

NPS - Your golden ticket to life long financial freedom.

TAX BENEFIT
over & above 80 c



Low-cost government pension scheme



Flexibility to choose Investment Strategy



Easy portability across employment and geographies



Freedom to choose Asset Class



Digitally Enabled Process

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National Pension System

HDFC
PENSION

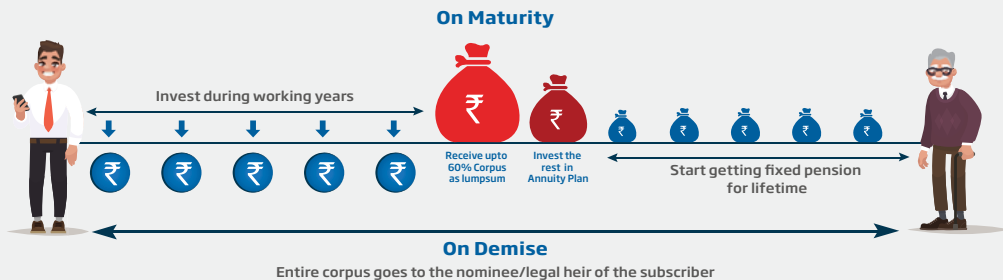
About NPS

It's a pension scheme launched by Government of India. The Scheme is regulated by Pension Fund Regulatory & Development Authority (**PFRDA**).

Who can join NPS?

Any citizen of India including NRI and OCI between the age group of 18 - 70 years can join NPS.

How does NPS works?



Investment of funds

Subscriber gets a choice of selecting Pension Fund Manager and can also choose investment strategy from Active and Auto Choice, based on their risk appetite.

Partial withdrawal from the Scheme

- It is allowed after 3 years of account opening. 2nd and 3rd withdrawal can be made anytime after 1st withdrawal
- It will be up to 25% of Contribution amount.
- Withdrawal is allowed for specific purpose like child marriage, higher education, buying home, treatment of critical illness etc. There will be no tax on partial withdrawal amount.

Death benefits

In case of death of Subscriber, nominee / legal heir can claim the entire Corpus.

Exit from the Scheme

Subscriber can exit from the Scheme after 5 years of account opening or on attaining 60 years of age whichever is earlier.

Exit at 60 years

- Its treated as normal exit
- Up to 60% of Corpus can be withdrawn in lump sum.
- Balance Corpus needs to get invested in Annuity
- If the Corpus is less than Rs.5 lakh, entire amount can be withdrawn in lump sum

Exit before 60 years

- Its treated as pre - mature exit
- Up to 20% of Corpus can be withdrawn in lump sum.
- Balance corpus needs to get invested into Annuity
- If the Corpus is less than ₹2.5 lakh, entire amount can be withdrawn in lump sum

Please Note:

- For Subscriber joining NPS post 60 years of age, exit before 3 years of account opening shall be treated as pre - mature exit.

Investment in Annuity

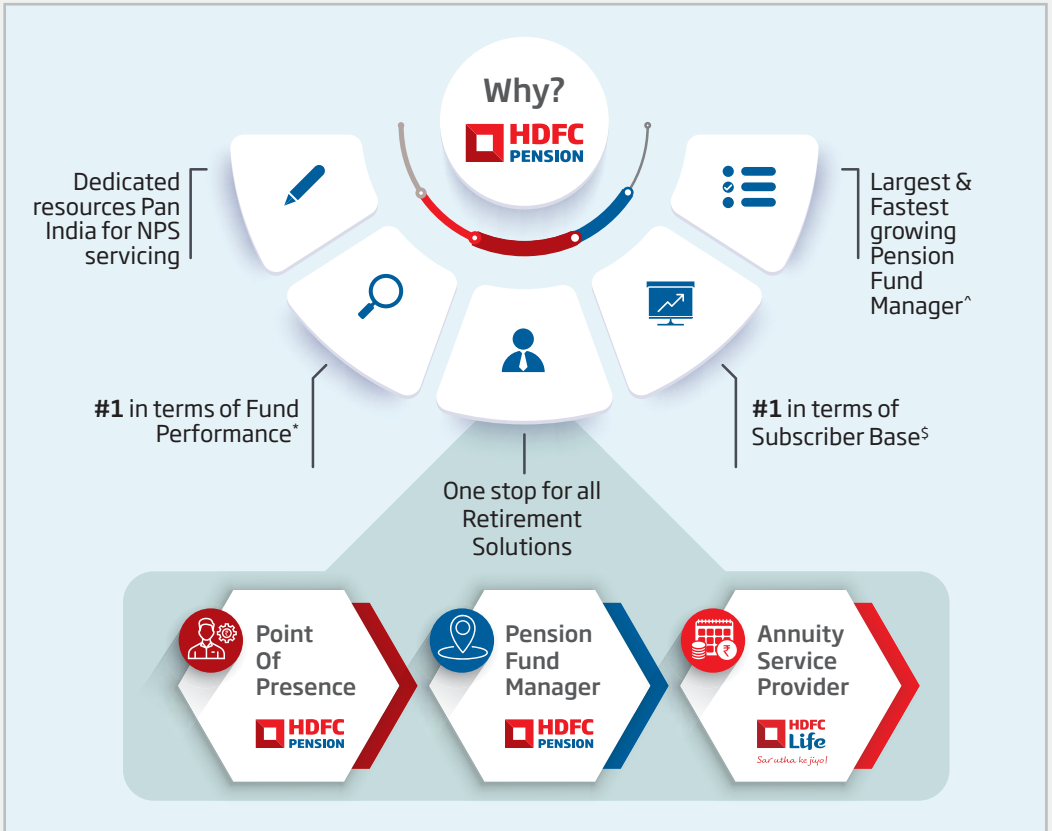
Upon exit from NPS Subscriber can select any of the life Insurance companies registered with PFRDA to get monthly pension. Subscriber also gets a choice of Annuity scheme.

Tax benefit on investment in NPS

- NPS offers exclusive tax benefit on investment for both - salaried and self employed professionals.
- Investment of up to Rs.50,000 is eligible for tax deduction u/s 80CCD (1B) of Income Tax Act, 1961
- This tax benefit is over and above tax benefit of 80C.

Tax treatment on Exit

| Type of Exit | Tax Treatment |
|-----------------------|--|
| Exit on Maturity | Lump sum amount received by Subscriber / Nominee is tax free |
| Exit before 60 years | |
| Partial withdrawal | |
| Death benefit | Amount received is treated as Income and shall be taxed appropriately. |
| Investment in Annuity | |



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* HDFC Pension was awarded as 'Best PFM' in NPS Business by Money Today

^ Under NPS Private Sector (Corporate & Retail). Data Source - CRA: Protean, Kfintech & CAMS website as on 2nd Jan 2023

For more information, please reach out on the below given details

Name: _____

Phone No: _____

Email ID: _____

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