



NSDL

Technology, Trust & Reach

Central Recordkeeping Agency
for National Pension System

Annual Report

on National Pension System implementation for

State Government of Haryana

2012-13



Retirement from Work, not from Income.

NSDL e-Governance Infrastructure Limited



National Pension System

As on March 31, 2013

**27 State Governments
have implemented NPS**

**14.4 Lakh
Subscribers
registered under NPS**

**Rs. 8,805.5 Crs
transferred to Pension
Fund Managers by State
Government**

Dear Readers,

It gives me great pleasure to bring to you the second issue of Annual Report on the performance of State Governments under National Pension System in the financial year 2012-13.

With the support and guidance from PFRDA and Ministry of Finance, another eventful year (FY 2012-2013) of NPS implementation has been completed.

You may be aware that AXIS Bank has been appointed as the New Trustee Bank for National Pension System (NPS) by PFRDA to provide banking facilities for the pension funds under NPS with effect from 1st July, 2013 and the details of NPS accounts and contact details of Axis Bank will be communicated to you subsequently.

We would like to take this opportunity to update the status of NPS implementation in {State Government} which will explain the story of our journey together in the last year..

We hope with your support and co-operation, CRA shall continue to strive for successful implementation of NPS and we assure you of our best efforts in this regard

Warm Regards,
Chandrashekhar Tilak
Executive Vice President
NSDL-CRA

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1. About Us

NSDL e-Governance Infrastructure Limited has achieved and delivered path breaking success in the area of e-Governance solutions through automation of large government processes. The technologies used were niche and customized so that the fundamental aim of governments i.e., of delivering benefits to the society at large is fulfilled efficiently. For delivering quality services in a user friendly and transparent manner, NSDL e-Governance Infrastructure Limited (NSDL) has established Service Centre networks across the country which serve as access points for the general public. NSDL e-Governance Infrastructure Limited works closely with various Government agencies for designing, managing and implementing e-Governance projects.

A brief summary of the services include:

- ❖ Business Process (Re) Engineering
- ❖ Solution Architecture
- ❖ Project and Change Management
- ❖ Quality Management
- ❖ User Enablement
- ❖ Process training
- ❖ Developing Solutions Ground-up

The provided solutions are attributed to be cost effective, highly secure, scalable, requiring very minimal Time-to-market and efficient in terms of quality and performance.

2. Milestones for State Government of Haryana (GoHR)



3. Registration Snapshot

1. Nodal Office Registration

Particulars	As on March 31,2012	During FY 2012-13	As on March 31,2013
Directorate of Treasury and Accounts (or its equivalent) -DTAs	1	0	1
District Treasury Offices (DTO's)	22	0	22
Drawing and Disbursement Offices (DDO's)	6,093	82	6,175

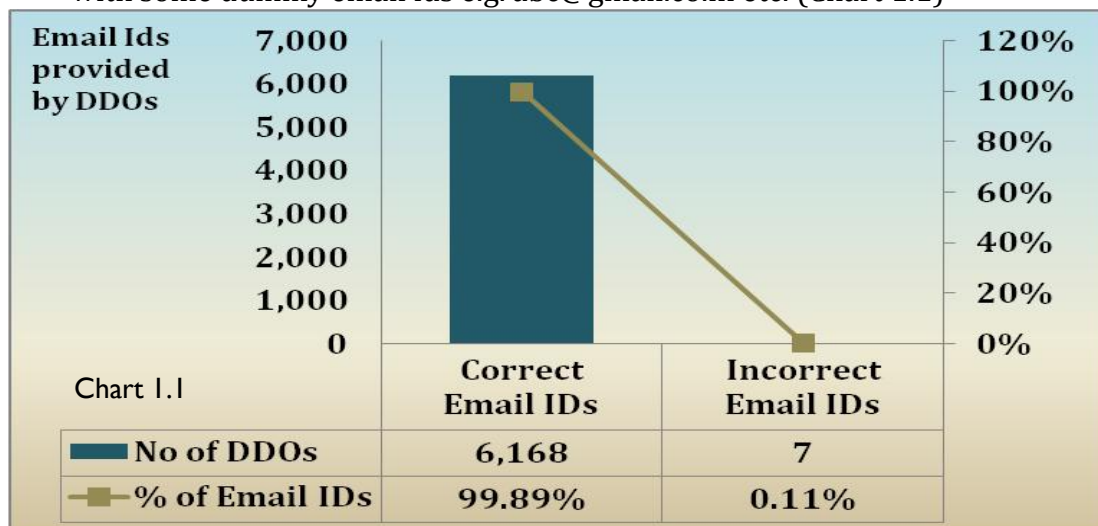
2. Subscriber Registration

Particulars	As on March 31,2012	During FY 2012-13	As on March 31,2013
Total Number of Subscribers Registered	43,940	17,529	61,469

4. Key Indicators in Nodal Office Registration

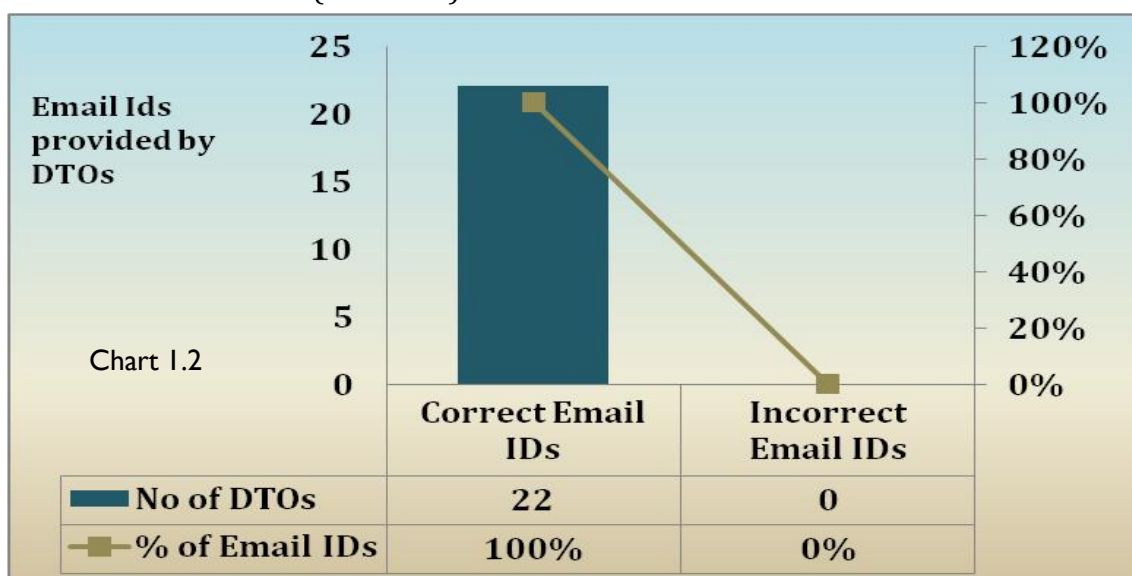
1. Email Ids of DDOs

Till March 31, 2013, 6,168 (99.89%) DDOs have been registered with their correct email ids, whereas remaining 7 (0.11%) DDOs have been registered with some dummy email ids e.g. abc@gmail.co.in etc. (Chart 1.1)



