

To,
The Chairman,
Pollution Control Board
Guwahati, Assam

Date: 17/04/2013

Dear Sir

Sub: Offer for National Pension System (NPS) services for your employees

With reference to the above subject, you may be aware that Pension Fund Regulatory Development Authority (PFRDA) in May 2009 launched **National Pension System (NPS)**, in pursuance to their commitment to make available an avenue towards saving for old age to all sections of the society. PFRDA has now launched a separate model "**NPS Corporate**" to provide NPS to the employees of corporate entities, viz. a statutory corporation; company incorporated under the Companies Act; including Public Sector Undertakings (PSUs).

As you would agree, retirement can be one of the most rewarding phases of one's life, provided one plans for it. Few reasons why one should go in for Pension Planning are, maintaining the same standard of living post retirement, meeting the rising cost due to inflation and health care cost, which increases during old age. NPS answers all such questions and helps one achieve a "Happy Retirement".

NPS is a defined contribution scheme, which is safe, flexible, portable and provides income security post retirement. NPS Corporate Model is a customized version of the core NPS Model to suit various Organizations. All existing as well as prospective employees of an organization fulfilling the eligibility criterion as specified by PFRDA, can be brought under the NPS platform.

The features and the process of registration under the scheme are given below:

Features of NPS scheme:

- Platform to provide co-contributory pension benefit to the employees.
- Corporate can claim tax benefits for the amount contributed towards pension of its employees.
- Any contribution made by the employees is eligible for tax exemption u/s 80C of the IT Act, 1961.
- Provides choice of various funds with a flexible investment pattern and option to provide the selection of fund and scheme at employee level.
- Platform to monitor and manage investment to meet subscriber's diverse financial goals post retirement.
- Efficient grievance management through Central Recording Keeping Agency (CRA) website, call center, email or postal mail
- A retirement solution with least **fund management charge (0.0009%)** with better growth options through long-term market-linked savings.
- Individual Retirement Account for record keeping at individual level ensures portability across geographies and employment.
- Auto Choice option for the employees who do not have the required knowledge to manage their investment.
- Release of daily NAV by Pension Fund Managers (PFMs) to ensure subscriber can take informed decisions.
- Offers Tier II account which is a voluntary savings facility with anytime liquidity / withdrawal option.
- An option to remain invested even after your retirement (*upto 70 yrs of age*).

IDBI Bank has been appointed by Pension Fund Regulatory Development Authority (PFRDA) as a **Point of Presence (PoP)** and IDBI Bank branches as **PoP-SP (Point of Presence - Service Provider)**. With in depth knowledge and expertise with respect to successful implementation of Corporate NPS, IDBI Bank would hand hold your esteemed organization by executing the following process:

- Registration of a corporate with CRA (NSDL) through IDBI Bank branch.
- Registration of employees with CRA (NSDL) post generation of Corporate Registration Number through IDBI Bank Branch.
- Processing of pension contribution amount received from Corporate on monthly, quarterly, yearly basis.
- Upload and remittance of clear funds, pertaining to initial and subsequent contribution by IDBI Bank within T+1 to Trustee Bank (Bank of India).
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- Processing of service requests (viz.I-PIN/T-PIN request, change in nomination, demographic changes, change in name) for the employees of the Corporate
- Grievances management
- Processing death claims and annuity claims.

The applicable charges under NPS are as follows:

| Intermediary | Charge head | Service Charges | Method of Deduction |
|-----------------|--------------------------------------|---|--|
| CRA (NSDL) | PRA opening charges | Rs. 50 | Through cancellation of units (No additional AMC for Tier IIa/c) |
| | Annual Maintenance Cost (AMC) of PRA | Rs. 225 | |
| | Charge per transaction | Rs. 5 | |
| POP (IDBI Bank) | Initial Registration | Rs.100 | Collected upfront |
| | Contribution upload | 0.25% of Contribution Amt subject to a minimum of Rs.20 | |
| | Any subsequent transactions | Rs. 20 | |
| Custodian | Asset servicing charges | 0.0075% p.a | Through NAV deduction |
| PFM charges | Investment management Fees | 0.0009% p.a. | Through NAV deduction |

- Service Tax at the applicable rate shall be applicable on all the above charges.

IDBI Bank with its huge branch network offers all financial products under one roof. Under financial planning services we assist in clearly defining financial planning models to suit your employees needs as per their goals and risk profile.

We look forward to a mutually beneficial relationship and pledge to offer our best services at all times.

Yours sincerely



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