscriber can enable SIP in their bank accounts through net banking by setting up standing/ scheduling instructions for auto debit of desired investment amount on his/her chosen date/s. As per the Net Banking features, Subscriber will also have an option to decide the frequency of SIP (like monthly/quarterly/once in two months etc.).
- ix. The funds received on T day till 9.30 a.m on any working day (other than Saturdays and Holidays) will be considered for same day investment. The contributions received post 9.30 AM on T day shall be invested on the next working day (ie) T+1 day. Currently NPS contributions received through e NPS / POPs are invested as on T+2 days. Hence D Remit optimizes returns on NPS Contributions by advancing its investment substantially.
- x. There is no additional cost to avail the facility of D Remit for creating Virtual ID.