2. Email Ids of DTOs

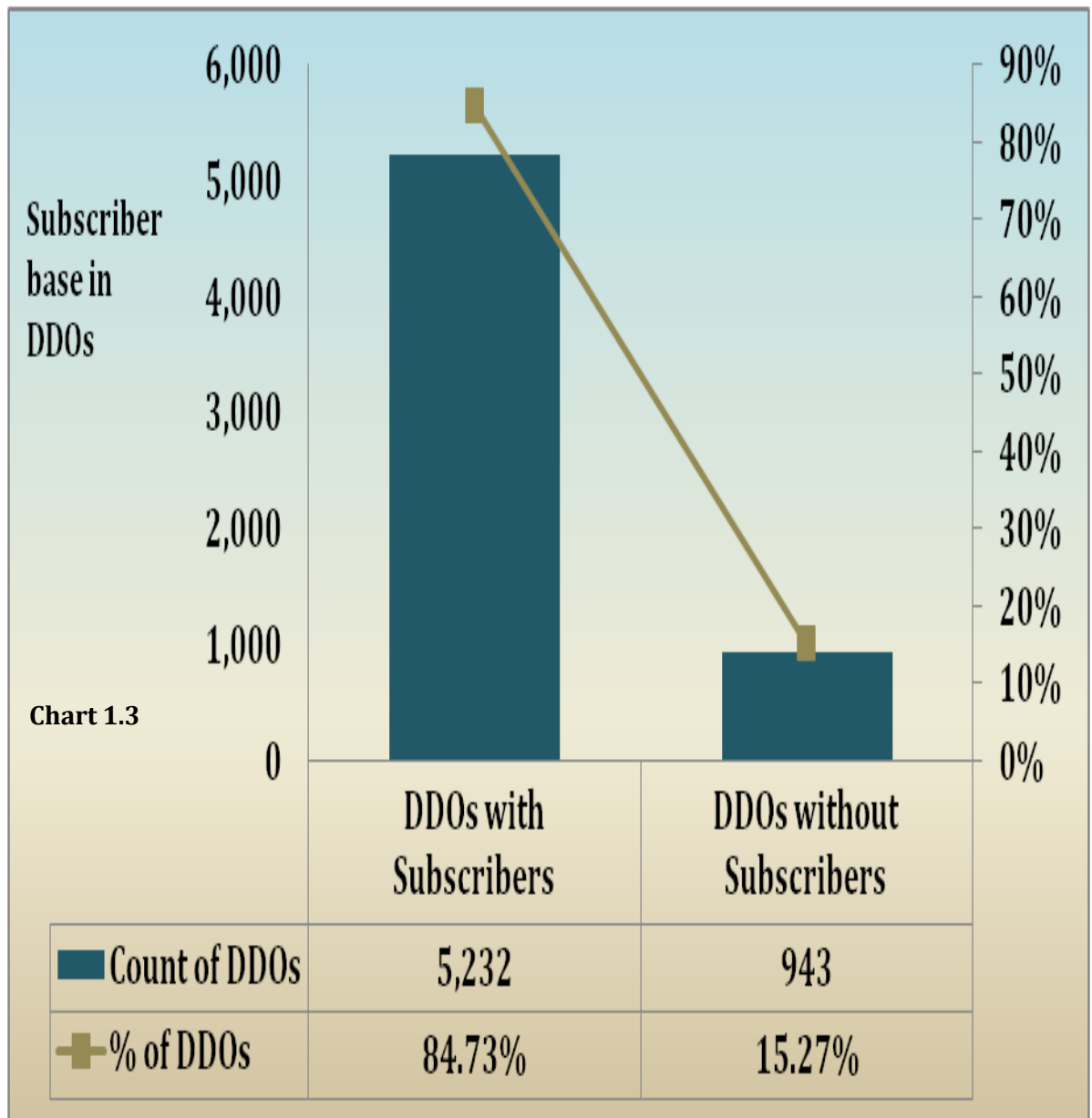
Till March 31, 2013; All 22 (100%) DTOs have been registered with their correct email ids. (Chart 1.2)



P.S: Providing the correct email id will enable the DTO/DDOs to receive the email alerts sent by CRA

3. DDOs without Subscribers

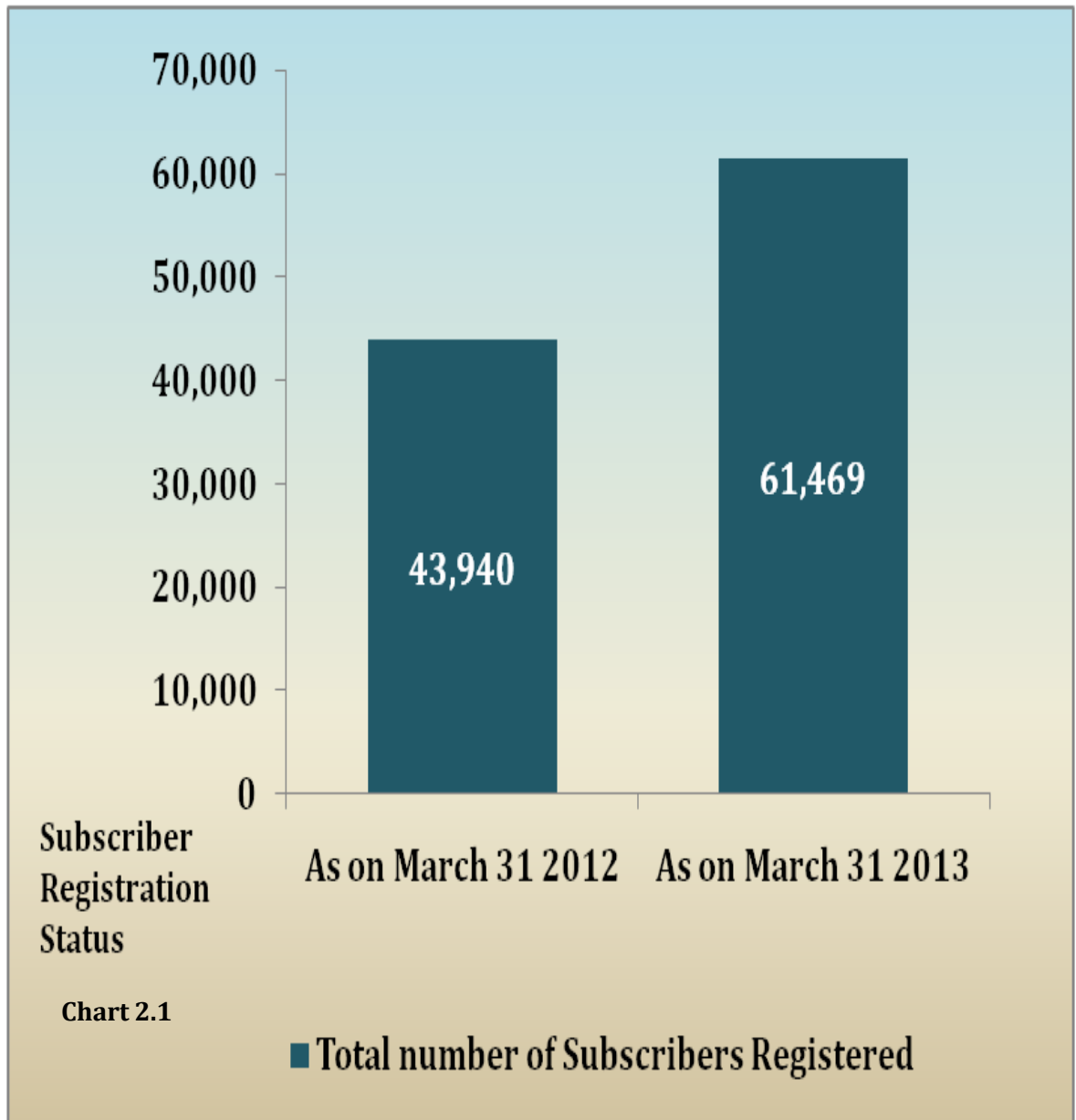
Out of the total 6,175 DDOs registered in CRA system, 5,232 (84.73%) DDOs are such where subscribers have been registered. The remaining 943 (15.27%) DDOs, do not contain any registered Subscribers. (Chart 1.3)



