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EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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NEW DELHI, WEDNESDAY, AUGUST 20, 2014/SHRAVANA 29, 1936

वित्त मंत्रालय

(वित्तीय सेवाएं विभाग)

अधिसूचना

नई दिल्ली, 20 अगस्त, 2014

सा.का.नि. 596(अ).—केन्द्रीय सरकार, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 5 की उप-धारा (4) के साथ पठित धारा 51 की उप-धारा (2) के खंड (ख) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित नियम बनाती है, अर्थात् :—

1. संक्षिप्त नाम और प्रारंभ :

(1) इन नियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (अंशकालिक सदस्यों को संदेय भत्ते) नियम, 2014 है ।

(2) ये राजपत्र में प्रकाशन की तारीख से प्रवृत्त होंगे ।

2. परिभाषाएं.—इन नियमों में, जब तक कि संदर्भ से अन्यथा अपेक्षित न हो,—

(क) “अधिनियम” से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है ;

(ख) “अंशकालिक सदस्य” से अधिनियम की धारा 4 के खंड (ग) में निर्दिष्ट प्राधिकरण के सदस्य के अंशकालिक सदस्य अभिप्रेत हैं ;

(ग) उन पदों और शब्दों के, जो इसमें प्रयुक्त हैं और परिभाषित नहीं हैं किंतु अधिनियम में परिभाषित हैं, वहीं अर्थ होंगे जो अधिनियम में हैं ।

3. **अधिवेशन भत्ता.**—कोई अंशकालिक सदस्य को, प्राधिकरण के किसी अधिवेशन में भाग लेने के लिए केवल 20,000 रुपए भत्ता प्राप्त करने का हकदार होगा :

परंतु जहां कोई सरकारी अधिकारी किसी अंशकालिक सदस्य के रूप में नियुक्त है, उसे प्राधिकरण की किसी बैठक में भाग लेने के लिए किसी भत्ते का संदाय नहीं किया जाएगा ।

4. **वाहन भत्ता.**—किसी अंशकालिक सदस्य को प्राधिकरण के किसी अधिवेशन में भाग लेने के लिए पचास किलोमीटर तक वातानुकूलित टैक्सी प्रभार या उसके द्वारा उपगत वास्तविक व्यय, इसमें से जो कम हो, प्रतिपूर्ति होगी और प्राधिकरण द्वारा वाहन उपलब्ध न कराए जाने की दशा में स्वतः प्रमाणीकरण के आधार पर प्रतिपूर्ति का दावा करेगा ।

5. **यात्रा भत्ता, दैनिक भत्ता आदि.**—किसी अंशकालिक सदस्य की दशा में, ऐसे सदस्य के रूप में उसे अपने कर्तव्यों के निर्वहन के लिए अपने निवास के साधारण स्थान से बाहर जाने के लिए बुलाए जाने पर, वह प्राधिकरण के किसी पूर्णकालिक सदस्य को यथा लागू समान दर पर यात्रा भत्ता, दैनिक भत्ता और वास-सुविधा का हकदार होगा ।

6. **भारत से बाहर शासकीय दौरा.**—(1) अंशकालिक सदस्य द्वारा भारत से बाहर दौरे करने को वित्त मंत्रालय के भारसाधक मंत्री और सचिवों की छानबीन समिति के पूर्व अनुमोदन की तथा राजनीतिक दृष्टि से विदेश मंत्रालय और विदेशी सत्कार को स्वीकार करने के लिए गृह मंत्रालय से, यदि कोई हों, विदेशी अभिदाय (विनियम) अधिनियम, 2010 (2010 का 42) या तत्समय प्रवृत्त किसी अन्य विधि के अधीन निर्वाचन की अपेक्षा होगी ।

(2) प्रत्येक अंशकालिक सदस्य भारत से बाहर विदेशी दौरा केवल केंद्रीय सरकार द्वारा जारी आदेशों के अनुसरण में करेगा और वे ऐसे दौरे के संबंध में तीन प्रतिशत की वार्षिक वेतन वृद्धि के साथ सड़सठ हजार रुपए और उन्नासी हजार रुपए प्रतिमाह वेतनमान के वेतनमान वाले केंद्रीय सरकार के अधिकारियों को लागू ऐसे भत्ते प्राप्त करने के हकदार होंगे ।

7. **पद और गोपनीयता की शपथ.**—(1) अंशकालिक सदस्य अपना पद ग्रहण करने से पहले पद की शपथ और गोपनीयता की शपथ लेंगे ।

(2) पद की शपथ और गोपनीयता की शपथ इन नियमों से संलग्न प्ररूप 1 और प्ररूप 2 में होगी ।

8. **अवशिष्ट उपबंध.**—इन नियमों में किसी भत्ते के संबंध में, अंशकालिक सदस्यों से संबंधित अवशिष्ट मामले में, जिसका कोई स्पष्ट उपबंध नहीं किया गया है, विनिश्चय के लिए प्राधिकरण द्वारा केंद्रीय सरकार को निर्दिष्ट होंगे और उस पर सरकार का विनिश्चय उन पर लागू होगा ।

9. **शिथिल करने की शक्ति.**—केंद्रीय सरकार को व्यक्तियों के किसी वर्ग या प्रवर्ग के संबंध में इन नियमों के किसी उपबंध को शिथिल करने की शक्ति होगी ।

[फा. सं. 11/5/2014-पीआर]

अनूप क्वावन, संयुक्त सचिव

प्ररूप 1

(नियम 7 देखें)

पेंशन निधि विनियामक और विकास प्राधिकरण के अंशकालिक सदस्य द्वारा पद की शपथ का प्ररूप

मैं,..... पेंशन निधि विनियामक और विकास प्राधिकरण के अंशकालिक सदस्य के रूप में नियुक्त हुआ हूँ, सत्यनिष्ठा से प्रतिज्ञान करता हूँ/ईश्वर की शपथ लेता हूँ कि मैं पेंशन निधि विनियामक और विकास प्राधिकरण के अंशकालिक सदस्य के रूप में अपने कर्तव्यों का श्रद्धापूर्वक और शुद्ध अंतःकरण तथा अपनी पूर्ण योग्यता, ज्ञान और विवेक से निर्वहन करूंगा और मैं भय या पक्षपात, अनुराग या द्वेष के बिना पालन करूंगा ।

तारीख :

(अंशकालिक सदस्य का नाम)

प्ररूप 2

(नियम 7 देखें)

पेंशन निधि विनियामक और विकास प्राधिकरण के अंशकालिक सदस्य द्वारा
गोपनीयता की शपथ का प्ररूप

मैं, ... पेंशन निधि विनियामक और विकास प्राधिकरण के अंशकालिक सदस्य के रूप में नियुक्त हुआ हूँ, सत्यनिष्ठा से प्रतिज्ञान करता हूँ/ईश्वर की शपथ लेता हूँ कि जो विषय पेंशन निधि विनियामक और विकास प्राधिकरण के अंशकालिक सदस्य के रूप में मेरे विचार के लिए लाया जाएगा अथवा मुझे ज्ञात होगा उसे किसी व्यक्ति या व्यक्तियों को तब के सिवाय जबकि ऐसे अंशकालिक सदस्य के रूप में अपने कर्तव्यों के सम्यक् निर्वहन के लिए ऐसा करना अपेक्षित हो, मैं प्रत्यक्ष या अप्रत्यक्ष रूप से संसूचित या प्रकट नहीं करूंगा।

तारीख :

(अंशकालिक सदस्य का नाम)

(अधिकारी का नाम)

अधिकारी का पदनाम

(फाइल सं.....)

MINISTRY OF FINANCE

(Department of Financial Services)

NOTIFICATION

New Delhi, the 20th August, 2014

G.S.R. 596(E).—In exercise of the powers conferred by clause (b) of sub-section (2) of Section 51, read with sub-section (4) of Section 5 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Central Government hereby makes the following rules namely:—

1. **Short title and commencement.**—(1) These rules may be called the Pension Fund Regulatory and Development Authority (Allowances Payable to Part-Time-Members) Rules, 2014.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. **Definitions.**—In these rules, unless the context otherwise requires, —
 - (a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
 - (b) “part-time member” means the part-time member of the Authority referred to in clause (c) of Section 4 of the Act;
 - (c) words and expressions used herein and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.
3. **Meeting allowance.**—A part-time member shall be entitled to receive an allowance of twenty thousand rupees only, for a meeting of the Authority attended by him:
Provided that where a Government officer is appointed as a part-time member, he shall not be paid any allowance for attending a meeting of the Authority.
4. **Conveyance Allowance.**—A part-time member shall, for attending a meeting of the Authority, be reimbursed Air-conditioned taxi charges of upto fifty kilometers or the actual expenses incurred by him, whichever is less and the

reimbursement shall be claimed on self-certification basis, in case conveyance has not been provided by the Authority.

5. **Travelling Allowance, Daily allowance, etc.**—In case a part-time member called upon to go out of the ordinary place of his residence for discharging his duties as such member, he shall be entitled to travelling allowance, daily allowance, and accommodation at the same rate as applicable to a whole-time member of the Authority.

6. **Official tours outside India.**—(1) Tours outside India to be undertaken by the part-time members shall require prior approval of the Minister-in-charge of the Ministry of Finance and of the Screening Committee of the Secretaries and clearance from the Ministry of External Affairs from political angle and from the Ministry of Home Affairs for acceptance of foreign hospitality, if any, under the provisions of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) or any other law for the time being in force.

(2) Every part-time member shall undertake tours outside India only in accordance with the orders issued by the Central Government and they shall be entitled to draw such allowances in respect of such visits as applicable to the officers of the Central Government having the pay scale of sixty-seven thousand rupees and seventy nine-thousand rupees per month with an annual increment at the rate of three per cent.

7. **Oath of office and secrecy.**—(1) A part-time member shall, before entering upon his office, subscribe to an oath of office and an oath of secrecy.

(2) The oath of office and the oath of secrecy shall be administered in Form I and Form II annexed to these rules.

8. **Residuary provisions.**—Residuary matters relating to part-time members, with respect to an allowance for which no express provision has been made in these rules, shall be referred by the Authority to the Central Government for decision and the decision of that Government shall be applicable to them.

9. **Power to relax.**—The Central Government shall have power to relax the provisions of any of these rules with respect to any class or category of persons.

[F. No. 11/5/2014-PR]

ANUP WADHAWAN, Jt. Secy.

FORM I

(See rule 7)

Form of oath of office for the part-time member of the Pension Fund
Regulatory and Development Authority.

I, _____, having been appointed as part-time member of the Pension Fund Regulatory
Development Authority solemnly affirm / swear in the name of God that I will faithfully and conscientiously discharge my
duties as the part-time member of the Pension Fund Regulatory Development Authority, to the best of my ability,
knowledge and judgment, without fear or favour, affection or ill-will.

Dated:

(Name of part-time member)

FORM II

(See rule 7)

Form of oath of secrecy for the part-time member of the Pension Fund
Regulatory and Development Authority.

I, _____, having been appointed as the part-time member of the Pension Fund Regulatory
Development Authority do solemnly affirm / swear in the name of God that I will not directly or indirectly communicate

or reveal to any person or persons any matter which shall be brought under my consideration or shall become known to me as the part-time member of the Pension Fund Regulatory Development Authority, except as may be required for the due discharge of my duties as the part-time member.

Dated:

(Name of part-time member)

(Name of officer)

Designation of officer
[File No.....]

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असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 599]

नई दिल्ली, सोमवार, नवम्बर 17, 2014/कार्तिक 26, 1936

No. 599]

NEW DELHI, MONDAY, NOVEMBER 17, 2014/KARTIKA 26, 1936

वित्त मंत्रालय

(वित्तीय सेवाएं विभाग)

अधिसूचना

नई दिल्ली, 17 नवम्बर, 2014

सा.का.नि. 812(अ).—केंद्रीय सरकार, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 17 की उपधारा (10) के साथ पठित धारा 51 की उपधारा (2) के खंड (इ) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए निम्नलिखित नियम बनाती है, अर्थात् :—

1. संक्षिप्त नाम और प्रारंभ.—(1) इन नियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (प्राधिकृत अधिकारी द्वारा तलाशी अभिग्रहण की प्रक्रिया) नियम, 2014 है।

(2) ये राजपत्र में इनके प्रकाशन की तारीख को प्रवृत्त होंगे।

2. परिभाषाएं—(1) इन नियमों में जब तक कि संदर्भ से अन्यथा अपेक्षित न हो—

- (क) “अधिनियम” से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है ;
- (ख) “प्राधिकार” से इन नियमों में संलग्न प्ररूप में प्राधिकारी द्वारा जारी प्राधिकार का वारंट अभिप्रेत है ;
- (ग) “प्राधिकृत कार्यालय” से अधिनियम की धारा 17 की उपधारा (1) के अधीन तलाशी और अभिग्रहण की शक्तियों का प्रयोग करने के लिए उक्त धारा के अधीन प्राधिकृत अधिकारी अभिप्रेत है ;
- (घ) “धारा” से अधिनियम की धारा अभिप्रेत है ;
- (ङ) इन नियमों में उन शब्दों और पदों के, जो इन नियमों में प्रयुक्त हैं और परिभाषित नहीं हैं किंतु अधिनियम में परिभाषित हैं वही अर्थ होंगे जो उक्त अधिनियम में उनके हैं।

3. तलाशी और अभिग्रहण के प्राधिकार जारी करने के लिए सक्षम प्राधिकारी.—(1) प्राधिकरण, धारा 17 की उपधारा (1) के अधीन उस धारा के प्रयोजन के लिए प्राधिकार जारी करेगा।

(2) उप नियम (1) में अंतर्विष्ट उपबंधों पर बिना किसी प्रतिकूल प्रभाव डाले, अध्यक्ष, धारा 17 की उपधारा (1) के अधीन प्राधिकार जारी कर सकता है यदि उसे धारा 49 की उपधारा (1) के अधीन प्राधिकरण द्वारा लिखित आदेश द्वारा प्रत्यायोजित किया गया है;

परंतु प्राधिकरण, धारा 49 की उपधारा (1) के अधीन, अध्यक्ष की अनुपस्थिति उसके लिखित आदेश द्वारा किसी भी पूर्ण कालिक सदस्य को प्राधिकार जारी करने के लिए प्राधिकृत कर सकता है।

(3) अध्यक्ष या पूर्ण कालिक सदस्य, उपनियम (2) के अधीन प्राधिकार जारी करने के तुरंत पश्चात् ऐसे प्राधिकार को उसके कारणों सहित, प्राधिकरण को उस प्राधिकार के जारी होने के पश्चात् होने वाली उसकी पहली बैठक में सूचित करेगा।

(4) अधिकारी जिसे प्राधिकार जारी किया जा सकेगा - प्राधिकरण धारा 17 के अधीन तलाशी और अभिग्रहण के प्रयोजन के लिए प्राधिकरण के किसी अधिकारी जो महाप्रबंधक की पंक्ति से कम न हो, को प्राधिकार जारी करेगा।

(5) प्राधिकार जारी करने के प्ररूप और रीति - (1) इन नियमों के अधीन, इन नियमों में संलग्न प्ररूप में, प्राधिकार जारी किया जाएगा।

(2) प्रत्येक प्राधिकार लिखित में निम्नलिखित के अधीन होगा - (क) प्राधिकरण द्वारा नियम 3 के उपनियम (1) के अधीन जारी प्राधिकार में हस्ताक्षर करने के लिए उसके द्वारा निदेशित अधिकारी के हस्ताक्षर और प्राधिकरण की मुहर लगी होगी।

(ख) नियम 3 के उपनियम (2) के अधीन, प्राधिकार जारी करने वाले यथास्थिति, अध्यक्ष या पूर्ण कालिक सदस्य के हस्ताक्षर और उसकी मुहर लगी होगी।

6. किसी भवन या स्थान की तलाशी के लिए उचित सुविधाएं प्रदान करने की उसके भारसाधक की बाध्यता - किसी भवन या स्थान जो कि तलाशी कराने के लिए प्राधिकृत है, का भारसाधक प्राधिकृत अधिकारी के मांग और प्राधिकार पत्र प्रस्तुत करने पर, उसे उस स्थान पर अबाध प्रवेश अनुज्ञात करेगा और उस स्थान की तलाशी के लिए सभी उचित सुविधाएं प्रदान करेगा।

7. परिस्थितियां जिनके अधीन पुलिस बल का उपयोग किया जाएगा - यदि नियम 6 में विनिर्दिष्ट यथा किसी भवन या स्थान में प्रवेश अभिप्राप्त नहीं होता है, तो प्राधिकार को निष्पादित करने वाले प्राधिकृत अधिकारी को, यथाअपेक्षित पुलिस अधिकारियों या केंद्रीय सरकार के अधिकारियों या दोनों की सहायता से ऐसे भवन या स्थान में प्रवेश करना और वहां की तलाशी करना और यदि प्राधिकार और प्रयोजन प्रकट करने पर और सम्यक रूप से प्रवेश की मांग करने पर उसे प्रवेश नहीं प्रदान होता है तो ऐसे में भवन या स्थान में प्रवेश को प्रभावी बनाने के लिए भवन या स्थान के बाहरी या आंतरिक खिड़की या दरवाजे तोड़ना विधि मान्य होगा।

