




केन्द्रीय भण्डारण निगम
(भारत सरकार का उपक्रम)
Central Warehousing Corporation
(A Government of India Undertaking)



No. CWC-I-RO-PS/NPS/2019-20/11797

Dated: 20th November, 2019

CIRCULAR

SUB: INTRODUCTION OF NATIONAL PENSION SYSTEM (NPS) IN CWC

The Ministry of CAF & PD vide letter No.F.No 9-02/2019-SG-I dated 18.09.2019 has approved the proposal of CWC for shifting/migration from existing pension scheme to National Pension System (NPS) and transferring the pension fund from existing Pension scheme to NPS for employees of CWC.


It has therefore been decided to implement the National pension system for the employees of CWC in place of existing Defined Contribution Pension Scheme(DCPS). The salient features, terms and condition for migration to NPS from existing DCPS would be as under:

A. SALIENT FEATURE:

1. Deduction under section 80CCD(1) of income tax for employee's contribution upto Rs. 150000/-.
2. Additional deduction of Rs. 50000/- for employee's contribution under section 80CCD (1B) of Income Tax Act over and above deduction of Rs. 1,50,000/- under section 80C or 80CCD (1).
3. Deduction of employer's contribution upto 10% of the salary (Basic Pay plus DA).
4. Part withdrawal allowed for specified purposes as per NPS scheme as amended from time to time.
5. Commutation of pension allowed upto 40% without any income tax liability. Additional 20% commutation also allowed subject to income tax deduction.
6. Compulsory annuity only for 40% of the total corpus.
7. Choice of fund manager and mode of investment to individual employee.
8. Employee can maintain the NPS account upto the age of 70 years.

B. Terms and Conditions for migration to NPS.

1. M/s Karvy Computer Share Pvt. Ltd.(CRA) has been assigned the work to open the PRAN account of all the employees. The employees who are already having a NPS account (PRAN) in their individual capacity would be required to convert their individual account to corporate NPS account. The opening of PRAN account should be completed by 31 December 2019 and the NPS contribution of the employees would be made w.e.f salary of January 2020.




2. The rate of employee's compulsory contribution to the NPS shall be 5% of Basic pay + DA and the rate of employer's contribution shall be as decided by the Corporation from time to time for the respective financial year out of superannuation benefits of 30%.
3. The accumulated corpus of DCPS already invested in LIC would be transferred to NPS subject to the terms and conditions of LIC for investment and transfer of funds to NPS by LIC.
4. In case of any delay in transfer of the accumulated balance of the employees who would be retiring shortly, the annuities would be purchased from LIC.
5. The Corporation reserves the right to withhold the pension wealth accumulated through contribution of employer and the investment income accruing thereon in case of disciplinary proceedings for the purpose of recovery of whole or part of any pecuniary loss caused to the corporation, provided such loss is established in any judicial proceedings/departmental proceedings, initiated against the employee by CWC.
6. M/S Karvy stock broking Limited has been appointed as POP (Point of Presence) for opening the account of the employees for which necessary formalities shall be completed by the employees.
7. The employees have the option to choose the fund manager and investment pattern. The employees have the option to choose the Annuity service provider at the time of retirement.
8. M/S Karvy Computer Share Pvt. Ltd. has been appointed as Central Recordkeeping Agency (CRA) for CWC.
9. The charges levied by the different intermediaries for NPS account to be borne by employee or employer are as under:

Description	Charges (Amount)	Charges levied by	Borne by employee/ employer	Remarks
Initial contribution charges & monthly contribution charges	Rs. 10/- per transaction	POP	Employer	Monthly
Other Non financial transaction charges e.g. change in Fund manager, change in investment pattern, change in nominee etc.	Rs. 20/- per transaction	POP	Employee	On the request of employee
Account opening charges	Rs.39.36/-	CRA	Employee	One-Time
Annual Maintenance Charges	Rs.57.63/-	CRA	Employee	Annual
Per Transaction (Financial)	Rs.3.36/-	CRA	Employee	Transaction wise
Per Transaction (Non Financial)	Rs.3.36/-	CRA	Employee	On the request of employee



Custodian	0.0032% of AUM	Asset Maintenance (Per annum)	Employee	Per Annum
Pension Fund Manager	0.01% of AUM	Investment Management (Per annum)	Employee	Per Annum
NPS Trust	0.01% of AUM	Reimbursement of expense	Employee	Per Annum

All the Regional Managers shall disseminate the contents of the circular to all the employees and open the NPS (PRAN) account with the help of representative of M/S Karvy Computer Share Pvt. Ltd. (CRA) and remit the NPS contribution directly to NPS account of the subscriber from the salary month of January 2020 through the M/s Karvy Stock Broking Limited (POP). The contact details of respective officers of M/S Karvy is enclosed as Annex.- I.


(R.R. Aggarwal) 20/11/19
General Manager (Finance)

Distribution:-

1. All Divisional Heads, CWC, CO, New Delhi
2. GM (Systems), CWC, CO, New Delhi for uploading the circular on CWC website.
3. All RMs, CWC Regional Office.

Copy to:-

1. PS to Chairman/Sr. PA to MD/SAM to D(F)/Sr.PA to D(P)/PS to D(MCP), CWC, CO, New Delhi.
2. Notice Board
3. All Trustee of CWC Pension Trust

Annexure-I

LIST OF NODAL OFFICERS of Karvy				
Sr. No.	Region	Karvy Regional Head	Number	Email ID
1	RO AHMEDABAD	Jignesh Mankad	M: +91 96620 17983	jignesh.mankad@karvy.com
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6	RO, RAIPUR			
7	RO, KOLKATA			
8	RO, HYDERABAD	V. Krishnamohan	M: +91 98486 82539	krishna.mohan@karvy.com
9	RO, CHENNAI	Sangeetha Vasudevan	P : +91 044-28587775 M : +91 99529 67320	sangeetha.vasudevan@karvy.com
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13	RO, MUMBAI	Subramanian Iyer	P : +91 022 66235301 M : 09004089391	
14	RO, CHANDIGARH	Michael George	P : +91 011 43681701 M : +91 9910053511	michael.george@karvy.com
15	RO, JAIPUR			
16	RO, DELHI			
17	CO			