5. Key Indicators in Subscriber Registration

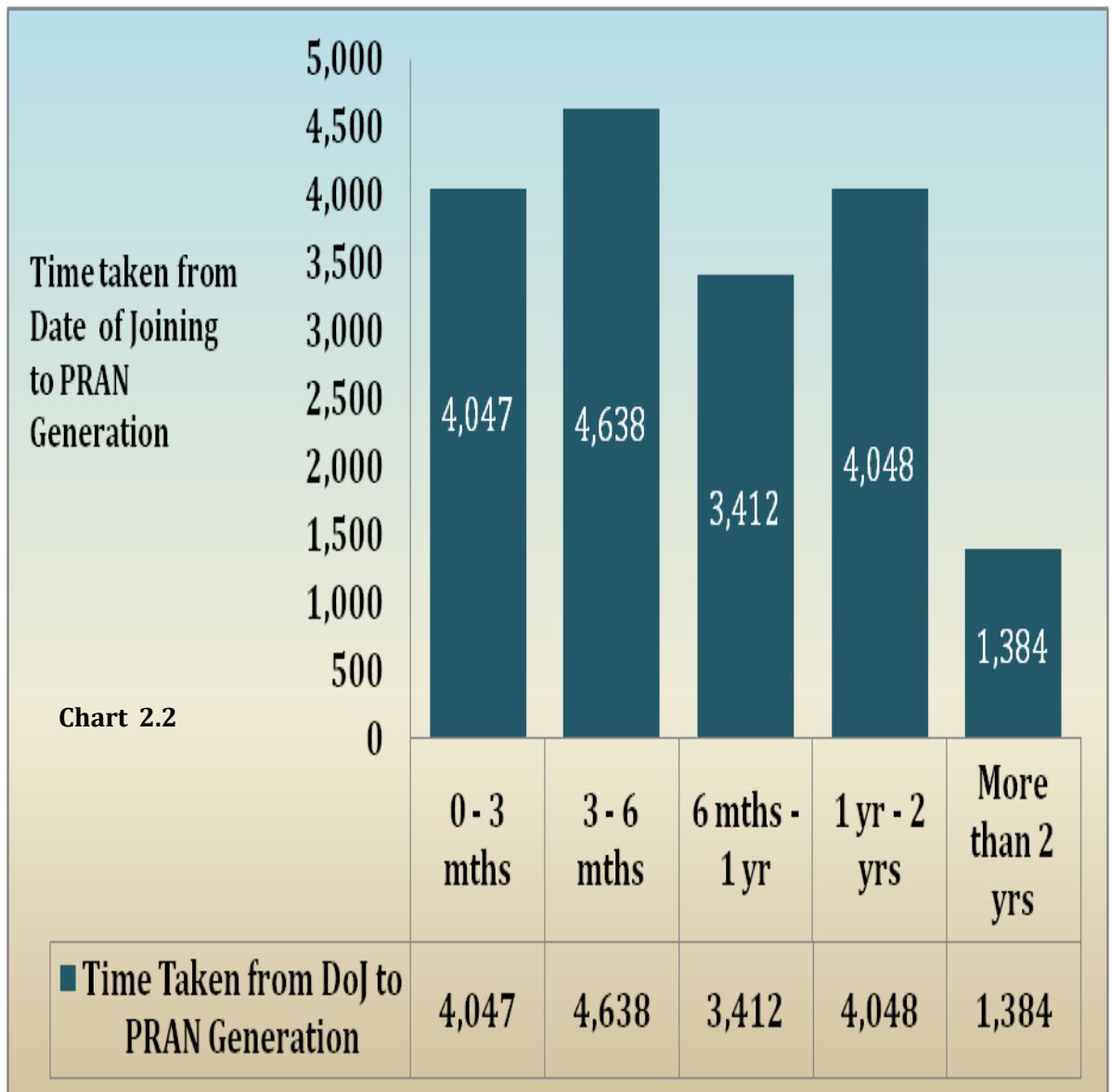
1. Subscriber Registration Status

Chart 2.1 highlights the number of subscribers registered as on 31st March 2012 and as on 31st March 2013.



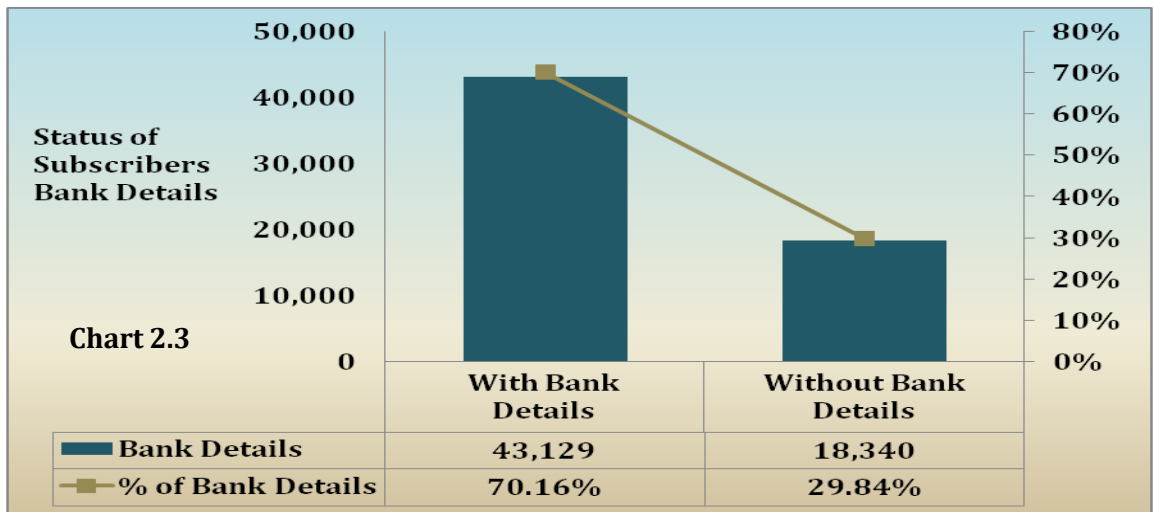
2. Time Gap in Subscriber Registration:

Out of the total new 17,529 Subscribers registered during the year, 5,432 Subscribers were such for whom the date of PRAN generation was more than 1 year vis-à-vis the Subscribers date of joining. Of the concern subscriber. (Chart 2.2)

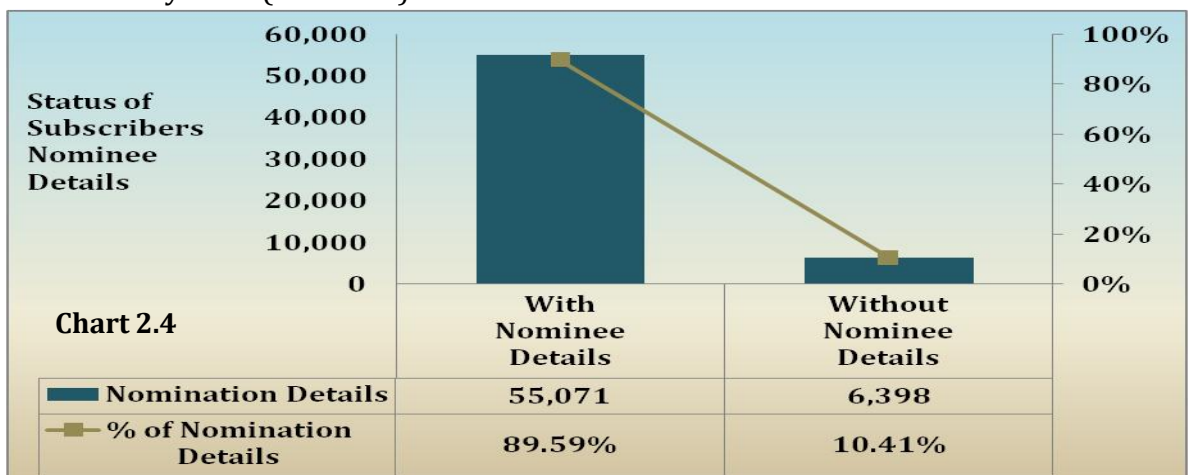


3. Subscribers Bank details:

Out of the total subscribers, 43,129(70.16%) have submitted their Bank Details vide the Physical Application Form (Annexure S1) whereas for the remaining 18,340 (29.84%) subscribers, the bank details are required to be updated in the CRA system. (Chart 2.3)

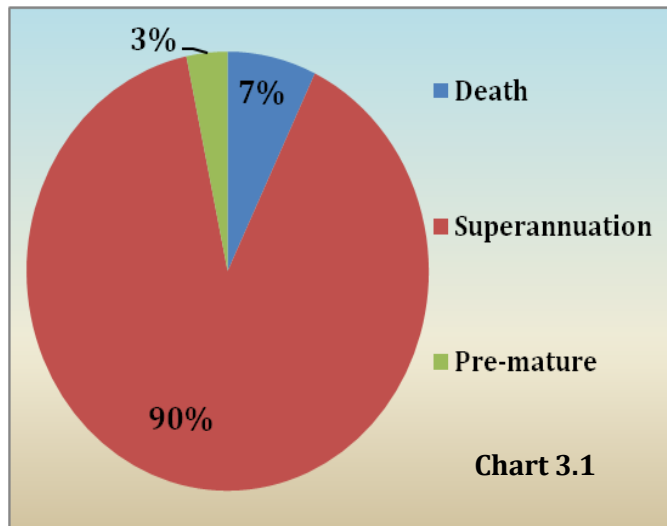


- 4. Subscribers Nomination details:** Out of the total IRA compliant subscribers, 55,071 (89.59%) have provided their Nominee Details vide the Physical Application Form (Annexure S1) whereas for the remaining 6,398 (10.41%) subscribers the Nominee details are required to be updated in the CRA system. (Chart 2.4)



P.S. The Bank details as well as Nominee Details enables CRA as well as other entities in distribution of withdrawal proceeds.