परंतु यदि ऐसा भवन या स्थान एक ऐसा खंड है जो वास्तविक रूप से किसी ऐसी स्त्री के अधिभोग में है जो, प्रथा के अनुसार लोगों के सामने नहीं आती, ऐसे खंड में प्रवेश से पहले, उस स्त्री को सूचित करें कि वह प्रत्याहृत करने के लिए स्वतंत्र है और उसे प्रत्याहृत करने के लिए उचित सुविधाएं प्रदान करेगा और उसके बाद खंड तोड़ कर उसमें प्रवेश किया जा सकेगा।

8. कतिपय मामलों में बक्स, संदूक, तिजोरी, अलमारी या अन्य पात्र तोड़कर खोलना - प्राधिकृत अधिकारी किसी व्यक्ति से जिसके पास भवन या उस स्थान पर बक्स, संदूक, तिजोरी, अलमारी या अन्य पात्र का कब्जा या नियंत्रण है, उसे खोलने तथा उसकी अंतर्वस्तुओं का निरीक्षण या परीक्षण अनुज्ञात करने की अपेक्षा कर सकेगा और जहां उसकी चाबियां उपलब्ध नहीं हैं या जहां ऐसा व्यक्ति ऐसी किसी अपेक्षा का अनुपालन करने में असफल रहता है तो प्राधिकृत अधिकारी कोई कार्यवाही करवाएगा जो वह नियम 3 के अधीन जारी प्राधिकार में विनिर्दिष्ट सभी या किन्हीं प्रयोजनों को कार्यान्वित करने के लिए आवश्यक समझे, जिसके अंतर्गत बक्स, संदूक, तिजोरी, अलमारी या अन्य पात्र को तोड़कर खोलना भी है।

9. कतिपय मामलों में प्राधिकृत अधिकारी, पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को हटाने के लिए प्राधिकृत अधिकारी की पूर्व अनुज्ञा की अपेक्षा - प्राधिकृत अधिकारी, जहां पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों का अभिग्रहण व्यवहार्य नहीं है, स्वामी या अन्य व्यक्ति जिसका उन पर कब्जा या नियंत्रण है, को एक आदेश तामील करेगा कि वह प्राधिकृत अधिकारी की पूर्व अनुज्ञा के सिवाय, उनको नहीं हटाएगा, अलग नहीं करेगा या अन्यथा व्यवहार नहीं करेगा, प्राधिकृत अधिकारी इस नियम के अनुपालन सुनिश्चित करने के लिए ऐसे कदम उठा सकेगा जो आवश्यक हैं।

10. तलाशी और अभिग्रहण की साक्षी के लिए दो या अधिक सम्मानित व्यक्ति की उपस्थिति प्राधिकृत अधिकारी, जहां किसी भवन या स्थान की तलाशी ली जानी है, तलाशी और अभिग्रहण से पूर्व उस परिक्षेत्र के दो या अधिक सम्मानित निवासियों को जिसमें तलाशी लिए जाने वाला भवन या स्थान अवस्थित है, तलाशी और अभिग्रहण में उपस्थित और गवाही के लिए बुलाएगा, और ऐसा करने के लिए उन्हें या उनमें से किसी व्यक्ति को लिखित में आदेश कर सकेगा।

11. तलाशी के दौरान अभिग्रहण की गई वस्तुओं की सूची तैयार करना - तलाशी साक्षियों की उपस्थिति में की जाएगी तथा प्राधिकृत अधिकारी द्वारा ऐसी तलाशी के दौरान अभिग्रहण की गई सभी पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों तथा उन स्थानों जिन पर क्रमशः उन्हें पाया गया, तैयार किया जाएगा और ऐसे साक्षियों द्वारा हस्ताक्षरित किया जाएगा।

12. तलाशी किए गए भवन या स्थान के भारसाधक व्यक्ति समेत अधिभोगियों के अधिकार - (1) तलाशी किए गए भवन या स्थान के दौरान अधिभोगी या उसके निमित्त किसी व्यक्ति को तलाशी के दौरान उपस्थित होने के लिए अनुज्ञात किया जाएगा और नियम 11 के अधीन तैयार सूची की एक प्रति ऐसे अधिभोगी या व्यक्ति को परिदत्त की जाएगी।

(2) नियम 11 के अधीन तैयार सूची की एक प्रति प्राधिकारी को अग्रेषित की जाएगी।

13. तलाशी के दौरान अभिग्रहण की गई पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को कैसे या पैकेजों में रखा जाएगा -

(1) तलाशी के दौरान, अभिग्रहण की गई पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को प्राधिकृत अधिकारी ऐसे पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों के ब्यौरे सहित पैकेज में या पैकेजों में रखेगा या रखा जाएगा।

(2) उप-नियम (1) में निर्दिष्ट प्रत्येक पैकेज पर प्राधिकृत अधिकारी का एक पहचान चिन्ह और मुहर धारित करेगा और तलाशी की जाने वाले भवन या स्थान के अधिभोगी या उसकी ओर से कोई अन्य व्यक्ति को उन पर अपनी मुहर लगाने के लिए अनुज्ञात किया जाएगा।

(3) तैयार की गई सूची की एक प्रति अधिभोगी या उपनियम (2) में निर्दिष्ट व्यक्ति को भेजी जाएगी और उसकी एक प्रति प्राधिकरण को भी अग्रेषित की जाएगी।

14. तलाशी में अभिगृहीत पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों अभिरक्षक अधिकारी के पास जमा होंगे प्राधिकृत अधिकारी तलाशी के दौरान अभिग्रहण पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को, एक पैकेज या पैकेजों में, यदि कोई है, नियम 13 में निर्दिष्ट, प्राधिकरण के अधिकारी जो उसके द्वारा इन नियमों के प्रयोजनों के लिए (इसके पश्चात् अभिरक्षक अधिकारी निर्दिष्ट हैं), को पहुंचाएगा और उपरोक्त में निर्दिष्ट तलाशी में अभिग्रहण की गई पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों का अभिरक्षक अधिकारी के पास वर्तमान में जमा किया जा सकता है।

15. अभिरक्षक अधिकारी के कर्तव्य - (1) अभिरक्षक अधिकारी, नियम 13 में निर्दिष्ट और उसके पास जमा पैकेज या पैकेजों की सुरक्षित अभिरक्षा के लिए जो आवश्यक हो, ऐसे कदम उठाएगा।

(2) अभिरक्षक अधिकारी, सभी या किसी पैकेज की सुरक्षित अभिरक्षा के लिए, प्राधिकरण द्वारा विनिर्दिष्ट आदेश द्वारा, किसी पब्लिक सैक्टर बैंक की शाखा या ऐसे अधिकारी या प्राधिकरण के पास जमा कर सकता है।

16. पैकेज या पैकेजों को खोलना - (1) जब कभी अधिनियम के किन्हीं प्रयोजनों के लिए जब कभी किसी मुहरबंद पैकेज या पैकेजों को खोलने की अपेक्षा होती है, तो प्राधिकरण द्वारा निदेशित प्राधिकृत अधिकारी, नियम 15 में निर्दिष्ट अभिरक्षक अधिकारी या पब्लिक सैक्टर बैंक की शाखा या अधिकारी या प्राधिकरण से वही अपेक्षा कर सकता है और अपेक्षा प्राप्त होने पर, यथास्थिति, ऐसे पैकेज या पैकेजों को अभिरक्षक अधिकारी या पब्लिक सैक्टर की शाखा या ऐसे प्राधिकरण के अधिकारी द्वारा उसे दे दिया जाएगा और ऐसे पैकेज या पैकेजों को, दो सम्माननीय साक्षियों की उपस्थिति में, जिस व्यक्ति की अभिरक्षा से सामान अभिग्रहण किया गया था उसे उपस्थित होने की उचित सूचना के पश्चात् प्राधिकृत अधिकारी मुहरबंद तोड़कर खोल सकेगा।

(2) उप नियम (1) में निर्दिष्ट गवाहों को तब तक उपस्थित रहने के लिए अनुज्ञा दी जाएगी जब तक पैकेज या पैकेजों का सामान, यथास्थिति, नए पैकेज या पैकेजों में नियम 13 में विनिर्दिष्ट रीति में रखा जाए और मुहरबंद किया जाए या नियम 15 में निर्दिष्ट ऐसे यथास्थिति व्यक्ति या अभिरक्षक अधिकारी या पब्लिक सैक्टर बैंक की शाखा या प्राधिकरण के अधिकारी को सौंप दिया जाए।

[फा. सं. 11/10/2014 - पे. सु.]

अनुप वधावन, संयुक्त सचिव

**प्ररूप
(नियम 5 देखें)**

पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 17 और पेंशन निधि विनियामक और विकास प्राधिकरण (प्राधिकृत अधिकारी द्वारा तलाशी और अभिग्रहण प्रक्रिया) नियम, 2014 के नियम 5 के अधीन प्राधिकार का वारंट

अध्यक्ष/प्राधिकरण का पूर्ण कालिक सदस्य होते हुए (प्राधिकरण/अध्यक्ष/पूर्ण कालिक सदस्य द्वारा प्राधिकृत व्यक्ति का नाम वर्णित करें) प्राधिकरण/मेरे समक्ष जानकारी रखी गई है और उस पर विचार करने पर प्राधिकरण/मेरे विश्वास करने का कारण है कि

- * (क) श्री....., निवासी..... अधिनियम की धारा 16 की उप-धारा (3) के अधीन उसकी अभिरक्षा या शक्ति में पुस्तकों, या अन्य दस्तावेजों या अभिलेखों को प्रस्तुत करना या कराना अपेक्षित होते हुए या ऐसे पुस्तक या दस्तावेज या अभिलेख को प्रस्तुत करने या प्रस्तुत कराने का लोप किया हो उसमें विफल रहे हो ; या
- * (ख) श्री....., निवासी..... जिससे उसकी अभिरक्षा या शक्ति में किन्हीं पुस्तकों या अन्य दस्तावेजों या अभिलेखों को प्रस्तुत करने की अपेक्षा की जाती है, या ऐसी पुस्तकों या अन्य दस्तावेजों या अभिलेखों को प्रस्तुत नहीं करेगा या नहीं करवाएगा जो अधिनियम की धारा 16 की उप-धारा (1) के अधीन किसी अनवेषण में उपयोगी या सुसंगत होंगे ; या
- * (ग) (मध्यवर्ती का नाम वर्णित करें) इस अधिनियम के किसी उपबन्ध का उल्लंघन किया गया है या किये जाने की संभावना है ; या
- * (घ) कोई दावा जिसका..... (मध्यवर्ती का नाम वर्णित करें) द्वारा परिनिर्धारण होना है, या, खारिज हो गया है या खारिज होने की संभावना है या जो एक उचित रकम से अधिक रकम पर निर्धारित किया गया हो ; या
- * (ङ) कोई..... द्वारा खारिज..... संभावना है या जो उचित रकम से कम रकम पर परिनिर्धारित किया गया हो ; या
- (च) (मध्यवर्ती का नाम वर्णित करें) द्वारा कोई अवैध फीस या प्रभार जो संव्यवहार की गई या संव्यवहार होने की संभावना हो ; या
- * (छ) (मध्यवर्ती का नाम वर्णित करें) की किन्हीं पुस्तकों, लेखाओं, कागजपत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों जिनके साथ छेड़छाड़ हाने, मिथ्याकरण होने या विनिर्मित होने की संभावना हो और जहां प्राधिकरण /मेरे पास संदेह का कारण हो कि ऐसी पुस्तकों, लेखाओं, कागजों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को रखा गया हो और पाया जाना है ; या

(भवन/स्थान या ऐसे ब्यौरे जिनसे ऐसे भवन/स्थान का पता लग सके की विशिष्टियां विनिर्दिष्ट करें) ; या

3. और अतः, यह वारंट या प्राधिकार निम्नलिखित को जारी किया जाएगा --

- 1 (प्राधिकृत अधिकारी का नाम और पदनाम)
- 2 (प्राधिकृत अधिकारी का नाम और पदनाम)
- 3 (प्राधिकृत अधिकारी का नाम और पदनाम)
- 4 (प्राधिकृत अधिकारी का नाम और पदनाम)

(क) उक्त भवन/स्थान में प्रवेश और तलाशी करना,

(ख) ऐसे किसी व्यक्ति की तलाश करना जो भवन/स्थान से बाहर गया हो, या प्रवेश करने वाला हो, या अंदर हो, जिस पर आपके पास संदेह का कारण हो कि ऐसे व्यक्ति ने अपने बारे में और ऐसी किन्हीं पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को छुपाया हो;

(ग) तलाशी के दौरान पाए गए लेखा, पुस्तकों और दस्तावेजों पर पहचान चिन्ह और जैसा आप उपरोक्त प्रक्रियाओं के लिए सुसंगत या उपयोगी समझे, पहचान चिन्हों के विशिष्टियों के साथ उनकी सूची तैयार करना;

- (घ) ऐसी पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्टों या अन्य दस्तावेजों की परीक्षा करना और ऐसी पुस्तकों, दस्तावेजों, प्रविष्टियों, वाउचरों रिपोर्टों या अन्य दस्तावेजों की प्रतियां या निष्कर्ष बनाना, या बनवाना;
- (ङ) ऐसी तलाशी के परिणामस्वरूप पाए गए ऐसे पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों का अभिग्रहण करना और उनका कब्जा लेना;
- (च) पेंशन निधि विनियामक और विकास प्राधिकरण (प्राधिकृत अधिकारी द्वारा तलाशी और अभिकरण की प्रक्रिया) नियम, 2014 के नियम 15 में निर्दिष्ट अभिरक्षा अधिकारी या पब्लिक सेक्टर बैंक की शाखा या अधिकारी या प्राधिकरण के पास ऐसी पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को जमा कराना;
- (छ) पेंशन निधि विनियामक और विकास प्राधिकरण (प्राधिकृत अधिकारी द्वारा तलाशी और अभिकरण की प्रक्रिया) नियम, 2014 में विनिर्दिष्ट सभी या किन्हीं प्रयोजनों के लिए, उपर्युक्त प्राधिकृत अधिकारी की सहायता करने के लिए किसी पुलिस अधिकारी या केंद्रीय सरकार के किसी अधिकारी की सेवाओं की अपेक्षा करना और यह प्रत्येक पुलिस अधिकारी का कर्तव्य होगा कि ऐसी अपेक्षा का अनुपालन करे;
- (ज) जहां किसी व्यक्ति को आदेश तामील करने के लिए ऐसी किन्हीं पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेजों को अभिगृहीत करना व्यवहार्य नहीं है, वहां जिसका उन पर तात्कालिक कब्जा या नियंत्रण हो, वह ऐसे अधिकारी की पूर्ण अनुज्ञा के सिवाय, उन्हें नहीं हटाएगा, अलग नहीं करेगा या अन्यथा व्यवहार नहीं करेगा और ऐसा अधिकारी अधिनियम की धारा 17 की उपधारा (3) के उपबंधों का अनुपालन सुनिश्चित करने के लिए ऐसे कदम उठा सकेगा, जो आवश्यक हों;
- (झ) तलाशी और अभिग्रहण के दौरान, किसी व्यक्ति जिसके पास किन्हीं ऐसी पुस्तकों, लेखाओं, कागज-पत्रों, प्राप्तियों, वाउचरों, सर्वेक्षण रिपोर्ट या अन्य दस्तावेज का कब्जा और नियंत्रण पाया गया हो, का शपथ पर जांच करना और ऐसे जांच के दौरान ऐसे व्यक्ति द्वारा दिए गए कथन को तत्पश्चात् अधिनियम के अधीन किसी कार्यवाही में साक्ष्य में किया जा सकता है;

प्राधिकरण/अध्यक्ष/पूर्ण कालिक सदस्य द्वारा हस्ताक्षर करने के लिए प्राधिकृत अधिकारी

(मुहर)

(जो लागू न हो उसे काट दें)

(अधिकारी का नाम)

अधिकारी का पदनाम

(फाइल सं.....)

MINISTRY OF FINANCE

(Department of Financial Services)

NOTIFICATION

New Delhi, the 17th November, 2014

G.S.R. 812(E).—In exercise of the powers conferred by clause (e) of sub-section (2) of Section 51, read with sub-section (10) of Section 17 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Central Government hereby makes the following rules, namely:—

1. **Short title and commencement.**—(1) These rules may be called the Pension Fund Regulatory and Development Authority (Procedure for Search and Seizure by Authorised Officer) Rules, 2014.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. **Definitions.**—In these rules, unless the context otherwise requires,—

(a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

(b) “authorisation” means warrant of authorisation issued by the Authority in Form appended to these rules;

(c) “authorised officer” means the officer authorised under sub-section (1) of Section 17 of the Act to exercise powers of search and seizure under the said section;

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(d) "section" means section of the Act;

(e) words and expressions used herein and not defined but defined in the Act, shall have the meanings respectively assigned to them in the Act.

