



Tamil Nadu State Council

Report on Interactive Session on

National Pension System (NPS) for Corporates
“Importance of Retirement Planning – Role of NPS”
6 October 2023, Hotel Taj Club House, Anna Salai, Chennai

FICCI – Tamil Nadu State Council organized a half day **Interactive Session on National Pension System (NPS) for Corporates** held on 6 October 2023 between 2.30pm and 5.00pm at Hotel Taj Club House, Anna Salai, Chennai wherein more than 100 senior representatives from various sectors such as Banking, Financial Services and Insurance (BFSI), Taxation, Auditors, Exports & Imports, Manufacturing, IT & ITES companies participated in this workshop.

The event was sponsored by PFRDA.

Dr. Deepak Mohanty, Chairman, PFRDA in his Keynote Address highlighted the need for an NPS account, saying, people who retire with a lot of money also don't have happy stories as the money runs out due to lifestyle issues. “But if you have a pension, it helps you throughout life, and then it passes on to your spouse, and hence, it is helpful. It is not a substitute. Those who have not taken it must have it,”

Mr. Jehangir Damkevala, Associate Director and Retirement Trust Consulting Leader, Willis Towers Watson made a presentation on benefits of retirement planning wherein highlighted the numerous benefits of NPS to corporates and employees including tax benefits, portability, flexibility, low cost, and regulatory oversight to protect the interest of subscribers.

Mr. Sumit Kumar, Chief General Manager, PFRDA said that there are two different account variants of the National Pension Scheme: Tier I and Tier II. The NPS Tier II account serves as a voluntary savings account, whereas Tier I accounts are ideal for retirement planning. Subscribers can't prematurely withdraw the funds from a NPS Tier I account before your retirement as it is a long-term investment.

Ms. Behroze Kamdin, Partner, Deloitte Haskins & Sells LLP highlighted that when a subscriber reaches the age of superannuation/reaches the age of 60, he or she must use at least 40% of the accrued pension corpus to purchase an annuity that provides a regular monthly pension. The remaining are available for withdrawal as a lump payment.

Mr. N R Mani, Convenor, FICCI Tamil Nadu HR Panel & Head-HR, Lucas TVS emphasized that in order to impart further momentum to the growth of scheme, there is a need for clear communication to all the employers/employees on pension scheme and tax benefits. He also mentioned NPS if one of the tools offered by corporates to retain the talent as part of their compensation policy.

Caption from L to R: Ms. Behroze Kamdin, Partner, Deloitte Haskins & Sells LLP, **Ms. Malini Saravanan**, Head-HR, L & T Construction, **Mr. N R Mani**, Convenor, FICCI Tamil Nadu HR Panel & Head-HR, Lucas TVS, **Dr. Deepak Mohanty**, Chairman, PFRDA, **Mr. Jehangir Damkevala**, Associate Director and Retirement Trust Consulting Leader, Willis Towers Watson, **Mr. Sumit Kumar**, Chief General Manager, PFRDA, **Mr. R Sudharsan**, State Head, FICCI TNSC.