6. Status of Withdrawal Requests



1. Types of Withdrawal

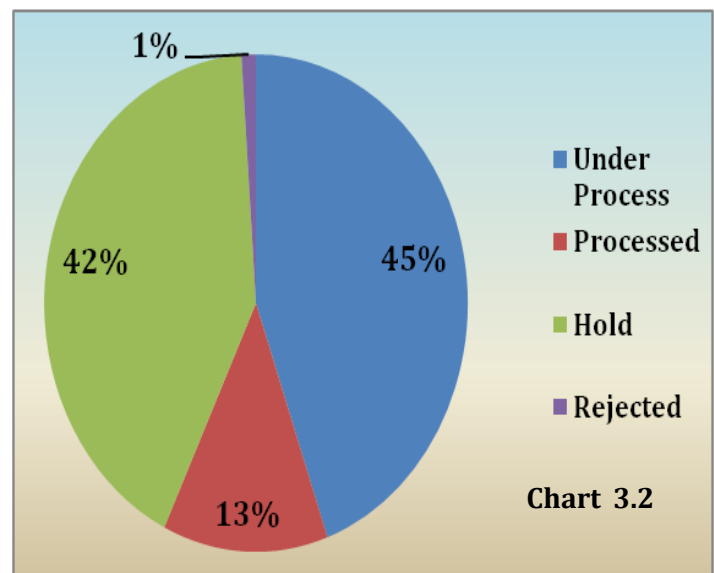
CRA have received total **182** withdrawal requests during the 2012-2013. The details of the same are as under:

- ❖ Retirement – **163**
- ❖ Death – **13**
- ❖ Premature/Resignation - **6**
(Chart 3.1)

2. Status of Withdrawal

Out of the total withdrawal request received :

- ❖ **81** requests are under process
- ❖ **23** requests have been processed
- ❖ **76** requests are on hold due to discrepancies
- ❖ **2** application form are rejected
(Chart 3.2)



The common reasons for rejection/forms kept on hold due to discrepancy are as under:

- ❖ Withdrawal form is not attested
- ❖ KYC documents are not attested
- ❖ Witness details not provided
- ❖ Photograph not attested
- ❖ Cancelled Cheque/Bank Certificate not provided

7. Contribution Snapshot

The charts and explanation provided in this segment give an overall view of the Subscriber Contribution processing activity undertaken by your State Government during the Financial Year 2012-13.

The data presented here is as on March 31, 2013.

You may appreciate that success of NPS operations hinges on the posting of regular credits in the subscriber's PRAN and it is one of the key activities to be undertaken by State Governments. Some of the statistics in this regard are presented below :

Overall comparative statistics as on end of FY 2011-12 vis-a-vis end of FY 2012-13 :

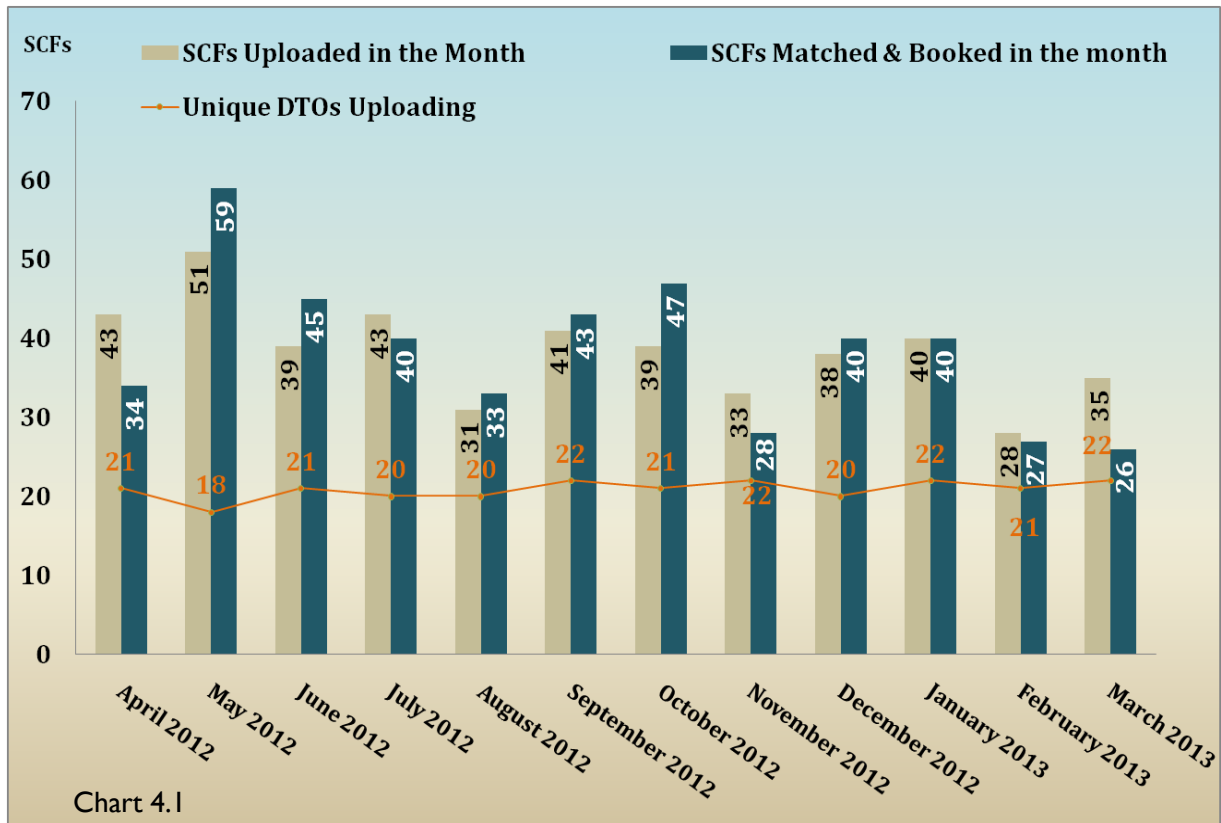
Sr.No.	Particulars	As on March 31,2012	During the FY 2012-2013	As on March 31,2013
1	SCFs Uploaded	976	461	1437
2	Amount of SCF Uploaded (Rs.)	3,097,414,903	2,971,517,905	6,068,932,808
3	SCFs Matched & Booked	962	462	1424
4	Amount of SCFs Matched & Booked (Rs)	3,007,678,745	2,907,547,809	5,915,226,554
5	Subscribers who were yet to receive their 1 st Credits (Nil Credit PRANs)	7712		5317

The data presented here onwards, shows the various aspects of Contribution processing for your reference & records.