3. Competent authority to issue authorisation for search and seizure.—(1) The Authority shall issue authorisation under sub-section (1) of Section 17 for the purpose of that section.

(2) Without prejudice to the provisions contained in sub-rule (1), the Chairperson may issue authorisation under sub-section (1) of section 17 if he has been delegated by an order made in writing by the Authority under sub-section (1) of Section 49:

Provided that the Authority may, by order made by it in writing under sub-section (1) of section 49, authorise any of the whole-time members to issue the authorisation, in the temporary absence of the Chairperson.

(3) The Chairperson or the whole-time member shall, immediately after issuing the authorisation under sub-rule (2), report such authorisation along with reasons therefor, to the Authority in its first meeting held immediately after the issue of such authorisation.

4. Officer to whom authorisation may be issued.—The Authority shall issue authorisation to an officer not below the rank of General Manager of the Authority for the purpose of search and seizure under Section 17.

5. Form and manner of issuing authorization.—(1) The authorisation issued under these rules shall be in the Form of appended to these rules.

(2) Every authorisation shall be in writing under—

(a) the signature of the officer directed by the Authority to sign the authorisation to be issued by it under sub-rule (1) of rule 3 and shall bear the seal of the Authority; or

(b) the signature of the Chairperson or the whole-time member, as the case may be, issuing the authorisation under sub-rule (2) of rule 3 and shall bear his seal.

6. Obligation of person in charge of any building or place, to afford all reasonable facilities for search.—Any person in-charge of or in any building or place, authorised to be searched, shall, on demand by the authorised officer and on production of the authorisation, allow him free ingress thereto and afford all reasonable facilities for a search therein.

7. Circumstances under which police force may be used.—If ingress into a building or place cannot be obtained as specified in rule 6, it shall be lawful for the authorised officer executing the authorisation, with such assistance of police officers or of officers of the Central Government, or of both, as may be required, to enter such building or place and search therein, and in order to effect an entrance into such building or place, to break open any outer or inner door or window of the building or place, if after the disclosure of authorisation and the purpose and demand of admittance duly made, he cannot otherwise obtain admittance:

Provided that, if any such building or place is an apartment in actual occupancy of a woman, who according to custom does not appear in public, the authorised officer shall, before entering such apartment, give notice to such woman that she is at liberty to withdraw and shall afford her every reasonable facility for withdrawing and may then break open the apartment and enter it.

8. Breaking open of box, locker, safe, almirah or other receptacle in certain cases.—The authorised officer may require any person who is the owner, or has the immediate possession, or control, of any box, locker, safe, almirah or any other receptacle in building or place, to open the same and allow access to inspect or examine its contents, and, where the keys thereof are not available or where such person fails to comply with any such requirement, may cause any action to be taken including the breaking open of such box, locker, safe, almirah or other receptacle which the authorised officer may deem necessary for carrying out all or any of the purposes specified in the authorisation issued under rule 3.

9. Previous permission of authorised officer required for removal of books, accounts, papers, receipts, vouchers, survey reports or other documents in certain cases.—The authorised officer may, where it is not practicable to seize the books, accounts, papers, receipts, vouchers, survey reports or other documents, serve an order on the owner or the person who is in immediate possession or control thereof that he shall not remove, part with or otherwise deal with them except with the previous permission of the authorised officer who may take such steps as may be necessary for ensuring compliance with this rule.

10. Two or more respectable persons to attend and witness search and seizure.—Before making a search and seizure, the authorised officer shall, where any building or place is to be searched, call upon two or more respectable inhabitants of the locality in which the building or place to be searched is situated, to attend and witness the search and seizure, and may issue an order in writing to them or any of them so to do.

11. Preparation of list of all things seized in course of search.—The search shall be made in the presence of the witnesses and a list of all the books, accounts, papers, receipts, vouchers, survey reports or other documents seized in the course of such search and of the places in which they were respectively found shall be prepared by the authorised officer and signed by such witnesses.

12. Rights of occupants including person in charge of building or place, searched.—(1) The occupant of the building or place, searched, or some person on his behalf, shall be permitted to attend during the search and a copy of the list prepared under rule 11 shall be delivered to such occupant or person.

(2) A copy of the list prepared under rule 11 shall be forwarded to the Authority.

13. Books, accounts, papers, receipts, vouchers, survey reports or other documents seized during search to be placed in package or packages.—(1) The authorised officer shall place or cause to be placed the books, accounts, papers, receipts, vouchers, survey reports or other documents seized during the search in a package or packages which shall be listed with details of such books, accounts, papers, receipts, vouchers, survey reports or other documents placed therein.

(2) Every package referred to in sub-rule (1) shall bear an identification mark and the seal of the authorised officer and the occupants of the building or place, searched or any other person on his behalf shall also be permitted to put his seal on them.

(3) A copy of the list prepared shall be delivered to the occupant or person referred to in sub-rule (2) and a copy thereof shall also be forwarded to the Authority.

14. Deposit of books, accounts, papers, receipts, vouchers, survey reports or other documents seized in search with the Custodian Officer.—The authorised officer shall convey the books, accounts, papers, receipts, vouchers, survey reports or other documents seized during the search, in a package or packages, if any, referred to in rule 13, to an officer of the Authority designated by it as Custodian Officer (hereinafter referred to as the Custodian Officer) for the purposes of these rules and any books, accounts, papers, receipts, vouchers, survey reports or other documents seized in the search referred to above may also be deposited with the Custodian Officer.

15. Duties of Custodian Officer.—(1) The Custodian Officer shall take such steps as he may consider necessary for the safe custody of the package or packages referred to in rule 13 and deposited with him.

(2) The Custodian Officer may deposit for safe custody all or any of the packages with any branch of a public sector bank or with such officer or authority as may, by order, be specified by the Authority.

16. Opening of package or packages.—(1) Whenever any sealed package or packages are required to be opened for any of the purposes of the Act, the authorised officer, on being so directed by the Authority, may requisition the same from the Custodian Officer or the branch of public sector bank or the officer or authority referred to in rule 15 and on receipt of the requisition, such package or packages, as the case may be, shall be delivered to him by such Custodian Officer or branch or public sector bank or such officer or authority and the authorised officer may break any seal and open such package or packages in the presence of two respectable witnesses giving a reasonable notice to the person from whose custody the contents were seized to be present.

(2) The witnesses referred to in sub-rule (1) shall be permitted to be present till the contents of the package or packages are placed in a fresh package or packages and sealed in the manner specified in rule 13 or delivered to such person or the Custodian Officer, or the branch of public sector bank or the officer of authority referred to in rule 15, as the case may be.

[F. No. 11/10/2014-PR]

ANUP WADHAWAN, Jt. Secy.

FORM

[See rule 5]

Warrant of authorisation under section 17 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013) and rule 5 of the Pension Fund Regulatory and Development Authority (Procedure for Search and Seizure by Authorised Officer) Rules, 2014.

Whereas information has been laid before the *Authority/*me, being the Chairperson / whole-time member of the Authority (mention the name of the person authorised by the Authority / Chairperson / whole-time member) and on the consideration thereof *Authority / I have reason of believe that-

- *(a) Shri-----, resident of -----, being required under sub-section (3) of section 16 of the Act to produce, or cause to be produced, any books, or other documents or record in his custody or power has omitted or failed to produce, or cause to be produced, such books, or other documents or record; or
- *(b) Shri-----, resident of -----to whom a requisition to produce any books, or other documents or record in his custody or power has been or might be issued will not, or would not, produce or cause to be produced, such books, or other documents or record which will be useful for, or relevant to, an investigation under sub-section (1) of section 16 of the Act; or
- *(c) a contravention of any provision of this Act has been committed or is likely to be committed by ----- (mention name of intermediary); or

- *(d) any claim which is due to be settled by the -----(mention name of intermediary), or, has been or is likely to be rejected or settled at a figure higher than a reasonable amount; or
- *(e) any claim which is due to be settled by -----(mention name of intermediary); or, has been or is likely to be rejected or settled at a figure lower than a reasonable amount; or
- *(f) any illegal fees and charges have been transacted or are likely to be transacted by (mention name of intermediary); or
- *(g) any books, accounts, papers, receipts, vouchers, survey reports or other documents, belonging to -----(mention name of intermediary) are likely to be tampered with, falsified or manufactured.

And whereas *Authority/*1 has / have reason to suspect that any such books, accounts, papers, receipts, vouchers, survey reports or other documents, belonging to an intermediary have been kept and are to be found—

(specify particulars of the building / place or such details which shall locate such building / place).

3. And therefore, this warrant or authorisation is issued to,—

- 1.------(name and designation of Authorised Officer)
 - 2.------(name and designation of Authorised Officer)
 - 3.------(name and designation of Authorised Officer)
 - 4.------(name and designation of Authorised Officer)
- (a) to enter and search the said building / place;
 - (b) to search any person who has got out of, or is about to get into, or is in the building / place if you have reason to suspect that such person has secreted about his person any such books, accounts, papers, receipts, vouchers, survey reports or other documents;
 - (c) to place identification marks on such books of account and documents as may be found in the course of the search and as you may consider relevant to or useful for the proceedings aforesaid and to make a list thereof together with particulars of the identification marks;
 - (d) to examine such books, accounts, papers, receipts, vouchers, survey reports or other documents and make, or cause to be made, copies or extracts from such books, accounts, papers, receipts, vouchers, reports or other documents;
 - (e) to seize any such books, accounts, papers, receipts, vouchers, survey reports or other documents found as a result of such search and take possession thereof;
 - (f) to deposit such books, accounts, papers, receipts, vouchers, survey reports or other documents with the Custodian Officer or the branch of public sector bank or with the officer or authority referred to in rule 15 of the Pension Fund Regulatory and Development Authority (Procedure for Search and Seizure by Authorised Officer) Rules, 2014;
 - (g) requisition the services of any police officer or any officer of the Central Government, or of both, to assist the aforesaid authorised officer for all or any of the purposes specified in the Pension Fund Regulatory and Development Authority (Procedure for Search and Seizure by Authorised Officer) Rules, 2014 and it shall be the duty of every such police officer or officer to comply with such requisition;
 - (h) where it is not practicable to seize any such books, accounts, papers, receipts, vouchers, survey reports or other documents to serve an order on the person who is in immediate possession or control thereof that he shall not remove, part with or otherwise deal with them except with the previous permission of such officer and such officer may take such steps as may be necessary for ensuring compliance with the provisions of sub-section (3) of section 17 of the Act;
 - (i) to examine during the course of the search or seizure on oath any person who is found to be in possession or control of any such books, accounts, papers, receipts, vouchers, survey reports or other documents, and any statement made by such person during such examination may thereafter be used in evidence in any proceeding under the Act;

Officer authorised to sign by the Authority / Chairperson / Whole-time member

(SEAL)

(*Strike out whichever is not applicable)

(Name of officer)

Designation of officer

(File No.-----)

Kerala Gazette No. 29 dated 22nd July 2014.

PART I

Section i



GOVERNMENT OF KERALA

Law (Legislation-Publication) Department

NOTIFICATION

No. 9612/Leg.Pbn.2/2014/Law.

Dated, Thiruvananthapuram, 16th May 2014.

The following Act of Parliament published in the Gazette of India Extraordinary, Part II, Section I dated the 19th day of September, 2013 is hereby republished for general information. The Bill as passed by the Houses of Parliament received the assent of the President of India on the 18th day of September, 2013.

By order of the Governor,

C. P. RAMARAJA PREMA PRASAD,
Law Secretary.

THE PENSION FUND REGULATORY AND DEVELOPMENT
AUTHORITY ACT, 2013

(Act No. 23 of 2013)

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THE PENSION FUND REGULATORY AND DEVELOPMENT
AUTHORITY ACT, 2013

(ACT No. 23 OF 2013)

AN

ACT

to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-fourth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. *Short title, extent, and commencement.*—(1) This Act may be called the Pension Fund Regulatory and Development Authority Act, 2013.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. *Definitions.*—(1) In this Act, unless the context otherwise requires,—

(a) “Authority” means the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3;

(b) “central recordkeeping agency” means an agency registered under section 27 to perform the functions of recordkeeping, accounting, administration and customer service for subscribers to schemes;

(c) “Chairperson” means the Chairperson of the Authority;

(d) “document” shall include any matter written, expressed or described upon any substance by means of letters, figures or marks, or by more than one of those means, in printed or in electronic version, which is intended to be used, or which may be used, by the Interim Pension Fund Regulatory and Development Authority, or Authority or an intermediary or any other entity connected with the National Pension System, for the purpose of recording that matter;

(e) "individual pension account" means an account of a subscriber, executed by a contract setting out the terms and conditions under the National Pension System;

(f) "Interim Pension Fund Regulatory and Development Authority" means the Interim Pension Fund Regulatory and Development Authority set up by the Central Government through Resolutions No. F. No. 5/7/ 2003-ECB&PR, dated the 10th October, 2003 and F. No. 1 (6)/ 2007-PR, dated the 14th November, 2008;

(g) "intermediary" includes pension fund, central recordkeeping agency, National Pension System Trust, pension fund adviser, retirement adviser, point of presence and such other person or entity connected with collection, management, recordkeeping and distribution of accumulations;

(h) "member" means a member of the Authority and includes its Chairperson;

(i) "National Pension System" means the contributory pension system referred to in section 20 whereby contributions from a subscriber are collected and accumulated in an individual pension account using a system of points of presence, a central recordkeeping agency and pension funds as may be specified by regulations;

(j) "National Pension System Trust" means the Board of Trustees who hold the assets of subscribers for their benefit;

(k) "notification" means a notification published in the Official Gazette;

(l) "pension fund" means an intermediary which has been granted a certificate of registration under sub-section (3) of section 27 by the Authority as a pension fund for receiving contributions, accumulating them and making payments to the subscriber in the manner as may be specified by regulations;

(m) "Pension Regulatory and Development Fund" means the fund constituted under sub-section (1) of section 40;

(n) "point of presence" means an intermediary registered with the Authority under sub-section (3) of section 27 as a point of presence and capable of electronic connectivity with the central recordkeeping agency for the purposes of receiving and transmitting funds and instructions and payout of funds;

- (o) "prescribed" means prescribed by rules made under this Act;
 - (p) "regulated assets" means the assets and properties, both tangible and intangible, owned, leased or developed by and other rights belonging to, the central recordkeeping agency;
 - (q) "regulations" means the regulations made by the Authority under this Act;
 - (r) "scheme" means a scheme of pension fund approved by the Authority under this Act;
 - (s) "Securities Appellate Tribunal" means a Securities Appellate Tribunal established under sub-section (1) of section 15K of the Securities and Exchange Board of India Act, 1992 (15 of 1992);
 - (t) "subscriber" includes a person who subscribes to a scheme of a pension fund;
 - (u) "Subscriber Education and Protection Fund" means the fund constituted under sub-section (1) of section 41;
 - (v) "Trustee Bank" means a banking company as defined in the Banking Regulation Act, 1949 (10 of 1949).
- (2) Words and expressions used and not defined in this Act, but defined in—
- (i) the Insurance Act, 1938 (4 of 1938);
 - (ii) the Companies Act, 1956 (1 of 1956);
 - (iii) the Securities Contracts (Regulation) Act, 1956; (42 of 1956); and
 - (iv) the Securities and Exchange Board of India Act, 1992 (15 of 1992),

shall have the meanings respectively assigned to them under those Acts.

CHAPTER II

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

3. *Establishment and incorporation of Authority.*—(1) With effect from such date as the Central Government may, by notification, appoint, there shall be established, for the purposes of this Act, an Authority to be called the Pension Fund Regulatory and Development Authority.

(2) The Authority shall be a body corporate by the name aforesaid, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued.

(3) The head office of the Authority shall be in the National Capital Region referred to in clause (f) of section 2 of the National Capital Region Planning Board Act, 1985 (2 of 1985).

(4) The Authority may establish offices at other places in India.

4. *Composition of Authority*.—The Authority shall consist of the following Members, namely:—

- (a) a Chairperson;
- (b) three whole-time members; and
- (c) three part-time members,

to be appointed by the Central Government from amongst persons of ability, integrity and standing and having knowledge and experience in economics or finance or law with at least one person from each discipline.

5. *Term of office and conditions of service of Chairperson and members of Authority*.—(1) The Chairperson and every whole-time member shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as a Chairperson after he has attained the age of sixty-five years:

Provided further that no person shall hold office as a whole-time member after he has attained the age of sixty-two years.

(2) A part-time member shall hold office as such for a term not exceeding five years from the date on which he enters upon his office.

(3) The salary and allowances payable to, and other terms and conditions of service of the members other than part-time members shall be such as may be prescribed.

(4) The part-time members shall receive such allowances as may be prescribed.

(5) The salary, allowances and other conditions of service of a member shall not be varied to his disadvantage after his appointment.

(6) Notwithstanding anything contained in sub-section (1) or sub-section (2), a member may—

(a) relinquish his office, by giving in writing to the Central Government, a notice of not less than thirty days; or

(b) be removed from his office in accordance with the provisions of section 6.

6. *Removal of members from office.*—(1) The Central Government may remove from office the Chairperson or any other member who—

- (a) is, or at any time has been, adjudged as insolvent; or
- (b) has become physically or mentally incapable of acting as a member; or
- (c) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or
- (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
- (e) has, in the opinion of the Central Government, so abused his position as to render his continuance in office detrimental to the public interest.

(2) No such Chairperson or other member shall be removed under clause (d) or clause (e) of sub-section (1) unless he has been given a reasonable opportunity of being heard in the matter.

7. *Restriction on future employment of members.*—(1) The Chairperson and the whole-time members shall not, for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government, accept—

(a) any employment either under the Central Government or under any State Government; or

(b) any appointment in any regulated entity in the pension sector.

(2) The Chairperson and the whole-time members of the Interim Pension Fund Regulatory and Development Authority holding the office as such before the commencement of this Act, shall not, on and after such commencement, accept any appointment in any regulated entity in the pension sector for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government.

8. *Administrative powers of Chairperson.*—The Chairperson shall have the powers of general superintendence and direction in respect of all administrative matters of the Authority.

9. *Meetings of Authority.*—(1) The Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including quorum at such meetings) as may be provided by regulations.

(2) The Chairperson or, if for any reason, he is unable to attend a meeting of the Authority, any other member chosen by the members present from amongst themselves at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes by the members present and voting, and in the event of an equality of votes, the Chairperson or in his absence, the person presiding shall have a second or casting vote.

(4) If any member, who is a director of a company and who as such director, has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Authority, he shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and such disclosure shall be recorded in the proceedings of the Authority, and the member shall not take part in any deliberation or decision of the Authority with respect to that matter.

10. *Vacancies &c. not to invalidate proceedings of Authority.*—No act or proceeding of the Authority shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Authority; or

(b) any defect in the appointment of a person acting as a member of the Authority; or

(c) any irregularity in the procedure of the Authority not affecting the merits of the case.

11. *Officers and employees of Authority.*—(1) The Authority may appoint such officers and other employees as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and other conditions of service of officers and other employees of the Authority appointed under sub-section (1) shall be such as may be determined by regulations.

EXTENT AND APPLICATION

12. *Extent and application.*—(1) This Act shall apply to—

(a) the National Pension System;

(b) any other pension scheme not regulated by any other enactment.

(2) Every pension scheme referred to in clause (b) shall conform to the regulations made by the Authority within such time as may be specified in the regulations.

(3) Notwithstanding anything contained in sub-section (1), the provisions of this Act shall not apply to—

(a) the schemes or funds under—

(i) the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948);

(ii) the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952);

(iii) the Seamen's Provident Fund Act, 1966 (4 of 1966);

(iv) the Assam Tea Plantations Provident Fund and Pension Fund Scheme Act, 1955 (Assam Act X of 1955); and

(v) the Jammu and Kashmir Employees' Provident Funds Act, 1961 (Jammu and Kashmir Act XV of 1961.)

(b) contracts referred to in sub-section (11) of section 2 of the Insurance Act, 1938 (4 of 1938);

(c) any other pension scheme, which the Central Government may, by notification, exempt from the application of this Act;

(d) persons appointed before the 1st day of January, 2004 to public services in connection with the affairs of the Union, or to All-India Services constituted under section 2A of the All India Services Act, 1951 (61 of 1951);

(e) persons appointed to public services in connection with the affairs of any State, or such Union territories as may be specified by notification by the Central Government.

(4) Notwithstanding anything contained in sub-section (3), any State Government or administrator of a Union territory may, by notification, extend the National Pension System to its employees.

(5) Notwithstanding anything contained in clause (c) of sub-section (3), the Central Government may, by notification, extend the application of this Act to any other pension scheme [including any other pension scheme exempted and notified under clause (c) of sub-section (3)].

(6) Any person governed under any of the schemes or funds referred to in sub-section (3) may, at his option, also join the National Pension System.

CHAPTER IV

TRANSFER OF ASSETS, LIABILITIES, ETC., OF INTERIM PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

13. *Transfer of assets, liabilities etc. of interim Pension Fund Regulatory and Development Authority.*—On and from the date of establishment of the Pension Fund Regulatory and Development Authority,—

(a) all the assets and liabilities of the Interim Pension Fund Regulatory and Development Authority shall stand transferred to, and vested in, the Authority.

Explanation.—The assets of the Interim Pension Fund Regulatory and Development Authority shall be deemed to include all rights and powers, all properties, whether movable or immovable, including, in particular, cash balances, deposits and all other interests and rights in, or arising out of, such properties as may be in the possession of the Interim Pension Fund Regulatory and Development Authority and all books of account and other documents relating to the same; and liabilities shall be deemed to include all debts, liabilities and obligations of whatever kind;

(b) without prejudice to the provisions of clause (a), all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the Interim Pension Fund Regulatory and Development Authority immediately before that day, for or in connection with the purpose of the said Regulatory Authority, shall be deemed to have been incurred, entered into or engaged to be done by, with or for, the Authority;

(c) all sums of money due to the Interim Pension Fund Regulatory and Development Authority immediately before that day shall be deemed to be due to the Authority; and

(d) all suits and other legal proceedings instituted or which could have been instituted by or against the Interim Pension Fund Regulatory and Development Authority immediately before that day may be continued or may be instituted by or against the Authority.

DUTIES, POWERS AND FUNCTIONS OF AUTHORITY

14. *Duties, powers and functions of Authority.*—(1) Subject to the provisions of this Act and any other law for the time being in force, the Authority shall have the duty, to regulate, promote and ensure orderly growth of the National Pension System and pension schemes to which this Act applies and to protect the interests of subscribers of such System and schemes.

(2) Without prejudice to the generality of the provisions contained in subsection (1), the powers and functions of the Authority shall include—

(a) regulating the National Pension System and the pension schemes to which this Act applies;

(b) approving the schemes, the terms and conditions thereof and laying down norms for the management of the corpus of the pension funds, including investment guidelines under such schemes;

(c) registering and regulating intermediaries;

(d) issuing to an intermediary, on application, a certificate of registration and renewing, modifying, withdrawing, suspending or cancelling such registration;

(e) protecting the interests of subscribers by—

(i) ensuring safety of the contribution of subscribers to various schemes of pension funds to which this Act applies;

(ii) ensuring that the intermediation and other operational costs under the National Pension System are economical and reasonable;

(f) establishing mechanism for redressal of grievances of subscribers to be determined by regulations;

(g) promoting professional organisations connected with the pension system;

(h) adjudication of disputes between intermediaries and between intermediaries and subscribers;

(i) collecting data and requiring the intermediaries to collect such data and undertaking and commissioning studies, research and projects;

(j) undertaking steps for educating subscribers and the general public on issues relating to pension, retirement savings and related issues and training of intermediaries;

(k) standardising dissemination of information about performance of pension funds and performance benchmarks;

(l) regulating the regulated assets;

(m) levying fees or other charges for carrying out the purposes of this Act;

(n) specifying by regulations the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by intermediaries;

(o) calling for information from, undertaking inspection of, conducting inquiries and investigations including audit of, intermediaries and other entities or organisations connected with pension funds;

(p) exercising such other powers and functions as may be prescribed.

(3) Notwithstanding anything contained in any other law for the time being in force, while exercising the powers under clause (o) of sub-section (2), the Authority shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908) while trying a suit, in respect of the following matters, namely:—

(i) the discovery and production of books of account and other documents, at such place and at such time as may be specified by the Authority;

(ii) summoning and enforcing the attendance of persons and examining them on oath;

(iii) inspection of any book, register and other document of any person or intermediary referred to in section 26, at any place;

(iv) issuing commissions for the examination of witnesses or documents;

(v) any other matter which may be prescribed.

(4) Without prejudice to the provisions contained in sub-sections (1), (2) and (3) and section 16, the Authority may, by order, for reasons to be recorded in writing, in the interest of subscribers, take any of the following measures, pending investigation or inquiry, namely:—

(i) restrain persons from participating in any scheme;

(ii) restrain any office bearer of an intermediary from acting as such;

(iii) impound and retain the proceeds under the scheme in respect of any activity which is under investigation;

(iv) attach, after passing an order, on an application made for approval, by the Judicial Magistrate of first class having jurisdiction, for a period not exceeding one month, one or more bank account or accounts of any intermediary or any person associated with the scheme in any manner involved, in violation of any of the provisions of this Act or the rules or the regulations made thereunder:

Provided that only the bank account or accounts or any transaction entered therein, relating to the proceeds actually involved in the violation of any of the provisions of this Act or the rules or the regulations made thereunder shall be allowed to be attached;

(v) direct any intermediary or any person associated with the scheme in any manner not to dispose of or alienate an asset forming part of any activity which is under investigation:

Provided that the Authority shall, either before or after, passing such orders, under this section, give to such intermediaries or persons concerned an opportunity of being heard.

15. Power to issue directions.—(1) Save as otherwise provided in section 14, if after making, or causing to be made, an inquiry, the Authority is satisfied that it is necessary—

(i) in the interests of subscribers or orderly development of National Pension System or a pension scheme to which this Act applies; or

(ii) to prevent the affairs of any intermediary or other persons or entities referred to in section 27 being conducted in a manner detrimental to the interests of subscribers; or

(iii) to secure the proper management of any such intermediary or person or entity,

it may issue such directions to such intermediaries or entities or to any person or class of persons referred to in section 27, or associated with the pension fund, as it may deem fit:

Provided that the Authority shall, either before or after passing such orders, give an opportunity of being heard to such intermediaries, entities or persons concerned.

16. Power of Investigation.—(1) Where the Authority has a reasonable ground to believe that—

(a) the activities of the pension fund are being conducted in a manner detrimental to the interest of the subscriber; or

(b) any intermediary or any person associated with the schemes of the pension fund has violated any of the provisions of this Act or the rules or the regulations made or directions issued by the Authority thereunder,

it may, at any time, by order in writing, direct any person (hereafter in this section referred to as the Investigating Authority) specified in the order to investigate the affairs of such intermediary or persons associated with the pension fund and to report thereon to the Authority.

(2) Without prejudice to the provisions contained in sections 235 to 241 of the Companies Act, 1956 (1 of 1956) it shall be the duty of every manager, managing director, officer and other employee of the company, in case of a company and every intermediary or persons or entity referred to in section 27 or every person associated with the pension fund to preserve and to produce to the Investigating Authority or any person authorised by him in this behalf, all the books, registers, other documents and record of, or relating to, the company or, as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.

(3) The Investigating Authority may require any intermediary or any person or entity associated with the pension fund in any manner to furnish such information to, or produce such books, or other documents, or record before him or any person authorised by him in this behalf as he may consider necessary if the furnishing of such information or the production of such books, or register, or other documents, or record is relevant or necessary for the purposes of its investigation.

(4) The Investigating Authority may keep in its custody any books, registers, other documents and record produced under sub-section (2) or sub-section (3) for six months and thereafter shall return the same to any intermediary or any person associated or entity with the pension fund by whom or on whose behalf the books, registers, other documents and record are produced:

Provided that the Investigating Authority may call for any book, register, other documents and record if they are required again:

Provided further that if the person on whose behalf the books, registers, other documents and record are produced requires certified copies of the books, registers, other documents or record produced before the Investigating Authority, it shall give certified copies of such books, registers, other documents or, as the case may be, record to such person or on whose behalf the books, registers, other documents and record were produced.

(5) Any person, directed to make an investigation under sub-section (1), may examine on oath any intermediary or any person associated with the pension fund in any manner, in relation to the affairs of his business and may administer an oath accordingly and for that purpose may require any of those persons to appear before him personally.

(6) Notes of any examination under sub-section (5) shall be taken down in writing and shall be read over to, or by, and signed by, the person examined, and may thereafter be used in evidence against him.

(7) If any person fails without reasonable cause or refuses—

(a) to produce to an Investigating Authority or any person authorised by him in this behalf any book, register, other document or record which it is his duty under sub-section (2) or sub-section (3) to furnish; or

(b) to furnish any information which it is his duty under sub-section (3) to furnish; or

(c) to appear before the Investigating Authority personally when required to do so under sub-section (5) or to answer any question which is put to him by the Investigating Authority in pursuance of that sub-section; or

(d) to sign the notes of any examination referred to in sub-section (6), shall be punishable with imprisonment for a term which may extend to one year, or with fine, which may extend to twenty-five crore rupees, or with both, and also with a further fine which may extend to ten lakh rupees for every day after the first day during which the failure or refusal continues.

17. Search and seizure.—(1) Where the Authority, in consequence of information in its possession, has reason to believe that—

(a) any person who has been required under sub-section (3) of section 16 to produce, or cause to be produced, any books, accounts or other documents in his custody or power has omitted or failed to produce, or cause to be produced, such books, accounts or other documents; or

(b) any person to whom a requisition to produce any books, accounts or other documents as aforesaid has been or might be issued will not, or would not, produce or cause to be produced, any books, accounts or other documents which will be useful for, or relevant to, an investigation under sub-section (1) of section 16; or

(c) a contravention of any provision of this Act has been committed or is likely to be committed by an intermediary; or

(d) any claim which is due to be settled by the intermediary, has been or is likely to be rejected or settled at a figure higher than a reasonable amount; or

(e) any claim which is due to be settled by an intermediary, has been or is likely to be rejected or settled at a figure lower than a reasonable amount; or

(f) any illegal fees and charges have been transacted or are likely to be transacted by an intermediary; or

(g) any books, accounts, papers, receipts, vouchers, survey reports or other documents, belonging to an intermediary are likely to be tampered with, falsified or manufactured,

it may authorise any officer of the Authority, not below the rank equivalent to that of a Gazetted Officer of the Government (hereafter referred to as the authorised officer), to—

(i) enter and search any building or place where he has reason to suspect that such books, accounts or other documents, or any books or papers relating to any claim, rebate or commission or any receipts, vouchers, reports or other documents are kept;

(ii) break open the lock of any box, locker, safe, almirah or other receptacle for exercising the powers conferred by clause (i) where the keys thereof are not available;

(iii) seize all or any such books, accounts or other documents, found as a result of such search;

(iv) place marks of identification on such books, accounts or other documents or make or cause to be made extracts or copies therefrom.

(2) The authorised officer may requisition the services of any Police Officer or of any officer of the Central Government, or of both, to assist him for all or any of the purposes specified in sub-section (1) and it shall be the duty of every such Police Officer or officer to comply with such requisition.

(3) The authorised officer may, where it is not practicable to seize any such book, account or other document, specified in sub-section (1), serve an order on the person who is in immediate possession or control thereof that he shall not remove, part with or otherwise deal with it except with the previous permission of such officer and such officer may take such steps as may be necessary for ensuring compliance with this sub-section.

(4) The authorised officer may, during the course of the search or seizure, examine on oath any person who is found to be in possession or control of any books, accounts or other documents, and any statement made by such person during such examination may thereafter be used in evidence in any proceeding under this Act.

(5) The books, accounts, papers, receipts, vouchers, reports, or other documents seized under sub-section (1) shall not be retained by the authorised officer for a period exceeding one hundred and eighty days from the date of the seizure unless the reasons for retaining the same are recorded by him in writing and the approval of the Authority for such retention is obtained:

Provided that the Authority shall not authorise the retention of the books, accounts, papers, receipts, vouchers, reports, or other documents for a period exceeding thirty days after all the proceedings under this Act, for which the books, accounts, papers, receipts, vouchers, reports, or other documents are relevant, are completed.

(6) The person from whose custody the books, accounts, papers, receipts, vouchers, reports, or other documents are seized under sub-section (1) may make copies thereof, or take extracts therefrom, in the presence of the authorised officer or any other person empowered by him in this behalf at such place and time as the authorised officer may appoint in this behalf.

(7) If a person legally entitled to the books, accounts, papers, receipts, vouchers, reports or other documents seized under sub-section (1) objects for any reason to the approval given by the Authority under sub-section (5), he may make an application to the Central Government stating therein the reason for such objection and requesting for the return of the books, accounts, papers, receipts, vouchers, report or other documents.

(8) On receipt of the application under sub-section (7), the Central Government may, after giving the applicant an opportunity of being heard, pass such order as it thinks fit.

(9) The provisions of the Code of Criminal Procedure, 1973 (2 of 1974) relating to searches and seizures shall apply, so far as may be, to every search and seizure made under sub-section (1).

(10) The Central Government may, by notification, make rules in relation to any search or seizure under this section and in particular, and without prejudice to the generality of the foregoing power, such rules may provide for the procedure to be followed by the authorised officer,—

(i) for obtaining ingress into such building or place to be searched where free ingress thereto is not available;

(ii) for ensuring safe custody of any books, accounts, papers, receipts, vouchers, reports, or other documents seized under this section.