8. Key Indicators in Contribution Processing

1. No. of SCFs Uploaded & Matched and Booked:

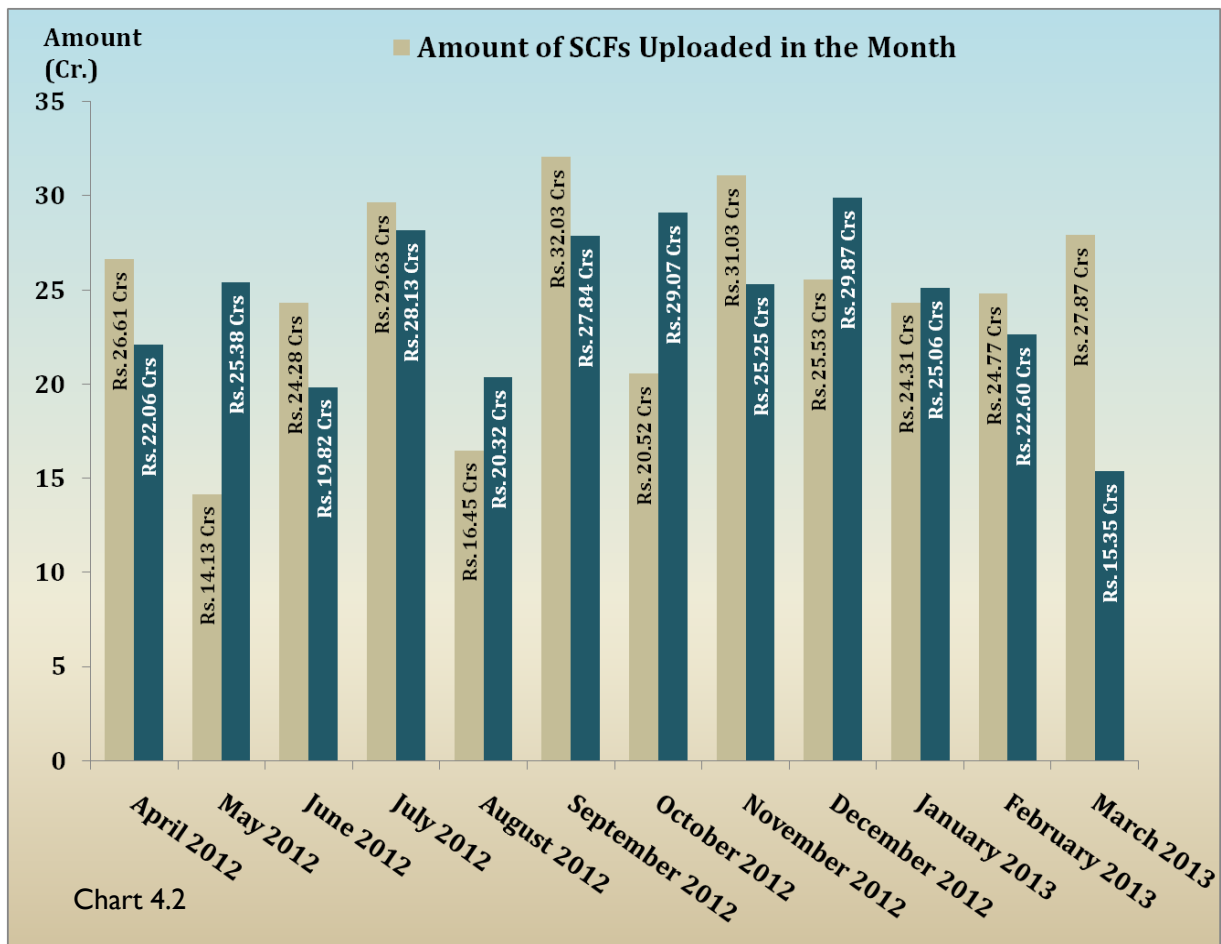
The graph (Chart 4.1) below shows the number of SCFs Uploaded as well as Matched & Booked during the FY 2012 – 2013. In case the number of SCFs Matched & Booked is greater than the Number of SCFs uploaded, it implies that some of the previously uploaded SCFs have Matched & Booked in that month i.e. during the month of December 2012, 40 SCFs have been Matched & Booked whereas only 38 have been uploaded during the month which implies that some of the SCFs previously unmatched have been Matched & Booked during the said month. The month on month number of DTOs involved in the activity of SCF upload is also shown.



Inference: On an average 95% of the DTOs have been consistently uploading the SCFs during the FY 2012 – 2013.

2. Amount of SCFs Uploaded & Matched and Booked:

The below graph (Chart 4.2) shows the amount uploaded as well as Matched & Booked during the FY 2012 – 2013. In case the amount Matched & Booked is greater than the amount uploaded, it implies that some of the previously uploaded SCFs have Matched & Booked in that month i.e. during the month of December 2012, SCFs amounting to Rs 25.53 crores have been uploaded whereas the amount matched and booked in the month is Rs. 29.87 crores.

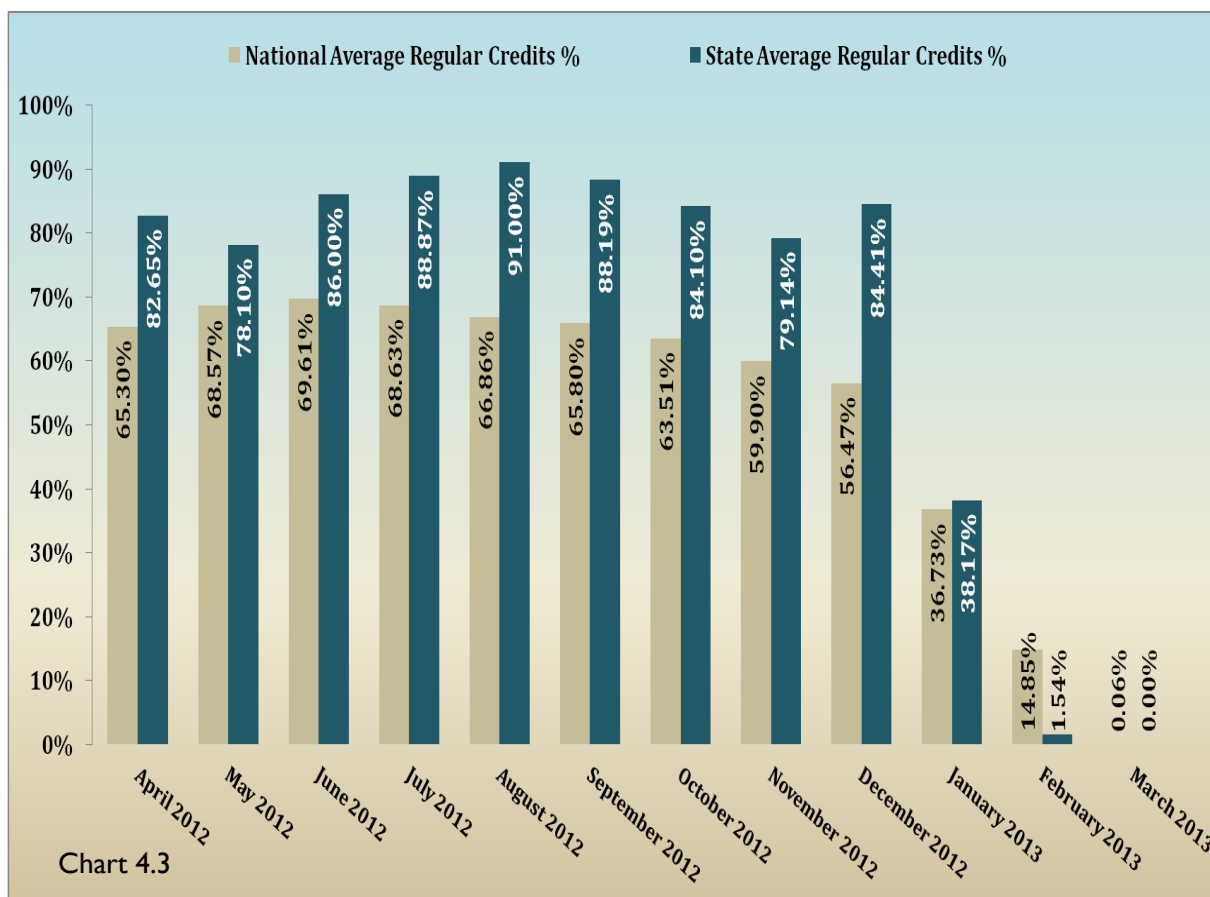


Inference: On an average the monthly contribution being matched & booked is around 24.23 crores. Any untoward increase or decrease from the average may need to be addressed.

3. A comparative Analysis of Monthly Regular Credit Coverage (No. of Subscribers of GoHR & National Average)

This graph (Chart 4.3) shows the percentage comparison between the month wise regular credits received by the Subscribers of your state vis-à-vis the month wise regular credits received by the Subscribers across the country. For arriving at the month wise percentage of regular credits received, we have considered the unique PRANs receiving regular credits for that month vis-à-vis total PRANs associated till the end of that month.

The basic purpose of this chart is to show the credit coverage of regular contribution vis-à-vis the registered subscribers for that month. Credit coverage is the best indicator of the success of implementation of NPS in the State. Month on month higher subscriber credit coverage percentage indicates that majority of the registered subscribers are getting regular credits on a month on month basis.



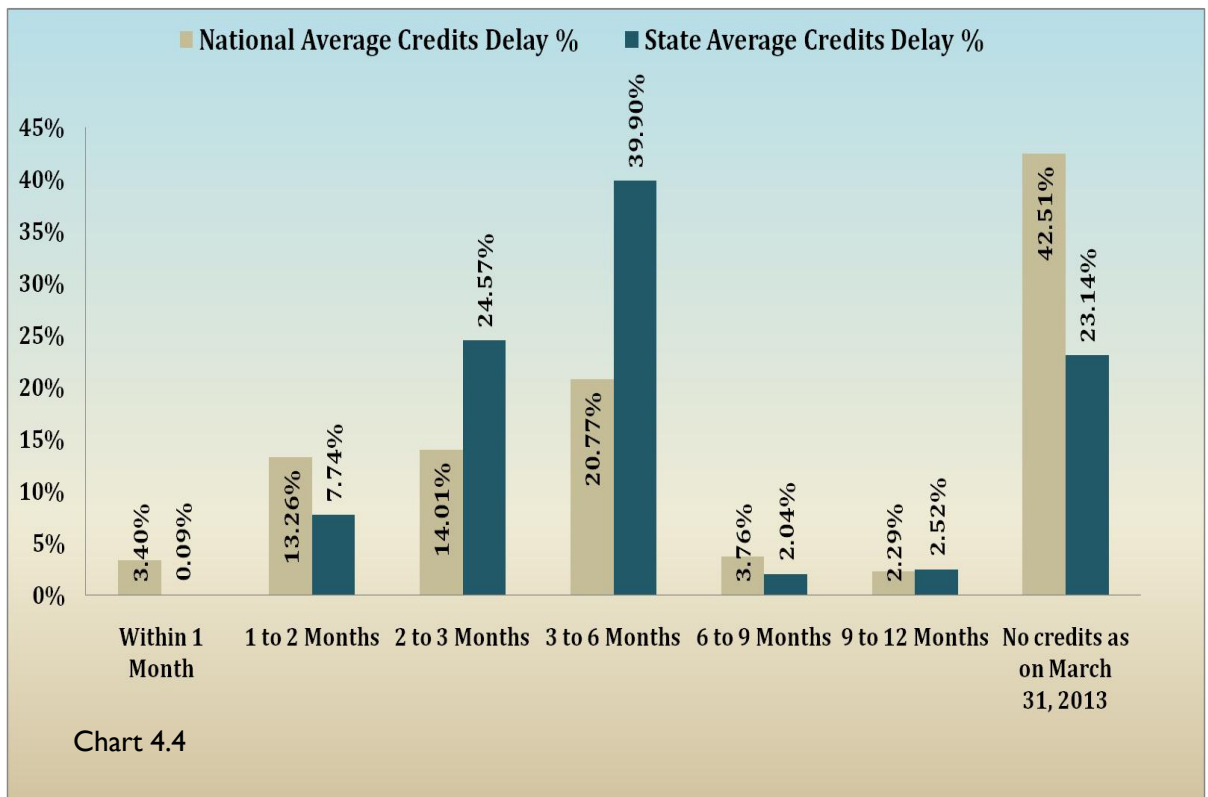
4. PRANs generated during FY 2012-13 and the delay in receiving the 1st Credit:

This graph (Chart 4.4) shows in percentage terms, the number of subscriber for whom the PRAN was generated between April 1, 2012 and March 31, 2013 and the time interval taken for these PRANs to receive their first credit.

For e.g.: If a PRAN is generated on January 1, 2013 and receives the first credit on March 10, 2013; then this PRANs count will be included in the 2 to 3 Month bar stack shown in the chart below.

The chart brings out the operational efficiency in posting credits to subscriber accounts post PRAN generation.

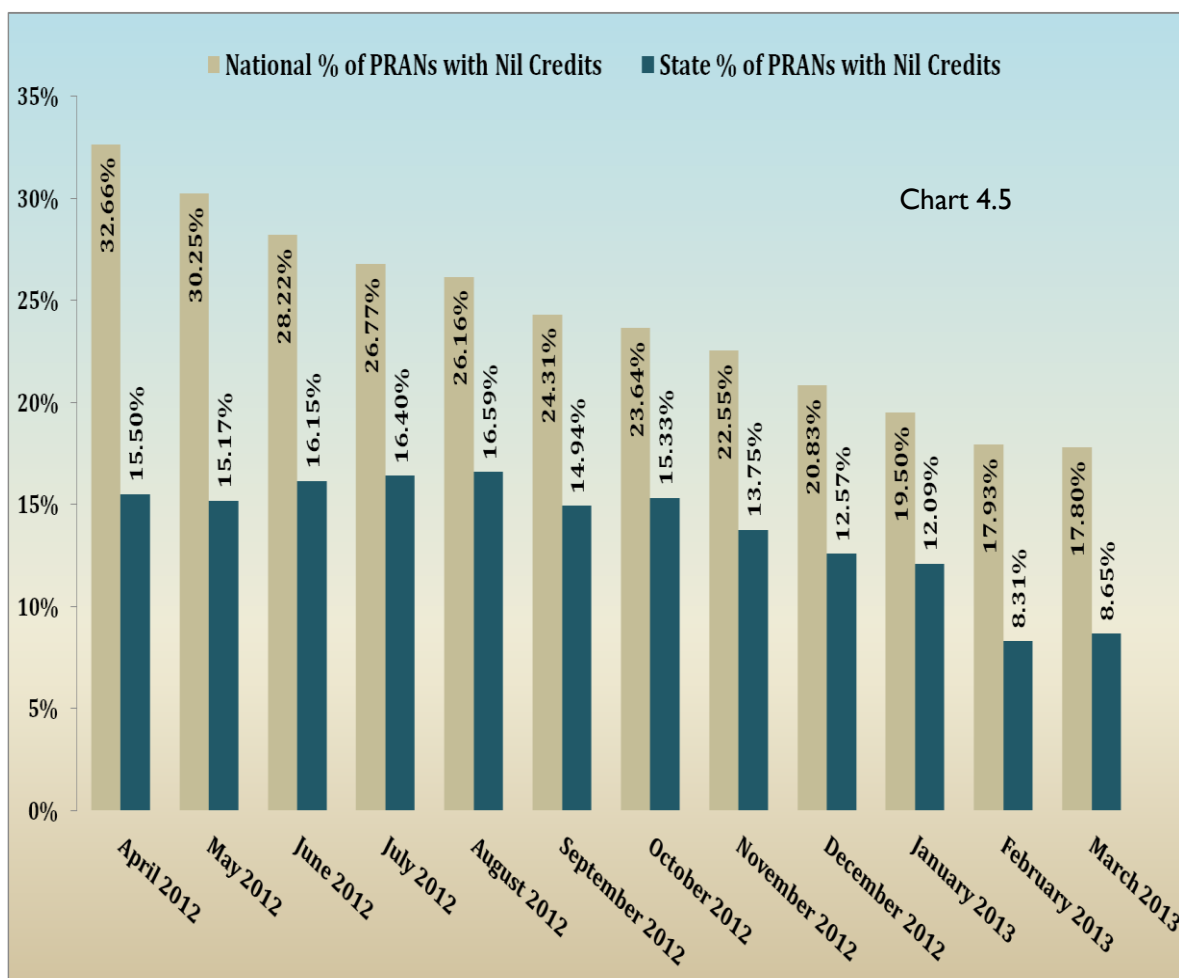
It may be noted that in case the PRANs generated during the FY 2012-13 have not received any credits, the count of the same will be included in the 'No credits as on March 31, 2013' bar stack in the chart below.