18. Power of Authority to ensure compliance.—If the Authority finds, after causing an inquiry to be made, that any person has violated, or is likely to violate, any provisions of this Act, or any rule or regulation made thereunder, the Authority may pass an order requiring such person to cease and desist from committing or causing such violation.

19. Management by Administrator.—(1) If at any time the Authority has reason to believe that the central recordkeeping agency or pension fund is acting in a manner likely to be prejudicial to the interest of by subscribers, it may, after giving the central recordkeeping agency or pension fund, as the case may be, an opportunity of being heard, make a report thereon to the Central Government.

(2) If the Central Government, after considering the report made under sub-section (1) is of the opinion, that it is necessary or proper to do so, it may appoint an Administrator to manage the affairs of the central recordkeeping agency or pension fund, as the case may be, under the direction and control of the Authority, in such manner as may be specified by notification.

CHAPTER VI

NATIONAL PENSION SYSTEM

20. National Pension System.—(1) The contributory pension system notified by the Government of India in the Ministry of Finance *vide* notification number F. No. 5/7/2003-ECB&PR, dated the 22nd December, 2003, shall be deemed to be the National Pension System with effect from the 1st day of January, 2004, and such National Pension System may be amended from time to time by regulations.

(2) Notwithstanding anything contained in the said notification, the National Pension System shall, on the commencement of this Act, have the following basic features, namely:—

(a) every subscriber shall have an individual pension account under the National Pension System;

(b) withdrawals, not exceeding twenty-five per cent. of the contribution made by the subscriber, may be permitted from the individual pension account subject to the conditions, such as purpose, frequency and limits, as may be specified by the regulations;

(c) the functions of recordkeeping, accounting and switching of options by the subscriber shall be effected by the central recordkeeping agency;

(d) there shall be a choice of multiple pension funds and multiple schemes:

Provided that—

(a) the subscriber shall have an option of investing up to hundred per cent. of his funds in Government Securities; and

(b) the subscriber, seeking minimum assured returns, shall have an option to invest his funds in such schemes providing minimum assured returns as may be notified by the Authority;

(e) there shall be portability of individual pension accounts in case of change of employment;

(f) collection and transmission of contributions and instructions shall be through points of presence to the central recordkeeping agency;

(g) there shall not be any implicit or explicit assurance of benefits except market based guarantee mechanism to be purchased by the subscriber;

(h) a subscriber shall not exit from the National Pension System except as may be specified by the regulations; and

(i) at exit, the subscriber shall purchase an annuity from a life insurance company in accordance with the regulations.

(3) In addition to the individual pension account mentioned in clause (a) of sub-section (2), a subscriber may also, at his option, have an additional account under the National Pension System having the features mentioned in clauses (c) to (g) of sub-section (2) and also having the additional feature that the subscriber shall be free to withdraw part or all of his money at any time from the additional account.

21. Central Recordkeeping Agency.—(1) The Authority shall, by granting a certificate of registration under sub-section (3) of section 27, appoint a central recordkeeping agency:

Provided that the Authority may, in public interest, appoint more than one central recordkeeping agency.

(2) The central recordkeeping agency shall be responsible for receiving instructions from subscribers through the points of presence, transmitting such instructions to pension funds, effecting switching instructions received from subscribers and discharging such other duties and functions, as may be assigned to it under the certificate of registration or as may be determined by regulations.

(3) All the assets and properties owned, leased or developed by the central recordkeeping agency, shall constitute regulated assets and upon expiry of certificate of registration or earlier revocation thereof, the Authority shall be entitled to appropriate and take over the regulated assets, either by itself or through an administrator or a person nominated by it in this behalf:

Provided that the central recordkeeping agency shall be entitled to be compensated the fair value, to be ascertained by the Authority, of such regulated assets as may be determined by regulations:

Provided further that where the earlier revocation of the certificate of registration is based on violation of the conditions in the certificate of registration or the provisions of this Act or regulations, unless otherwise determined by the Authority, the central recordkeeping agency shall not be entitled to claim any compensation in respect of such regulated assets.

22. Point of presence.—(1) The Authority may, by granting a certificate of registration under sub-section (3) of section 27, permit one or more persons to act as a point of presence for the purpose of receiving contributions and instructions, transmitting them to the Trustee Bank or the central record keeping agency, as the case may be, and paying out benefits to subscribers in accordance with the regulations made by the Authority from time to time in this regard.

(2) A point of presence shall function in accordance with the terms of its certificate of registration and the regulations made under this Act.

23. Pension funds.—(1) The Authority may, by granting a certificate of registration under sub-section (3) of section 27, permit one or more persons to act as a pension fund for the purpose of receiving contributions, accumulating them and making payments to the subscriber in such manner as may be specified by regulations.

(2) The number of pension funds shall be determined by regulations and the Authority may, in public interest, vary the number of pension funds:

Provided that at least one of the pension funds shall be a Government company.

Explanation.—For the purposes of this sub-section, the expression “Government company” shall have the meaning assigned to it in section 617 of the Companies Act, 1956 (1 of 1956).

(3) The pension fund shall function in accordance with the terms of its certificate of registration and the regulations made under this Act.

(4) The pension fund shall manage the schemes in accordance with the regulations.

24. Certain restrictions on foreign companies or individual or association of persons.—The aggregate holding of equity shares by a foreign company either by itself or through its subsidiary companies or its nominees or by an individual or by an association of persons whether registered or not under any law of a country outside India taken in aggregate in the pension fund shall not exceed twenty-six per cent. of the paid-up capital of such fund or such percentage as may be approved for an Indian insurance company under the provisions of the Insurance Act, 1938 (4 of 1938) whichever is higher.

Explanation.—For the purposes of this section, the expression “foreign company” shall have the meaning assigned to it in clause (23A) of section 2 of the Income-tax Act, 1961 (43 of 1961)

25. Prohibition of investment of funds of subscribers outside India.—No pension fund shall, directly or indirectly invest outside India, the funds of subscribers.

26. Eligibility norms of the central recordkeeping agency, etc.—The central recordkeeping agency, points of presence and pension funds, shall satisfy the eligibility norms as may be specified by the regulations, including minimum capital requirement, past track-record including the ability to provide guaranteed returns, costs and fees, geographical reach, customer base, information technology capability, human resources and such other matters.

REGISTRATION OF INTERMEDIARIES

27. *Registration of central recordkeeping agency, pension fund, point of presence, etc.*—(1) No intermediary, including a pension fund or a point of presence to the extent regulated under this Act, shall commence any activity relating to a pension fund except under and in accordance with the conditions of a certificate of registration granted by the Authority in accordance with the provisions of this Act and the regulations:

Provided that any intermediary, including any point of presence, who had been associated with a pension scheme and appointed to act as such by the Interim Pension Fund Regulatory and Development Authority immediately before the establishment of the Authority under this Act for which no registration certificate was necessary prior to such establishment, and may continue to do so for a period of six months from such establishment or, if he has made an application for such registration within the said period of six months till the disposal of such application.

(2) Every application for grant of a certificate of registration under this Act shall be in such form and manner and shall be accompanied by such fees as may be determined by regulations.

(3) The Authority may, after considering the application and subject to such terms and conditions as it may specify, grant a certificate of registration as a central recordkeeping agency, point of presence, pension fund or such other intermediary, as the case may be.

(4) The Authority may, by order, suspend or cancel a certificate of registration granted under sub-section (3) in such manner as may be determined by regulations:

Provided that no order under this sub-section shall be made unless the person concerned has been given a reasonable opportunity of being heard.

CHAPTER VIII

PENALTIES AND ADJUDICATION

28. *Penalty for failure by an intermediary or any other person to comply with provisions of this Act, rules, regulations and directions.*—(1) Any person, who is required under this Act or any rules or regulations made thereunder,—

(a) to obtain a certificate of registration from the Authority for carrying on any activity under this Act, carries on such activities without obtaining such certificate of registration, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or one crore rupees, whichever is less;

(b) to comply with the terms and conditions of a certificate of registration fails to do so, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or one crore rupees, whichever is less; .

(c) to furnish any information, document, books, returns or report to the Authority, fails to furnish the same within the time specified by the Authority, he shall be liable to a penalty which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher;

(d) to maintain books of account or records, fails to maintain the same, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or five times the amount of profits made or losses avoided, whichever is higher.

(2) If any person, who is required under this Act or any rules or regulations made thereunder, to enter into an agreement with his client, fails to enter into such agreement, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or five times the amount of profits made or losses avoided, whichever is higher.

(3) If any intermediary registered with the Authority, after having been called upon by the Authority, in writing, to redress the grievances of subscribers, fails to redress such grievances within the time stipulated by the Authority, he shall be liable to a penalty of not more than one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

(4) If any person, who is registered under this Act as an intermediary, fails to segregate moneys of the client or clients or uses the moneys of a client or clients for self or for any other client, he shall be liable to a penalty not exceeding one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

(5) Whoever fails to comply with any provision of this Act, the rules or the regulations made or the directions issued by the Authority under the provisions of this Act for which no separate penalty has been provided, he shall be liable to a penalty which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

29. *Crediting sums realised by way of penalties to Subscriber Education and Protection Fund.*—All sums realised by way of penalties under this Act shall be credited to the Subscriber Education and Protection Fund established under sub-section (1) of section 41.

30. Power to adjudicate.—(1) For the purposes of adjudging under section 28, the Authority shall appoint any of its officers not below the rank specified by regulations to be an adjudicating officer for holding an inquiry as may be determined by regulations, after giving the person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

(2) While holding an inquiry, the adjudicating officer shall have the power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which, in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to comply with the provisions of section 28, he may recommend such penalty as he thinks fit in accordance with the provisions of that section, to the member in charge of investigation and surveillance.

(3) The penalty shall be imposed by a member other than the member in charge of investigation and surveillance:

Provided that while adjudging the quantum of penalty under section 28, the member shall have due regard to the following factors, namely:—

- (a) amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;
- (b) amount of loss caused to a subscriber or group of subscribers;
- and
- (c) the repetitive nature of the default.

31. Attachment of assets and supersession of management of intermediary.—(1) Any person aggrieved may apply to the Authority for an interim measure of protection in respect of any of the following matters, namely:—

- (a) the retention, preservation, interim custody or sale of any asset or property which is regulated by the provisions of this Act;
- (b) securing any pension fund, moneys and other assets and properties owned by or under the control of the pension fund;
- (c) interim injunction or appointment of an administrator; and
- (d) such other interim measures as may appear to the Authority to be just and necessary,

and the Authority shall have power to make such orders including an order for attachment of assets of the pension fund as it deems fit in this regard.

(2) Where, on a complaint received by the Authority or *suo motu*, the Authority, after conducting an inquiry, comes to a conclusion that the governing board or board of directors, by whatever name called, or the persons in control of any intermediary to the extent regulated under this Act are indulging in any activity which is in contravention of the provisions of this Act or regulations, it may supersede the governing board or board of directors or management of the intermediary in accordance with the provisions of the regulations.

(3) In case the governing board or board of directors or management of an intermediary is superseded under sub-section (2), the Authority may appoint an Administrator to manage the affairs of the intermediary in accordance with the provisions contained in the regulations.

32. (1) *Offences.*—Without prejudice to any award of penalty by the member under this Act, if any person contravenes or attempts to contravene or abets the contravention of the provisions of this Act or of any rules or regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years, or with fine; which may extend to twenty-five crore rupees or with both.

(2) If any person fails to pay the penalty imposed by the member or fails to comply with any of the directions or orders issued by the member, he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to ten years, or with fine, which may extend to twenty-five crore rupees, or with both.

33. *Power to grant immunity.*—(1) The Central Government may, on the recommendation by the Authority, if satisfied; that any person, who is alleged to have violated any of the provisions of this Act or the rules or the regulations made thereunder, has made a full and true disclosure in respect of alleged violation, grant to such person, subject to such conditions as it may think fit to impose, immunity from prosecution for any offence under this Act, or the rules or the regulations made thereunder and also from the imposition of any penalty under this Act with respect to the alleged violation:

Provided that no such immunity shall be granted by the Central Government in cases where the proceedings for the prosecution for any such offence have been instituted before the date of receipt of application for grant of such immunity:

Provided further that the recommendation of the Authority under this sub-section shall not be binding upon the Central Government.

(2) An immunity granted to a person under sub-section (1) may, at any time, be with-drawn by the Central Government, if it is satisfied that such person had, in the course of the proceedings, not complied with the condition on which the immunity was granted or had given false evidence, and thereupon such person may be tried for the offence with respect to which the immunity was granted or for any other offence of which he appears to have been guilty in connection with the contravention and shall also become liable to the imposition of any penalty under this Act to which such person would have been liable, had no such immunity been granted.

34. Exemption from tax on wealth income profits and gains.—Notwithstanding anything contained in—

(i) the Wealth-tax Act, 1957 (27 of 1957);

(ii) the Income-tax Act, 1961 (43 of 1961) or

(iii) any other enactment for the time being in force relating to tax on wealth, income, profits or gains,

the Authority shall not be liable to pay wealth-tax, income-tax or any other tax in respect of its wealth, income, profits or gains derived.

35. Cognizance of offences by court.—(1) No court shall take cognizance of any offence punishable under this Act or any rules or regulations made thereunder, save on a complaint made by the Authority.

(2) No court inferior to that of a Court of Session shall try any offence punishable under this Act.

36. Appeal to Securities Appellate Tribunal.—(1) Any person aggrieved by an order made by the Authority or by an adjudicating officer under this Act may prefer an appeal before the Securities Appellate Tribunal which shall have jurisdiction over the matter.

(2) Every appeal under sub-section (1) shall be filed within a period of forty-five days from the date of receipt of the order appealed against and it shall be in such form and manner and shall be accompanied by such fee as may be prescribed:

Provided that the Securities Appellate Tribunal may entertain an appeal after the expiry of the said period, if it is satisfied that there was sufficient cause for not preferring the appeal within that period.

(3) On receipt of an appeal under sub-section (1), the Securities Appellate Tribunal may, after giving the parties to the appeal, an opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifying or setting aside the order appealed against.

(4) The Securities Appellate Tribunal shall send a copy of every order made by it to the Authority, the parties to the appeal and to the adjudicating officers concerned.

(5) The appeal filed before the Securities Appellate Tribunal under subsection (1) shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal finally within six months from the date on which the appeal is presented to it.

(6) Without prejudice to the provisions of sections 15T and 15U of the Securities and Exchange Board of India Act, 1992 (15 of 1992) the Securities Appellate Tribunal shall deal with an appeal under this section in accordance with such procedure as may be prescribed.

37. Civil Court not to have jurisdiction.—No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which an adjudicating officer appointed under this Act or a Securities Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

38. Appeal to Supreme Court.—Any person aggrieved by any decision or order of the Securities Appellate Tribunal under this Act may file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Securities Appellate Tribunal to him on any question of law arising out of such order :

Provided that the Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

CHAPTER IX

FINANCE, ACCOUNT AND AUDIT

39. Grants by Central Government.—The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority grants of such sums of money as that Government may think fit for being utilised for the purposes of this Act.

40. Constitution of Pension Regulatory and Development Fund.—(1) There shall be constituted a fund to be called the Pension Regulatory and Development Fund and there shall be credited thereto—

- (a) all Government grants, fees and charges received by the Authority;
- (b) all sums received by the Authority from such other source as may be decided upon by the Central Government.

(2) The Fund shall be applied for meeting—

- (a) the salaries, allowances and other remuneration of the Chairperson and other members and officers and other employees of the Authority;
- (b) other expenses of the Authority in connection with the discharge of its functions and for the purposes of this Act.

41. Constitution of Subscriber Education and Protection Fund.—(1) The Authority shall establish a fund to be called the Subscriber Education and Protection Fund.

(2) There shall be credited to the Subscriber Education and Protection Fund the following amounts, namely:—

- (a) grants and donations given to the Subscriber Education and Protection Fund by the Central Government, State Governments, companies or any other institutions for the purposes of the Subscriber Education and Protection Fund;
- (b) the interest or other income received out of the investments made from the Subscriber Education and Protection Fund;
- (c) the sums realised by way of penalties by the Authority under section 28.

(3) The Subscriber Education and Protection Fund shall be administered and utilised by the Authority for protection of the interests of subscribers in accordance with regulations made for the purpose.

42. Accounts and Audit.—(1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any other person appointed by him in connection with the audit of the accounts of the Authority shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority.

(4) The accounts of the Authority as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit-report thereon, shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

CHAPTER X

MISCELLANEOUS

43. *Power of Central Government to issue directions.*—(1) Without prejudice to the foregoing provisions of this Act, the Authority shall, in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy, other than those relating to technical and administrative matters, as the Central Government may give, in writing to it, from time to time:

Provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government, whether a question is one of policy or not, shall be final.

44. *Power of Central Government to supersede Authority.*—(1) If at any time the Central Government is of the opinion that—

(a) on account of circumstances beyond the control of the Authority, it is unable to discharge the functions or perform the duties imposed on it by or under the provisions of this Act; or

(b) the Authority has persistently defaulted in complying with any direction issued by the Central Government that the Central Government is entitled to issue under this Act or in the discharge of the functions or performance of the duties imposed on it by or under the provisions of this Act and as a result of such default the financial position of the Authority or the administration of the Authority has deteriorated; or

(c) circumstances exist which render it necessary in the public interest so to do, the Central Government may, by notification and for reasons to be specified therein, supersede the Authority for such period, not exceeding six months, as may be specified in the notification:

Provided that before issuing any such notification, the Central Government shall give a reasonable opportunity to the Authority to make representations against the proposed supersession and shall consider the representations, if any, of the Authority.

(2) Upon the publication of a notification under sub-section (1) superseding the Authority,—

(a) the Chairperson and other members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Authority shall, until the Authority is reconstituted under sub-section (3), be exercised and discharged by the Central Government; and

(c) all properties owned or controlled by the Authority shall, until the Authority is reconstituted under sub-section (3), vest in the Central Government.

(3) On or before the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government shall reconstitute the Authority.

(4) The Central Government shall, as soon as may be, cause a copy of the notification issued under sub-section (1) and a full report of any action taken by it, to be laid before each House of Parliament.

45. Establishment of Pension Advisory Committee.—(1) The Authority may, by notification, establish with effect from such date as it may specify in the notification, a Committee to be known as the Pension Advisory Committee.

(2) The Pension Advisory Committee shall consist of not more than twenty-five members, excluding *ex officio* members, to represent the interests of employees' associations, subscribers, commerce and industry, intermediaries, and organisations engaged in pension research.

(3) The Chairperson and the members of the Authority shall be the *ex officio* Chair-person and *ex officio* members of the Pension Advisory Committee.

(4) The objects of the Pension Advisory Committee shall be to advise the Authority on matters relating to the making of the regulations under section 52.

(5) Without prejudice to the provisions of sub-section (4), the Pension Advisory Committee may advise the Authority on such matters as may be referred to it by the Authority and also on such matters as the Committee may deem fit.

46. Furnishing of returns, etc., to Central Government.—(1) The Authority shall furnish to the Central Government at such time and in such form and manner as may be prescribed, or as the Central Government may direct to furnish such returns, statements and other particulars in regard to any proposed or existing programme for the promotion and development of the pension industry as the Central Government may, from time to time, require.

(2) Without prejudice to the provisions of sub-section (1), the Authority shall, within nine months after the close of each financial year, submit to the Central Government a report giving a true and full account of its activities including the activities for promotion and development of schemes of pension funds regulated under this Act during the previous financial year.

(3) Copies of the reports received under sub-section (2) shall be laid, as soon as may be, after they are received, before each House of Parliament.

47. Members, officers and Employees of Authority to be public servants.—The Chairperson and other members and officers and other employees of the Authority shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

48. Protection of action taken in good faith.—No suit, prosecution or other legal proceedings shall lie against the Central Government or the Authority or any officer of Central Government or any member, officer or other employees of the Authority for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

49. Delegation of powers.—(1) The Authority may, by general or special order in writing, delegate to any member, officer of the Authority or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section 52) as it may deem necessary.

(2) The Authority may, by a general or special order in writing, also form committees of the members and delegate to them the powers and functions of the Authority as may be specified by the regulations.

50. Offences by companies.—(1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director”, in relation to a firm, means a partner in the firm.

51. Power to make rules.—(1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the salary and allowances payable to and the other conditions of service of the Chairperson and whole-time members under sub-section (3) of section 5;

(b) the allowances payable to part-time members under sub-section (4) of section 5;

(c) the additional functions which may be performed by the Authority under clause (p) of sub-section (2) of section 14;

(d) any other matter in respect of which the Authority may exercise the powers of a civil court under clause (v) of sub-section (3) of section 14;

(e) the procedure to be followed by the authorised officer under sub-section (10) of section 17;

(f) the form and manner in which an appeal may be filed before the Securities Appellate Tribunal and the fee which shall accompany such appeal, under sub-section (2) of section 36;

(g) the procedure to be followed by the Securities Appellate Tribunal in dealing with an appeal, under sub-section (6) of section 36;

(h) the form in which annual statement of accounts shall be maintained by the Authority under sub-section (1) of section 42;

(i) the time within which and the form and manner in which returns and reports are to be made by the Authority to the Central Government under sub-section (1) of section 46;

(j) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules.

52. Power to make regulations.—(1) The Authority may, by notification, make regulations consistent with this Act and the rules made thereunder for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) the time and places of meetings of the Authority and the procedure to be followed at such meetings (including the quorum at such meetings) under sub-section (1) of section 9;

(b) the terms and other conditions of service of the officers and other employees of the Authority under sub-section (2) of section 11;

(c) the regulations to be made by the Authority in respect of pension schemes referred to in clause (b) of sub-section (1) of section 12 and the time within which such schemes should conform to the regulations, made under sub-section (2) of that section;

(d) the establishing of mechanisms for redressing grievances of subscribers under clause (f) of sub-section (2) of section 14;

(e) the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by intermediaries under clause (n) of sub-section (2) of section 14;

(f) amendment to the National Pension System referred to in sub-section (i) of section 20;

(g) the conditions of its purpose, frequency and limits for withdrawals from individual pension account referred to in clause (b) of sub-section (2) of section 20;

(h) the conditions subject to which the subscriber shall exit from the National Pension System referred to in clause (h) of sub-section (2) of section 20;

(i) the conditions subject to which the subscriber shall purchase an annuity referred to in clause (i) of sub-section (2) of section 20;

(j) the duties and functions of central recordkeeping agency under sub-section (2) of section 21;

(k) the determination of compensation of fair value of the regulated assets payable to central recordkeeping agency under proviso to sub-section (3) of section 21;

(l) the manner of receiving contributions and instructions and transmitting them to the Trustee Bank or central recordkeeping agency, as the case may be, and paying out the benefits to the subscribers, under sub-section (1), and the regulations governing functioning of points of presence under sub-section (2) of section 22;

(m) the manner in which a pension fund may receive contributions, accumulate them and make payments to the subscriber under sub-section (1), the number of pension funds under sub-section (2), the functioning of the pension fund under sub-section (3), and the manner of managing the schemes by the pension fund under sub-section (4) of section 23;

(n) the form and manner in which an application for grant of certificate of registration shall be made and the fee which shall accompany such application under sub-section (2) of section 27;

(o) the conditions subject to which a certificate of registration may be granted to an intermediary under sub-section (3) of section 27;

(p) the procedure and manner of suspension or cancellation of certificate of registration of intermediaries under sub-section (4) of section 27;

(q) the procedure for holding inquiry by an adjudicating officer under sub-section (1) of section 30;

(r) the supersession of the governing board or board of directors of the intermediary under sub-section (2) of section 31;

(s) the management of affairs of the intermediary by an Administrator under sub-section (3) of section 31;

(t) the manner of administering and utilising the Subscriber Education and Protection Fund under sub-section (3) of section 41;

(u) the delegation of powers and functions of the Authority to committees under sub-section (2) of section 49;

(v) establishment, duties and functioning of the National Pension System Trust;

(w) any other matter which is required to be or may be specified by regulations or in respect of which provision is to be or may be made by regulations.

53. Rules and regulations to be laid before Parliament.—Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

54. Power to remove difficulties.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear it to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

55. Application of other laws not barred.—The provisions of this Act shall in addition to and not in derogation of the provisions of any other law for the time being in force.

56. Savings.—Anything done or any action taken by the Interim Pension Fund Regulatory and Development Authority and Central Government under the Resolutions of the Government of India in the Ministry of Finance Number F. No. 5/7/2003-ECB & PR, dated the 10th October, 2003 and F.No.1 (6)2007-PR, dated the 14th November, 2008 and notification number F. No. 5/7/2003-ECB & PR, dated the 22nd December, 2003, shall be deemed to have been done or taken under the corresponding provisions of this Act.



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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 29 जनवरी, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण

(अभिदाता की शिकायत का निवारण) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/1.—पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 14 की उप-धारा (2) के खंड (घ) और धारा 52 की उप-धारा (2) के खंड (घ) के साथ धारा 52 की उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, पेंशन निधि विनियामक और विकास प्राधिकरण एतद्वारा निम्नलिखित विनियम बनाता है; अर्थातः—

अध्याय I

प्रारम्भिक

1. संक्षिप्त शीर्षक, प्रयुक्ति तथा प्रारम्भ—(1) इन विनियमों को पेंशन निधि विनियामक और विकास प्राधिकरण (अभिदाता की शिकायत का निवारण) विनियम, 2015 कहा जाएगा।

इस विनियम का उद्देश्य राष्ट्रीय पेंशन प्रणाली के अधीन मध्यवर्तियों एवं अन्य पेंशन स्कीम के द्वारा, अभिदाताओं के हित में उनकी शिकायतों का समय पर और त्रुटिरहित कार्यवाही के तहत प्रभावपूर्ण ढंग से कार्रवाई सुनिश्चित करना है।

(2) वे शासकीय राजपत्र में प्रकाशित होने की तारीख से प्रवृत्त होंगे।

(3) ये विनियम प्राधिकरण द्वारा बनाए किन्हीं अन्य विनियमों के अतिरिक्त होंगे, जो अन्य बातों के साथ-साथ अभिदाताओं के हितों की रक्षा करेंगे।

(4) ये विनियम इन पर लागू होंगे —

(i) राष्ट्रीय पेंशन प्रणाली के तहत प्राधिकरण द्वारा किसी भी समय विनियमित सभी मध्यवर्तियों या किसी व्यक्ति या इकाई पर;

(ii) प्राधिकरण द्वारा किसी भी समय विनियमित किसी अन्य पेंशन स्कीम पर;

- (iii) केन्द्र सरकार या राज्य सरकारों या संघशासित प्रदेशों के अधीनस्थ विभागों तथा सभी अन्य इकाइयों, निकायों या नियोक्तार्यों, जिनके कर्मचारी राष्ट्रीय पेंशन प्रणाली के तहत आते हैं; और
- (iv) राष्ट्रीय पेंशन प्रणाली या प्राधिकरण द्वारा विनियमित किसी अन्य पेंशन स्कीम के तहत सभी अभिदाताओं और किसी मृतक अभिदाता के आश्रित या विधिक उत्तराधिकारी पर;

2. परिभाषाएं: (1) इन विनियमों में, यदि संदर्भ में अन्यथा अपेक्षित न हो, —

- (क) "अधिनियम" का आशय पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है,
- (ख) "कोई अन्य पेंशन स्कीम" का आशय अधिनियम की धारा 12 की उप-धारा (1) की धारा (ख) में उल्लेखित कोई अन्य पेंशन स्कीम है,
- (ग) "प्राधिकृत प्रतिनिधि" का आशय शिकायतकर्ता द्वारा यथा नियुक्त और प्राधिकृत व्यक्ति या शिकायत करने वाला कोई दूसरा पक्ष जो लोकपाल के समक्ष कार्यवाही में उसकी ओर से तथा उसका प्रतिनिधित्व करे,
- (घ) "निर्णय" का आशय लोकपाल द्वारा इन विनियमों के अनुसार निर्देश या आदेश के रूप में निर्णय देना,
- (ङ) "शिकायतकर्ता" का आशय वह व्यक्ति जो इन विनियमों के अनुसार शिकायत दायर करता है,
- (च) "मनोनीत सदस्य" का आशय प्राधिकरण द्वारा इस प्रयोजन के लिए मनोनीत, अध्यक्ष या पूर्णकालिक सदस्य है,
- (छ) "शिकायतें या शिकायत" में वे सभी संचार शामिल होते हैं जो इस विनियम के प्रावधानों द्वारा अधिशासित किसी मध्यवर्ती या किसी संस्था या व्यक्ति के आचरण या कोई कार्य करने या ना करने या सेवा में त्रुटि के बारे में हो और उसमें किसी निवारण कार्रवाई की मांग की गई हो किन्तु निम्नलिखित शामिल नहीं हैं —
- (i) शिकायतें जो अधूरी हों या सुस्पष्ट नहीं हों,
- (ii) सुझाव देने की प्रकृति के पत्र,
- (iii) पत्र जिनमें मार्गदर्शन या स्पष्टीकरण मांगा गया हो,
- (iv) शिकायतें जो प्राधिकरण की शक्तियों या कार्यों या अधिनियम के प्रावधानों तथा उसके तहत निर्मित नियमों व विनियमों से परे हों,
- (v) मध्यवर्तियों के बीच कोई विवाद संबंधी, और
- (vi) शिकायतें जो न्यायालय में विचाराधीन हों (मामले जो न्यायालय में या अर्ध-न्यायिक संस्था के विचाराधीन हों) सिवाय उन मामलों के जो अधिनियम के प्रावधानों के तहत इस प्राधिकरण के ही अधिकार क्षेत्र में आते हों,
- (ज) "पूछताछ" या "कोई पूछताछ" का आशय किसी अभिदाता से प्राप्त कोई पत्र जिसका प्रमुख उद्देश्य राष्ट्रीय पेंशन प्रणाली या प्राधिकरण द्वारा विनियमित किसी अन्य पेंशन स्कीम के बारे में जानकारी मांगना हो,
- (झ) "मध्यवर्ती", राष्ट्रीय पेंशन प्रणाली के संबंध में, पेंशन निधि, केन्द्रीय अभिलेखापाल अभिकरण, राष्ट्रीय पेंशन प्रणाली न्यास, पेंशन निधि सलाहकार, उपस्थिति अस्तित्व, सेवानिवृत्ति सलाहकार, संग्रहण, प्रबंधन, अभिलेखधारण और संचित धन के वितरण से संबंधित संस्थाएं हैं,

व्याख्या : इन मध्यवर्तियों में शामिल होते हैं :

- (i) केन्द्र सरकार के अधीनस्थ प्रधान लेखा कार्यालय, वेतन तथा लेखा कार्यालय और आहरण एवं संवितरण अधिकारी, या उसके अधीनस्थ समकक्ष कार्यालय या केन्द्रीय स्वायत्त संस्था जो राष्ट्रीय पेंशन प्रणाली के उद्देश्य से अभिदाताओं की ओर से केन्द्रीय अभिलेखापाल अभिकरण से सम्पर्क करते हैं,
- (ii) राज्य सरकार के अधीन राजकोषीय एवं लेखा निदेशालय, जिला राजकोषीय कार्यालय तथा आहरण एवं संवितरण अधिकारी या राज्य सरकार के अधीनस्थ समकक्ष कार्यालय या राज्यकीय स्वायत्त संस्थाओं राष्ट्रीय पेंशन प्रणाली के उद्देश्य से अभिदाताओं की ओर से केन्द्रीय अभिलेखापाल अभिकरण से सम्पर्क करते हैं,
- (ट) "लोकपाल" का आशय इन विनियमों के विनियम 11 के तहत नियुक्त कोई व्यक्ति होता है और इसमें वेतनभोगी लोकपाल भी शामिल होते हैं,
- (ठ) "अनुरोध" का आशय अभिदाता से प्राप्त कोई संचार होता है जिसमें राष्ट्रीय पेंशन प्रणाली के तहत मध्यवर्ती या इस अधिनियम के प्रावधानों द्वारा अधिशासित किसी संस्था या व्यक्ति से सेवाएं मांगी गई हों,
- (ड) "सवेतन लोकपाल" का आशय उस व्यक्ति से होता है जिसे विनियम 17 के तहत उसके निर्धारित अधिकार क्षेत्र में कुछ विशेष मामले या मामलों का निपटान करने के लिए लोकपाल के रूप में कार्य करने के लिए नियुक्त किया गया हो और जिसे उस कार्य के लिए कुछ व्यय, मानदेय या नियुक्ति शुल्क जैसे कि प्राधिकरण द्वारा समय-समय पर निर्धारित किया जाता है, का भुगतान किया जाता है।

(2) उन शब्दों और पदों के, जो इन विनियमों में प्रयुक्त हैं और परिभाषित नहीं हैं किन्तु अधिनियम में परिभाषित हैं वही अर्थ होंगे जो उनके क्रमशः अधिनियम में हैं।

4	मध्यवर्ती / इकाई का पता और सम्पर्क विवरण		
5	मध्यवर्ती / इकाई को भेजी शिकायत की तारीख		
6	मध्यवर्ती द्वारा दिया गया विशेष शिकायत नम्बर		
7	क्या शिकायतकर्ता द्वारा कोई अनुस्मारक भेजा गया है?	हां / नहीं	यदि हां तो कृपया अनुस्मारक की प्रति संलग्न करें।
8	क्या शिकायतकर्ता को कोई उत्तर मिला है?	हां / नहीं	यदि हां तो कृपया राष्ट्रीय पेंशन प्रणाली के अधीन मध्यवर्ती या किसी अन्य पेंशन स्कीम से प्राप्त उत्तर की प्रति संलग्न करें।
9	यदि हां तो क्या शिकायतकर्ता निपटान से संतुष्ट है?	हां / नहीं	
10	शिकायतकर्ता द्वारा राष्ट्रीय पेंशन प्रणाली न्यास को भेजे प्रतिवेदन की तारीख		कृपया प्रतिवेदन की प्रति संलग्न करें।
11	क्या शिकायतकर्ता द्वारा राष्ट्रीय पेंशन प्रणाली न्यास को कोई प्रतिवेदन भेजा गया है?	हां / नहीं	यदि हां, कृपया अनुस्मारक की प्रति संलग्न करें।
12	क्या शिकायतकर्ता को राष्ट्रीय पेंशन प्रणाली न्यास को प्रतिवेदन भेजने के बाद राष्ट्रीय पेंशन प्रणाली न्यास अथवा मध्यवर्ती से कोई उत्तर मिला है?	हां / नहीं	यदि हां, कृपया मध्यवर्ती या राष्ट्रीय पेंशन प्रणाली न्यास के निपटान की प्रति संलग्न करें।