5. Nil credit PRANs comparative performance vis-à-vis National performance:

This graph (Chart 4.5) shows the comparison between the Subscribers of GoHR with no credits and Subscribers with no credits across the country. For arriving at the month wise percentage of your state, we have considered the PRANs with nil Credits in the State as on end of that Month vis-a-vis the State's total PRANs till the end of that month

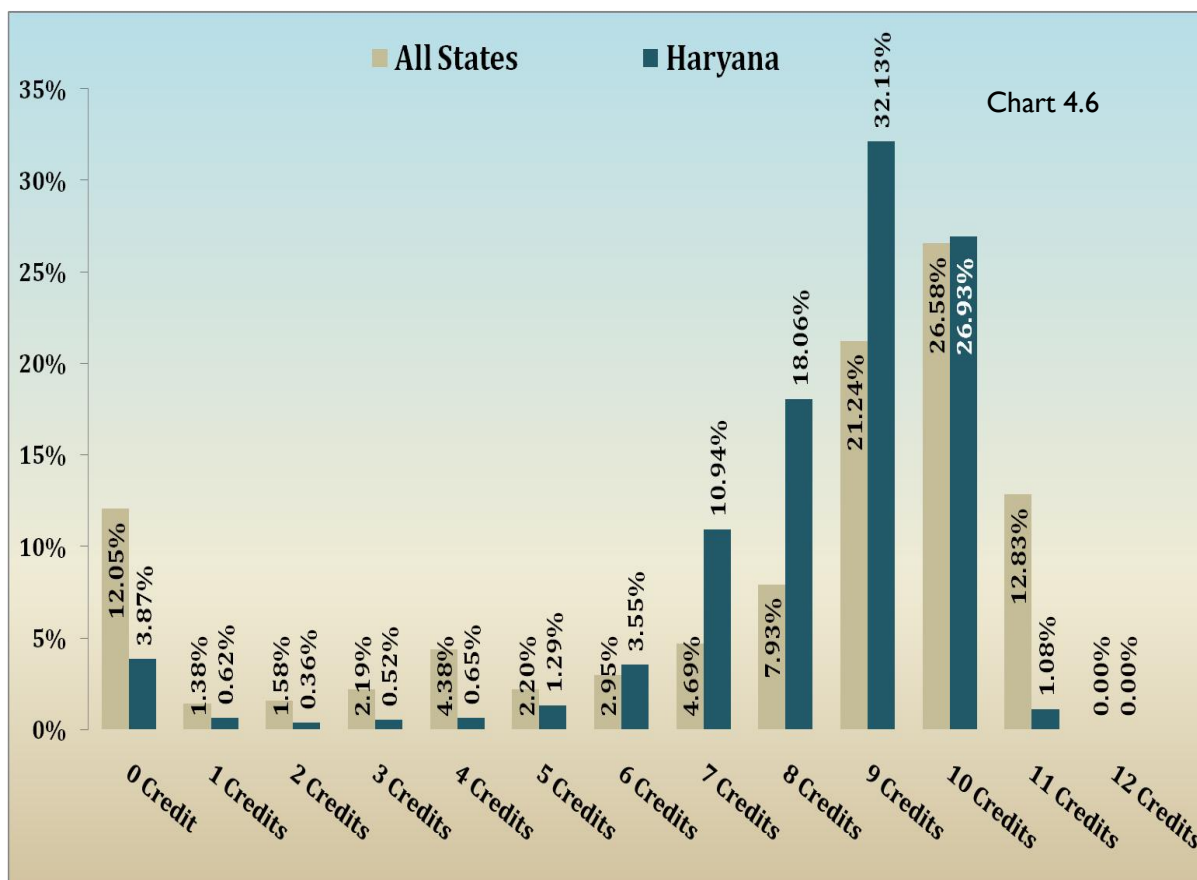
The purpose of this chart is to allow you to assess the progress made by GoHR in reducing the time gap between the date of PRAN generation and date of first credit vis-à-vis the national average.



6. Count of regular credits received in year 2012-13 for PRANs generated till March 31, 2012 :-

The below graph (Chart 4.6) shows, for all the PRANs generated till March 31, 2012 (one year ago); the number of credits received by the Subscribers of State of GoHR during the past 12 months i.e. 2012-13 vis-à-vis the number of credits received by the Subscribers across the country with the same criteria. Ideally, all these PRANs generated till March 31, 2012 should have received at least 10 credits as on March 31, 2013 (allowing for a time lag of 2 months).

The purpose of the chart is to show the consistency with which Regular Credits are posted. A comparison with National percentages is provided for your reference. This will allow you to assess if any improvement is required in your state. As shown in the graph, only 28.01% i.e. 12,309 Subscribers have received at least 10 regular credits out of the total 43,940 Subscribers registered till March 31, 2012.



7. Time gap in receipt of credit of regular contribution for a particular month:

This graph shows, the time gap with respect to upload of regular contribution for a particular month. For e.g. As per the below chart, there are 36,910 Subscribers who have received the regular credits for the salary month of April 2012. Out of the 36,910 subscribers, 4,111Subscribers have received credit for the salary month of April, 2012 in the month of May 2012, 20,901 subscribers have received credit for the salary month of April, 2012 in the month of June 2012, 9,212 subscribers have received credit for the salary month of April, 2012 in the month of July, 2012 and so on.

It also indicates that 92.72% of the Subscribers have received their credits for the month of April 2012 in the subsequent three months of contribution deductions.

Regular Credits posted for the Salary Month	Count of subscribers regular credits posted in the month											
	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Apr,2012 : 36,910	0	4,111	20,901	9,212	1,279	338	287	313	127	48	68	226
May,2012 : 35,829	0	21	3,725	24,367	5,311	1,025	395	322	246	96	150	171
Jun,2012 : 41,171	0	0	0	10,301	20,484	8,427	1,022	302	212	133	191	99
Jul,2012 : 44,550	0	0	0	0	4,410	25,636	12,765	934	263	137	257	148
Aug,2012 : 47,057	0	0	0	0	0	12,351	30,854	2,068	1,186	121	327	150
Sep,2012 : 47,261	0	0	0	0	0	0	7,833	27,526	10,764	721	272	145
Oct,2012 : 47,149	0	0	0	0	0	0	0	15,702	27,793	3,215	362	77
Nov,2012 : 45,705	0	0	0	0	0	0	0	0	14,654	28,524	2,151	376
Dec,2012 : 49,531	0	0	0	0	0	0	0	0	0	4,403	36,528	8,600
Jan,2013 : 22,810	0	0	0	0	0	0	0	0	0	0	3,823	18,987
Feb,2013 : 928	0	0	0	0	0	0	0	0	0	0	0	928
Mar,2013 : 1	0	0	0	0	0	0	0	0	0	0	0	1

9. Major System Developments

1. **Dashboard report** : This facility for Dashboard report has been implemented with effect from April 16, 2012. The report 'Contribution Credits for Financial Year' provided in the Dashboard contains the number of distinct PRANs for which contribution credits were received. A new hyperlink has now been provided under 'No. of distinct PRANs', to enable the offices to view the details in excel sheet.
2. **Subscriber list download** : This facility for subscriber list download has been implemented with effect from April 16, 2012. The subscriber list can be downloaded from the website www.npscan-cra.com. Now, certain fields such as: 'PRAN activation date', 'IRA compliance date', 'DTO registration No.' and 'Flagging status' have been included in this list. This enables the nodal offices to have updated information of IRA compliance status and flagging status of the subscribers associated with them.
3. **Tracking the status of the PRAN card** : This facility for tracking the status of PRAN card has been implemented with effect from April 16, 2012. The status of dispatch of PRAN card can be checked on our website: www.npsdra.nsdcl.co.in under the menu "Track the status of the PRAN card". Now, along with the date of dispatch, courier name and address, the Airway Bill number will also be displayed. This will enable your office to track the delivery of the PRAN card more efficiently.
4. **Shifting of DDOs**: CRA has now enabled a new functionality with effect from October 31, 2012, whereby entire process of DDO shifting can be handled between DTO and DTA itself without making any separate communication to CRA. The various steps that are required to be followed are given below for quick reference.
 - i. Target DTO (i.e. where DDO has/is getting shifted) will capture a request in the CRA system by using one of the two log in IDs.
 - ii. Target DTO will verify the request in the CRA system by using the second log in ID.
 - iii. The DTA will then authorize the DDO shifting request in CRA system.

(Contd...)

- 5. Subscriber Details modification / updation by DTA's :** Earlier subscriber details modification / updation facility was available only to the District Treasury Offices (DTOs) and all request received directly by the DTA, were required to be directed to the DTO's. To ease the process CRA has enabled a new functionality with effect from February 02, 2013. With this new functionality of subscriber details modification / updation for DTA's in CRA system, the entire process of modifying / updating subscriber details can be handled at DTA level using the two login IDs provided.
- 6. Functionality of Employee enrollment Monitoring:** This functionality which was enabled with effect from February 08, 2013 will be used to maintain the count (on monthly basis) of newly recruited employees under NPS vis-a-vis the count of employees actually registered under NPS and the employees pending for registration in CRA system. This functionality will help nodal offices to view the progress of the registration process for newly recruited employees in last six months. Further, this functionality will help the DTAs to monitor the registration process for the newly recruited employees for each underlying DTOs.
- 7. Reset of Internet Personal Identification Number (IPIN):** CRA has now developed a new functionality with effect from February 20, 2013 wherein Nodal Offices can reset IPIN instantly. This functionality allows Nodal Office to reset IPIN by entering the IPIN and getting it authorized by the concerned DTA/DTA. This functionality will ensure an efficient and faster issuance of IPIN. The IPIN is reset instantly and hence it saves the time required to reissue of physical IPIN in current process. As the IPIN is reset at Nodal Office end, the requirement of dispatching the physical IPIN by CRA does not exist.

10. Important PFRDA Circulars

- 1. Return of Remittances & Deletion of Unmatched Subscriber Contribution Files (SCFs):** As per the directives given by PFRDA vide its circular dated April 04, 2012, from May 1, 2012, the remittances made to the remittances made to Trustee Bank are returned on T+1 day (T being the date of remittance of funds) if not identified by Trustee Bank.

The uploading offices should ensure that the requisite information pertaining to transfer of funds is provided by their Accredited Bank at the time of remittance of funds to Trustee Bank. Further, for SCFs uploaded since May 1, 2012, the SCFs are getting cancelled from CRA system if not matched and booked within 15 (settlement) days of upload. In such cases, the nodal offices have to re-upload the SCFs and ensure that funds are remitted to the Trustee Bank along with requisite fund transfer details.

- 2. Bank details mandatory in Subscriber Registration forms:** PFRDA has communicated through its letter dated October 10, 2012 that Bank details will be mandatory for all subscribers of Central and State Government. In case details provided are found to be incomplete/incorrect, the form will be rejected. Accordingly, nodal offices were advised to ensure the following:
 - i. A cancelled cheque pertaining to the account is submitted by the subscriber along with the subscriber registration form.
 - ii. The subscriber has provided Indian Financial System (IFS) Code. If IFS code is not available, MICR code can be provided. If both (IFSC as well as MICR) are not available, the subscriber has to give a declaration to that effect (provided in the form).
 - iii. Further in case, the Bank details are not available at the time of filling the form, subscriber has to give the declaration for providing the Bank details within six months or on opening of Bank account whichever is earlier.

- 3. Withdrawal of erroneous contribution received into NPS instead of GPF:** There have been various queries and requests from the subscribers and the DDOs/DTOs on refund of contribution received into NPS erroneously, due to wrongly classifying subscriber as falling under NPS instead of GPF.

(Contd...)

Therefore, PFRDA vide its circular dated January 22, 2013 has decided that such cases will be treated as erroneous transfer by the concerned department and do not fall under the exit/withdrawal from NPS. In all such cases, 100% withdrawal of accrued pension wealth is allowed subject to the condition that such proceeds should mandatorily transferred back to the concerned DTO/DDO from whom the request for withdrawal has arisen. The concerned subscriber can approach through his DTO/DDO to our NPS claims cell at CRA for processing of such requests.

- 4. Processing of withdrawal requests of Non IRA Compliant subscribers:**
PFRDA vide its circular dated January 22, 2013 has issued necessary instructions to CRA with respect to the withdrawal guidelines for Non IRA Compliant subscribers in case of government servants who have died or resigned. The said information is being re-iterated hereunder for the information of all stakeholders for a better appreciation of the matter.

The following are the details of the process to be followed:

Exit from NPS arising out of death	Exit from NPS before the age of normal superannuation & arising out of resignation
<ul style="list-style-type: none"> ❖ Certification from the concerned PAO/DTO/DDO (attached as annexure I) ❖ Affidavit from the claimant (attached as Annexure II.) ❖ Filling of respective death claim form along with relevant details 	<p>Subscriber has to:</p> <ul style="list-style-type: none"> ❖ Submit duly filled S1 form for enabling the complete data capture in CRA system. No PRAN generation activity will be undertaken. ❖ Submit duly filled Withdrawal form along with all relevant details and documents.

In case of death where PPAN was assigned but corresponding PRAN was not generated and the respective contribution is held with the concerned employer/department, then, the respective employer/department may take appropriate decision at their end.

(Contd...)

- 5. Empanelment of Annuity Service Providers (ASPs) under National Pension System for providing annuity services:** PFRDA vide its circular dated January 22, 2013 has issued necessary instructions to CRA with respect to the Empanelment of Annuity Service Providers (ASPs) under National Pension System for providing annuity services. The said information is being re-iterated hereunder for the information of all stakeholders for a better appreciation of the matter.

Following seven Annuity Service Providers (ASPs) have been empanelled for the purpose.

- i. Life Insurance Corporation of India
- ii. SBI Life Insurance Co. Ltd.
- iii. ICICI Prudential Life Insurance Co. Ltd.
- iv. Bajaj Allianz Life Insurance Co. Ltd.
- v. Star Union Dai-ichi Insurance Co. Ltd.
- vi. Reliance Life Insurance Co. Ltd.
- vii. HDFC Standard Life Insurance Co. Ltd.

The companies would be offering their approved annuity products to NPS subscribers and would also designing products suiting our requirements.

- 6. Addendum to Form S1 to be used in case of Blind /Illiterate applicants of NPS:** With reference to the subject cited above, PFRDA vide its circular dated January 22, 2013 has issued an addendum to Form S1 to be used for enrolling blind/illiterate applicants under NPS to mitigate the problems faced by them during submission of the Form. Two separate Annexures A1 & A2 categorically will be used for Government employees.

- 7. Circular on replacing the existing facility of "Phased Withdrawal" with "Deferred Withdrawal":** PFRDA vide its circular dated March 11, 2013 has decided to replace the Phased Withdrawal option currently available with a deferred withdrawal option. Whereby the subscribers can time the lump sum withdrawal allowed under NPS at the time of exit with immediate effect.

(Contd...)

Under the Deferred withdrawal facility, the subscribers at the time of exit from National Pension System (NPS) can exercise an option to defer the withdrawal of eligible lump sum withdrawal and stay invested in the NPS. However, it may be noted that no fresh contributions are accepted and also no partial withdrawals are allowed during such a period of deferment. The subscriber can withdraw the deferred lump sum amount at any time before attaining the age of 70 years by giving a withdrawal application or notice. If no such notice is given, the accumulated pension wealth would be automatically monetized and credited to his bank account upon attaining the age of 70 years.

8. Appointment of New Trustee Bank under National Pension System (NPS): PFRDA vide its circular dated May 07, 2013 has intimated about appointment of Axis bank as the new Trustee Bank in place of Bank of India (The current Trustee Bank) for NPS with effect from July 1, 2013. A circular providing the details of NPS accounts and contact details of Axis bank will be issued subsequently.

9. KYC documents required for entry & exit of National Pension System Addendum and Making PAN Card a Mandatory requirement for opening and operation of Tier II account (circular dated May 22, 2013)

Revised list of Know Your Customer (KYC) documents required for both entry and exit under National Pension System, in addition to the acceptable KYC documentation, on the basis of feedback received from various entities registered under NPS. It has also been decided to make submission of PAN Card a mandatory requirement for opening and operation of a Tier II account for all sectors under NPS with immediate effect to ensure compliance with AML/CFT guidelines. In pursuance of this, all existing Tier II accounts under NPS need to be made PAN compliant. The subscribers would be given a time period of 3 months from the date of issuance of this circular, after which the operation of such account would be suspended till the requirement is complied with. (This is only for information as Tier II accounts are not to be operated by State Government)

National Securities Depository Limited,
4th floor, 'A' Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.
Toll Free Number : 1800222080



NSDL

Technology, Trust & Reach

Central Recordkeeping Agency
for National Pension System