3. लोकपाल/प्राधिकरण से मांगी गई राहत की प्रकृति -

(कृपया अपने कथन के प्रमाण में दस्तावेजी साक्ष्य, यदि कोई हो, की प्रति संलग्न करें।)

4. घोषणा

1. मैं/हम, शिकायतकर्ता यहां घोषणा करता/करती हूँ/करते हैं कि :

(क) यहां ऊपर दी गई सूचना सत्य और सही है, और

(ख) मैंने/हमने ऊपर दिये कोष्ठकों में उल्लेखित कोई भी तथ्य और प्रस्तुत किये दस्तावेजों में कुछ छिपाया नहीं है या गलत अथवा भ्रामक नहीं दिया है।

2. शिकायत इन विनियमों के प्रावधानों के अनुसार गणना की गई निर्धारित अवधि से पूर्व दायर कर दी गई है।

3. (i) इस शिकायत के विषय के बारे में इससे पूर्व मेरे द्वारा/या हममें से किसी के द्वारा या इस विषय से संबंधित किसी पक्ष द्वारा मेरी/हमारी पूर्ण जानकारी के अनुसार पेंशन निधि विनियामक और विकास प्राधिकरण/लोकपाल के कार्यालय को प्रस्तुत नहीं किया गया।

(क) इस शिकायत की विषय वस्तु ऐसे किसी मामले के समान नहीं है जिसका निर्णय पेंशन निधि विनियामक और विकास प्राधिकरण/लोकपाल के कार्यालय के माध्यम से किसी पूर्व कार्यवाही में हुआ हो।

(ख) इस शिकायत की विषय वस्तु के बारे में किसी फोरम/न्यायालय द्वारा निर्णय नहीं हुआ है।

या

(ii) इस शिकायत का मामला में (कृपया फोरम/न्यायालय को नाम दें जहां लंबित है)..... (कृपया वह तारीख दें जब मामला दायर किया गया था) से लंबित है और विनियमों के अनुसार उसका अंतिम अधिनिर्णय होने में लम्बा समय लगने की संभावना है।

4. मैं/हम राष्ट्रीय पेंशन प्रणाली के अधीन मध्यवर्ती या इकाई या किसी अन्य पेंशन स्कीम को पेंशन निधि विनियामक और विकास प्राधिकरण/लोकपाल को हमारे द्वारा प्रस्तुत ऐसी कोई सूचना/दस्तावेज उपलब्ध कराने के लिए प्राधिकृत करते हैं जो पेंशन निधि विनियामक और विकास प्राधिकरण/लोकपाल के मतानुसार आवश्यक है और जो किसी अन्य शिकायत या हमारी शिकायत के निवारण के लिए अपेक्षित है।

5. मैंने/हमने पेंशन निधि विनियामक और विकास प्राधिकरण (अभिदाता की शिकायत का निवारण) विनियम, 2015 के प्रावधानों को ध्यानपूर्वक पढ़ लिया है।

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भवदीय

(हस्ताक्षर)

(शिकायतकर्ता)

नामांकन/प्राधिकृत करना — (यदि शिकायतकर्ता लोकपाल के समक्ष उसकी ओर से प्रस्तुत होने और मामला प्रस्तुत करने के लिए अपने प्रतिनिधि के रूप में, जो एडवोकेट न हो, नामित/प्राधिकृत करना चाहता है, तो उसे निम्नलिखित घोषणा भी प्रस्तुत करनी चाहिए।)

मैं/हम, उक्त उल्लेखित शिकायतकर्ता, श्री/श्रीमती को जो एडवोकेट नहीं हैं और जिनका पता है, इस शिकायत की सभी कार्यवाहियों में मेरे/हमारे प्रतिनिधि के रूप में एतद्वारा नामित करता हूँ/करते हैं और पुष्टि करता हूँ/करते हैं कि उसके द्वारा दिया गया कोई भी बयान, स्वीकृति या अस्वीकृति मेरे/हमारे ऊपर बाध्यकारी होगी। उसने मेरी उपस्थिति में हस्ताक्षर किए हैं।

स्वीकार दिया

(प्रतिनिधि के हस्ताक्षर)

(शिकायतकर्ता के हस्ताक्षर)

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY NOTIFICATION

New Delhi, the 29th January, 2015

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (REDRESSAL OF SUBSCRIBER GRIEVANCE) REGULATIONS, 2015

No. PFRDA/12/RGL/139/1.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clause (d) of sub-section (2) thereof and clause (f) of sub-section (2) of Section 14 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:-

CHAPTER I

PRELIMINARY

1. **Short title, application and commencement.**—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015.

The regulation aims to provide a timely and seamless framework for handling grievances in the interests of the subscribers, by the intermediaries under the National Pension System and other pension scheme and for effective resolution of such grievances.

- (2) They shall come into force on the date of their publication in the Official Gazette.
- (3) These regulations shall be in addition to any other regulations made by the Authority, which may *inter alia* provide for protection of subscribers interest.
- (4) These regulations shall apply to,-
 - (i) all intermediaries or any person or entity regulated by the Authority under the National Pension System at any point of time;
 - (ii) other pension scheme regulated by the Authority at any point of time;
 - (iii) Departments under the Central Government or States or Union territories Governments and all other entities, bodies or employers, whose employees are covered under the National Pension System; and
 - (iv) all subscribers under the National Pension System or any other pension scheme regulated by the Authority and shall include the dependents or legal heirs of any deceased subscriber.

2. **Definitions.**—(1) In these regulations, unless the context otherwise requires,-

- (a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
- (b) “any other pension scheme” means any other pension scheme referred to in clause (b) of sub-section (1) of Section 12 of the Act;
- (c) “authorized representative” means a person duly appointed and authorized by a complainant or any other party to the complaint to act on his behalf and represent him in the proceedings before the Ombudsman;

- (d) "award" means a finding in the form of direction or an order of an Ombudsman given in accordance with these regulations;
 - (e) "complainant" means any person who lodges a complaint in accordance with these regulations;
 - (f) "designated member" means the Chairperson or a whole-time member of the Authority designated for the purpose;
 - (g) "grievances or complaint" includes any communication that expresses dissatisfaction, in respect of the conduct or any act of omission or commission or deficiency of service on the part of, an intermediary or an entity or a person governed by the provisions of the Act and in the nature of seeking a remedial action but do not include the following—
 - (i) complaints that are incomplete or not specific in nature;
 - (ii) communications in the nature of offering suggestions;
 - (iii) communications seeking guidance or explanation;
 - (iv) complaints which are beyond the powers and functions of the Authority or beyond the provisions of the Act and the rules and regulations framed thereunder;
 - (v) any disputes between intermediaries; and
 - (vi) complaints that are sub-judice (cases which are under consideration by court of law or quasi-judicial body) except matters within the exclusive domain of the Authority under the provisions of the Act;
 - (h) "enquiry" or "an enquiry" means any communication from a subscriber for the primary purpose of requesting information about the National Pension System or any other pension scheme regulated by the Authority;
 - (i) "intermediary", in relation to the National Pension System, includes pension fund, central recordkeeping agency, National Pension System Trust, pension fund adviser, retirement adviser, point of presence, such other person or entity connected with collection, management, recordkeeping and distribution of accumulations.
Explanation: Such intermediaries shall include;
 - (i) Principal Accounts Office, Pay and Accounts Office and Drawing and Disbursing Officer under the Central Government or analogous offices under it or Central autonomous bodies which interact with the central recordkeeping agency on behalf of the subscribers for the purpose of National Pension System;
 - (ii) Directorate of Treasury and Accounts, District Treasury Office and Drawing and Disbursing Officer under the State Government or analogous offices under the State Government or State autonomous bodies which interact with the central recordkeeping agency on behalf of the subscribers for the purpose of National Pension System;
 - (j) "Ombudsman" means any person appointed under regulation 11 of these regulations and includes a Stipendiary Ombudsman;
 - (k) "request" means any communication from a subscriber soliciting a service from an intermediary under the National Pension System or an entity or a person governed by the provisions of the Act;
 - (l) "Stipendiary Ombudsman" means a person appointed under regulation 17 for the purpose of acting as ombudsman in respect of a specific matter or matters in a specific territorial jurisdiction and for which he may be paid such expenses, honorarium or sitting fees as may be determined by the Authority from time to time.
- (2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II

GRIEVANCE REDRESSAL POLICY

3. **Grievance redressal policy.**—(1) Every intermediary under the National Pension System and any other pension scheme regulated by the Authority shall follow the grievance redressal policy as laid down under these regulations. In case of National Pension System, the National Pension System Trust shall lay down detailed guidelines and procedures for a two level grievance redressal policy for intermediaries and other entities with minimum conditions as referred to in regulation 4 and shall be responsible for the overall grievance management system. The two levels for the grievance redressal shall comprise a senior management level officer to be designated as Grievance Redressal Officer for compliance of the requirements laid down in such policy. In addition, every branch or authorized office or centre other than the central office, head office, corporate office or principal office of the intermediary dealing with National Pension System shall also have an officer nominated as

the Grievance Redressal Officer for that office or centre.

(2) Any other pension scheme regulated by the Authority shall also provide for a two level grievance redressal policy approved by its board or decision making body.

(3) All such grievance redressal policies for National Pension System and for other pension schemes regulated by the Authority shall be filed with the Authority or National Pension System Trust as the case may be, by the intermediary or entity or person governed by the provisions of the Act and placed prominently in public domain.

(4) The National Pension System Trust shall be required to monitor and periodically conduct review and perform oversight on the grievance management system in respect of schemes under the National Pension System. The National Pension System Trust shall, forward to the Authority, reports on its review and oversight, within such period as may be specified by the Authority.

4. Filing of grievance redressal policy.— The grievance redressal policy to be filed in all cases with the Authority or the National Pension System Trust needs to adhere to the following minimum conditions, namely:—

(a) every intermediary under the National Pension System and any other pension scheme regulated by the Authority shall designate a senior management level officer as Grievance Redressal Officer for compliance of the requirements laid down in such policy. In addition, every branch or authorized office or centre other than the central or head or corporate or principal office dealing with National Pension System or any other pension scheme regulated by the Authority shall also have an officer nominated as the Grievance Redressal Officer for that office or centre;

(b) every intermediary under the National Pension System and any other pension scheme regulated by the Authority shall have a clearly defined system and procedure for receiving, registering, acknowledging and effectively disposing off of grievances received in a prompt and fair manner;

(c) every intermediary under the National Pension System and any other pension scheme regulated by the Authority must inform a subscriber at the commencement of relationship with the subscriber and at such other time when the information is likely to be required by the subscriber, of—

(i) the subscribers' right to seek redressal of any complaints, through the redressal mechanism as specified under these regulations; and

(ii) the processes followed by the intermediaries under the National Pension System and other pension scheme regulated by the Authority, to receive and redress complaints from subscribers;

(d) the grievance redressal policies would need to conform to the benchmarks and standards as laid down or amended by the Authority from time to time. These benchmarks may include *inter alia* resolution time for grievance, service quality, manner of receiving grievances, number of outstanding grievances against intermediaries under the National Pension System or any other pension scheme and any other matters which in the opinion of the Authority, are relevant for redressing such grievances;

(e) details of turnaround times shall be clearly laid down in the two level grievance redressal policy to be filed with the Authority by the Intermediaries or respective Government or any other entity governed by the provisions of the Act;

(f) every two level grievance redressal policy to be filed with the Authority shall be placed in the public domain and preferably displayed in Hindi, English and other applicable regional languages in its office by each intermediary under the National Pension System and by any other pension scheme regulated by the Authority.

5. Turnaround Times.—(1) There shall be two types of turnaround times, namely:—

(a) The turnaround times for provision of services as applicable to,—

(i) the intermediaries other than Government nodal offices or PAOs or Pr AOs or DTOs or DTAs or DDOs, which shall be in accordance with the service level agreements or other relevant agreements, memorandum of understandings, offer documents or circulars issued by the Authority from time to time.

Explanation.— For the purpose of this clause, the abbreviations "PAOs", "Pr.AOs", "DTAs", "DTOs" and "DDOs" shall stand for Pay and Accounts Offices, Principal Accounts Offices, Directorate of Treasury and Accounts, District Treasury Offices and Drawing and Disbursing Officers under the Central Government or analogous offices under the Central Government or central autonomous bodies which interact with the central recordkeeping agency on behalf of the subscribers for the purpose of National Pension System.

Further, the abbreviations "DTAs", "DTOs" or "DDOs" shall stand for Directorate of Treasury and Accounts, District Treasury Office and Drawing and Disbursing Officer under the State Government or analogous offices under the State Government or State autonomous bodies which interact with central recordkeeping agency on behalf of the subscribers for the purpose of National Pension System;

- (ii) Government nodal offices or PAOs or PrAOs or DTAs or DTOs or DDOs, which shall be in accordance with the circulars or guidelines issued by the Authority, National Pension System Trust or the Central Government or the concerned State Government from time to time on registration of subscribers, incorporating change or modification in subscriber details, timelines for remittance of National Pension System contributions including legacy contributions, compensation of loss to the subscribers due to delay of such remittance and any other related issue to protect the interest of the subscribers; and.

(b) the turnaround time for the grievance redressal in accordance with regulation 6.

6. **Turnaround times for grievance redressal.**—(1) An acknowledgement shall be sent to the complainant within three working days of the receipt of the grievance by the concerned entity so identified for the purpose. The acknowledgement shall contain the name and designation and contact details of the officer who shall be dealing with the grievance received.

(2) The complainant shall be provided with a unique grievance number for future reference for every grievance registered. The grievance redressal proceedings of the complaint shall be deemed to have commenced on the first date of receipt of the grievance by an intermediary.

(3) In case the complaint received does not pertain to the intermediary to which the same has been lodged, the complaint shall be transferred to the concerned intermediary within three working days, under intimation to the complainant.

(4) Where the intermediaries under National Pension System or any other pension scheme regulated by Authority has resolved the complaint, within three working days, it may communicate the resolution along with the acknowledgement to the complainant.

(5) Every grievance shall be disposed off within a period of thirty days of its receipt and a final reply shall be sent to the complainant, containing details of resolution or rejection of the complaint, with reasons thereof recorded in writing.

(6) The intermediary under National Pension System or any other pension scheme regulated by Authority, while disposing off the complaint, shall inform the complainant the manner in which he or she may pursue the complaint, if dissatisfied with such resolution or rejection, as the case may be.

(7) If the complainant is not satisfied with the redressal of his grievances or if it has not been resolved by the intermediary by the end of thirty days of the filing of the complaint, he may escalate the grievance to the National Pension System Trust in accordance with the provisions contained in regulation 10. If the grievance remains unresolved after its receipt at the National Pension System Trust, on the expiry of a period of thirty days from the receipt thereof, the complainant may file a representation with the Ombudsman to be appointed by the Authority under these regulations for redressal of the grievances of the complainant, within such period as has been specified for the purpose:

Provided that provisions of this sub-regulation, shall not apply where the complaint is directly in relation to a grievance against the National Pension System Trust and no other intermediary:

Provided further that where the complaint is directly against the National Pension System Trust and no other intermediary, the National Pension Trust shall resolve the grievance of the subscriber in the manner and within the period specified under this regulation [except under sub-regulation (7)] and if the grievance remains unresolved, the complainant may file an appeal with the Ombudsman to be appointed by the Authority under these regulations for redressal of the grievances of the complainant, within such period as has been specified for the purpose.

(8) Any intermediary under the National Pension System and any other pension scheme regulated by the Authority is required to maintain records of each complaint received by it and the measures taken by it for its redressal.

(9) The intermediary under the National Pension System and other pension scheme regulated by the Authority is also required to submit periodic reports to the National Pension System Trust or Authority as may be specified from time to time.

(10) Any failure on the part of intermediary under National Pension System or any other pension scheme to follow the above-mentioned procedures and time-frames shall involve such penalties or other actions as may be imposed or taken by the Authority in accordance with the provisions of the Act, in addition to any compensation that may be required to be paid to the subscriber by such intermediary.

7. **Closure of grievance.**—A grievance shall be considered as disposed off and closed in any of the following instances, namely:—

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- (a) when the intermediary or entity regulated by Authority has acceded to the request of the complainant fully;
- (b) where the complainant has indicated in writing, its acceptance of the response of the intermediary or entity regulated by the Authority;
- (c) where the complainant has not responded within forty-five days of the receipt of the written response of the intermediary or entity regulated by the Authority;
- (d) where the Grievance Redressal Officer has certified under intimation to the subscriber that the intermediary or entity regulated by the Authority has discharged its contractual, statutory and regulatory obligations and therefore closes the complaint;
- (e) where the complainant has not preferred any appeal within forty-five days from the date of receipt of resolution or rejection of the grievance communicated by the intermediary or entity regulated by the Authority or the National Pension System Trust, as the case may be;
- (f) where the decision of the Ombudsman in appeal has been communicated to such complainant:

Provided that the closure shall not be applicable where the Ombudsman or the Authority, as the case may be has allowed filing of the appeal, beyond the specified period.

8. **Categorisation of complaints.**—Categorisation of complaints as may be specified by the Authority from time to time shall be adopted by the intermediaries or any entity under National Pension System or any other pension scheme regulated by the Authority and incorporated in their systems.
9. **System Requirements.**—The grievance redressal policy shall provide for automated systems to enable online registration, tracking of status of grievances by the complainants and generation of periodical reports as may be specified by the Authority. The system shall also be designed to that it can integrate seamlessly with the Authority's system in the manner as may be specified by the Authority from time to time.
10. **Escalation of Grievance to National Pension System Trust.**—(1) Any subscriber whose grievance has not been resolved within thirty days from the date of receipt of the grievance by the intermediary, or who is not satisfied with the resolution provided by any intermediary under the National Pension System (other than National Pension System Trust) shall register a grievance with the National Pension System Trust, against such intermediary. The National Pension System Trust shall follow up the grievance with the concerned intermediary for redressal of the subscriber grievance. The National Pension System Trust shall call for the resolution of the subscriber grievance and respond to the subscriber within thirty days from the date of receipt of the grievance under this sub-regulation, about the resolution of the grievances.
- (2) The subscriber whose grievance has not been resolved by the intermediary within thirty days from the date of submission of the grievance to the National Pension System Trust, or who is not satisfied with the resolution provided by the National Pension System Trust shall prefer an appeal to the Ombudsman against the concerned intermediary or entity.
- (3) Nothing contained in sub-regulation (1) shall apply to a grievance which is directly against the National Pension System Trust, and it shall be resolved by the National Pension System Trust in accordance with the provisions of regulation 6.

CHAPTER III

APPOINTMENT AND FUNCTIONS OF OMBUDSMAN

11. **Appointment of Ombudsman.**—(1) The Authority shall appoint an Ombudsman, who shall receive, consider and facilitate resolution of complaints or grievances which fall within the ambit of these regulations:
Provided that the Authority may appoint one or more Ombudsmen for such territorial jurisdiction as may be specified from time to time by an order.
12. **Establishment and appointment.**—(1) With effect from such date as the Authority may, by an order fix, there shall be established an office of Ombudsman for the purposes of these regulations.
- (2) The Authority may, on recommendation of a Selection Committee, appoint one or more Ombudsmen for such territorial jurisdiction as may be specified from time to time by an order.
- (3) The Selection Committee referred in sub-regulation (2) shall consist of the following members, namely:—
 - (i) an expert in the area of financial market operations to be nominated by the Chairperson;
 - (ii) a person having special knowledge and experience of law, finance or economics, to be nominated by the Chairperson.
 - (iii) at least one member of the Ombudsman Selection Committee to be appointed by the Chairperson shall be a representative of the Central Government.

- (iv) An Executive Director of the Authority will be nominated by the Chairperson to be Secretary of the Selection Committee.
- (v) The selection committee shall be headed by a whole-time member of the Authority.
- (4) At the request of the Authority, the Selection Committee may also prepare a panel of persons out of which a person may be appointed as Stipendiary Ombudsman.
- (5) The panel under sub-regulation (4) shall remain in force for a maximum period of two years from the date of selection:

Provided that any person in the existing panel shall be eligible to be included in the reconstituted panel.

13. Qualifications.-In order to be appointed as an Ombudsman a person shall be -

- (a) a citizen of India;
- (b) of high moral integrity ;
- (c) not below the age of forty-five years of age; and
- (d) either-
 - (i) be a retired District Judge or qualified to be appointed as a District Judge; or
 - (ii) having at least ten years' experience of service in the discharge of regulatory functions in any regulatory body; or
 - (iii) having special knowledge and experience in law, finance, corporate matters, economics, management or administration for a period of not less than ten years.

14. Disqualifications.-A person shall not be qualified to hold the office of the Ombudsman if he -

- (i) is an un-discharged insolvent ;
- (ii) has been convicted of an offence involving moral turpitude;
- (iii) has been found to be of unsound mind and stands so declared by a competent court;
- (iv) has been charge sheeted for any offence including economic offences ; or
- (v) has been a whole-time director in the office of an intermediary under the National Pension System or any other pension scheme regulated by the Authority and a period of at least three years has not elapsed from the date of his cessation as such director.

15. Tenure.-(1) A person appointed as an Ombudsman shall hold office for a period of three years and shall be eligible for reappointment for another period of two years:

Provided that no person shall hold the office of an Ombudsman after attaining the age of sixty-five years.

- (2) The Authority, at any time, before the expiry of the period specified under sub-regulation (1) may terminate the services of the Ombudsman by giving him notice of not less than three months in writing or three months' salary and allowances in lieu thereof, and the Ombudsman shall also have the right to relinquish his office, at any time, before the expiry of period specified under sub-regulation (1), by giving to the Authority a notice of not less than three months in writing.

16. Remuneration.-The salary, allowances, honorarium or fee payable to, and other terms and conditions of service of, an Ombudsman shall be such as may be determined by the Authority from time to time.

17. Stipendiary Ombudsman.-(1) Without prejudice to the provisions of sub-regulation (2) of regulation 12, the Authority may appoint a person as a Stipendiary Ombudsman out of the panel prepared by the selection committee under sub-regulation (4) of regulation 12, for the purpose of acting as an Ombudsman in respect of a specific matter or matters in a specific territorial jurisdiction, as may be specified in the order of appointment.

- (2) A person who is eligible to be appointed as Ombudsman under these regulations shall be eligible to be appointed as a Stipendiary Ombudsman.
- (3) Save as otherwise specified by the Authority, the Stipendiary Ombudsman shall exercise all powers and functions as are vested in a Ombudsman under these regulations.
- (4) The Stipendiary Ombudsman shall be paid such fees or honorarium and allowances for the services rendered by him, as may be determined by the Authority from time to time.

18. Territorial jurisdiction.-Every Ombudsman or Stipendiary Ombudsman shall exercise jurisdiction in relation to an area as may be specified by the Authority by an order.

19. Location of Office.-(1) The office of Ombudsman shall be located at the head office of the Authority and if more than one Ombudsmen are appointed then the office of any such Ombudsmen may be located at any other office of the Authority or any other place as may be specified by the Authority from time to time.

Provided that the Stipendiary Ombudsman when appointed for any specific complaint or complaints shall be located at such place as may be specified.

- (2) In order to expedite disposal of complaints, the Ombudsman or Stipendiary Ombudsman, as the case may be,

may hold sittings at such places within his area of jurisdiction as may be considered necessary and proper by him.

- (3) The Authority may provide the premises and other infrastructures including staff or secretarial assistance for the office of Ombudsman or Stipendiary Ombudsman, as the case may be.

20. General Powers and Functions of Ombudsman.—The Ombudsman shall have the following powers and functions to—

- (a) receive complaints as specified in these regulations against any intermediary or entity and to consider such complaints and facilitate resolution thereof by amicable settlement;
- (b) approve a friendly or amicable settlement of the dispute between the parties;
- (c) adjudicate such complaints in the event of failure of settlement thereof by friendly or amicable manner.

21. Other powers and functions.—(1) The Ombudsman shall —

- (a) draw up an annual budget for his office in consultation with the Authority and shall incur expenditure within and in accordance with the provisions of the approved budget;
- (b) submit an annual report to the Authority within three months of the close of each financial year containing general review of activities of his office; and
- (c) furnish such information to the Authority as may be required by the Authority from time to time.

(2) Every annual report of the Ombudsman shall be submitted in such form and manner as may be specified by the Authority.

Explanation.—For the purposes of this regulation, the expression “financial year” means the period from the 1st day of April of a year to the 31st day of March of the following year.

CHAPTER IV

APPEAL WITH OMBUDSMAN AND ADJUDICATION

22. Filing of appeal with Ombudsman.—(1) An appeal may be filed with the Ombudsman under these regulations where—

- (a) by a complainant whose grievance has not been resolved within thirty days from the escalation of the grievance by filing a representation with the National Pension System Trust under regulation 10; or
- (b) by a complainant, where a complaint has been made directly against the National Pension System Trust and no other intermediary and the same remains unresolved within the specified period of thirty days; or
- (c) by a complainant, in relation to a complaint against any other pension scheme regulated by the Authority, whose grievance remains unresolved for a period of thirty days from the filing of his complaint against such pension scheme;

The complainant may, himself or through an authorised representative (not being a legal practitioner) file an appeal with the Ombudsman within whose jurisdiction the branch office or head office or registered office of an intermediary under the National Pension System or of any other pension scheme regulated under the Act, is located.

Provided that if the Authority has not notified any Ombudsman for a particular locality or territorial jurisdiction, the complainant may request the Ombudsman located at the Head Office of the Authority for forwarding his appeal to the Ombudsman of competent jurisdiction.

- (2) The appeal shall be in writing duly signed by the complainant or his authorised representative (not being a legal practitioner) in the Form specified in the Schedule to these regulations and supported by documents, if any.

(3) No appeal to the Ombudsman shall lie —

- (a) unless the complainant had, before making an appeal to the the Ombudsman concerned, made a written complaint to the concerned entity (viz. intermediary or entity under National Pension System or any other pension scheme regulated by the Authority) named in the complaint and the concerned entity has rejected the complaint or the complainant has not received any reply within a period of thirty days after the concerned entity received his complaint or the complainant is not satisfied with the reply given to him by the concerned entity and thereafter the grievance has been escalated by making a representation to the National Pension System Trust and the complainant has not received any reply or where the complaint has been made directly against the National Pension System Trust and no other intermediary, and remains unresolved within the specified period of thirty days, or is not satisfied with the reply given to him as the case may be;
- (b) unless the appeal is made within forty-five days from the date of receipt of response of the National Pension System Trust under regulation 10 or under regulation 6, as the case may be, or within next forty-five days, following the date of expiry of thirty days from the date of filing a representation or complaint with the National Pension System Trust, as the case may be, and no reply having been received to such representation or complaint;

Provided that the Ombudsman may entertain any appeal beyond the specified time limit for filing of appeal, for sufficient cause or reasons thereof provided by the complainant. The Ombudsman may reject any appeal where he feels that such delay is not justifiable, for reasons to be recorded in writing;

(c) if the appeal is in respect of the same subject-matter which was settled through the office of the Authority or Ombudsman concerned in any previous proceedings, whether or not received from the same complainant or along with any one or more or other complainants or any one or more of the parties concerned with the subject-matter;

(d) if the appeal pertains to the same subject-matter for which any proceedings before the Authority or any court, tribunal or any other forum is pending or a decree or award or a final order has already been passed by any such competent authority, court, tribunal, or forum;

(e) if the appeal is in respect of or pertaining to a matter for which action has been taken by the Authority under section 30 of the Act or under any other regulations made under the Act.

(4) The Ombudsman may dismiss *in limine* an appeal on any of the grounds specified under sub-regulation (3) or when such appeal is frivolous in his opinion.

23. Power to call for information.-(1) For the purpose of carrying out his duties under these regulations, an Ombudsman may require the intermediary or any entity under the National Pension System or any other pension scheme regulated by the Authority named in the complaint or any other person, institution or body to provide any information or furnish certified copy of any document relating to the subject-matter of the complaint which is or is alleged to be in its or his possession:

Provided that in the event of failure of the intermediary or entity under National Pension System or any other pension scheme regulated by the Authority to comply with the requisition made under sub-regulation (1) without any sufficient cause, the Ombudsman may, if he deems fit, draw the inference that the information, if provided or copies if furnished, would be unfavourable to the intermediary or entity under the National Pension System or any other pension scheme regulated by the Authority:

Provided further that the Ombudsman shall report about such non-compliance to the Authority.

(2) The Ombudsman shall maintain confidentiality of any information or document coming to his knowledge or possession in the course of discharging his duties and shall not disclose such information or document to any person except and as otherwise required by law or with the consent of the person furnishing such information or document:

Provided that nothing in this sub-regulation shall prevent the Ombudsman from disclosing information or document furnished by a party in a complaint to the other party or parties, to the extent considered by him to be reasonably required to comply with the principles of natural justice and fair play in the proceedings:

Provided further that provisions of this sub-regulation shall not apply in relation to the disclosures made or information furnished by the Ombudsman to the Authority or to the publication of Ombudsman's award in any journal or newspaper or filing thereof before any court, forum or authority.

24. Settlement by mutual agreement.-(1) As soon as it may be practicable so to do, the Ombudsman shall cause a notice of the receipt of any complaint along with a copy of the complaint to be sent to office of the intermediary or entity under the National Pension System or any other pension scheme regulated by the Authority, named in the complaint and endeavour to promote a settlement of the complaint by agreement or mediation between the complainant and the intermediary or entity concerned under the National Pension System or any other pension scheme named in the complaint.

(2) If any amicable settlement or friendly agreement is arrived at between the parties, the Ombudsman shall pass an award in terms of such settlement or agreement within thirty days from the date thereof and direct the parties to perform their obligations in accordance with the terms recorded in the award.

(3) For the purpose of promoting a settlement of the complaint, the Ombudsman may follow such procedure and take such actions as he may consider appropriate.

25. Award on adjudication.-(1) In the event, the matter is not resolved by mutually acceptable agreement within a period of thirty days of the receipt of the complaint or such extended period as may be permitted by the Ombudsman, he shall, based upon the material placed before him and after giving opportunity of being heard to the parties, give his award in writing or pass any other directions or orders as he may consider appropriate.

(2) The award on adjudication shall be made by the Ombudsman within a period of ninety days from the date of the filing of the complaint:

Provided that no award shall be invalidated by reason alone of the fact that the award was made beyond the said period of ninety days.

(3) Where the award by the Ombudsman, including compensation and interest, if any, exceeds a sum of rupees ten lakhs, such award shall be sent to the Authority for confirmation. The designated member of the Authority may confirm or vary the award, after hearing the parties concerned.

(4) The Ombudsman shall send his award to the parties, to the adjudication, to perform their obligations under the award.

26. Correction of award.-(1) Within fifteen days from the receipt of the award, a party, with notice to the other party, may request the Ombudsman to correct any computation errors, any clerical or typographical errors or any other errors of a similar nature occurring in the award.

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- (2) If the Ombudsman considers the request made under sub-regulation (1) to be justified, he shall make the correction within fifteen days from the receipt of the request which shall form part of the award.
- (3) The Ombudsman may also rectify any error of the type referred to in sub-regulation (1), on his own initiative, within fifteen days from the date of the award.
- 27. Evidence Act not to apply in the proceedings before Ombudsman.**—(1) In proceedings before the Ombudsman strict rules of evidence under the Evidence Act, 1872 (1 of 1872) shall not apply and the Ombudsman may determine his own procedure consistent with the principles of natural justice.
- (2) The Ombudsman shall decide whether to hold oral hearings for the presentation of evidence or for oral argument or whether the proceeding shall be conducted on the basis of documents and other materials. Provided that it shall not be necessary for a subscriber to be present at the oral hearing of proceedings under these regulations and the Ombudsman may proceed on the basis of the documentary evidence submitted before him.
- (3) No legal practitioner shall be permitted to represent the respondents at the proceedings before the Ombudsman except where a legal practitioner has been permitted to represent the complainants by the Ombudsman.
- 28. Finality of award and circumstances of revision.**—(1) Subject to the provisions of sub-regulations (3) and (4), an award shall be final and binding on the parties and persons claiming under them respectively.
- (2) Any party aggrieved by the award passed by the Ombudsman may within thirty days from the receipt of the award under regulation 24 or corrected award under regulation 25, file an application for revision before the Authority setting out the grounds for revision of the award:
Provided that the designated member of the Authority may entertain any revision beyond the specified time limit for filing of the same, for sufficient cause or reasons thereof, provided by the party seeking such revision.
- (3) There shall be no revision against the order passed by the designated member of the Authority, under sub-regulation (3) of regulation 25.
- (4) Subject to sub-regulation (3) an award may be revised by the designated member of the Authority only if—
- (a) there is substantial mis-carriage of justice; or
- (b) there is an error apparent on the face of the award.
- (5) Where an application for revision of the award under sub-regulation (2) is filed by a party from whom the amount mentioned in the award is to be paid to the other party in terms of the award, such application shall not be entertained by the designated member of the Authority, unless the party filing the revision has deposited with the Authority, seventy-five per cent. of the amount mentioned in the award:
Provided that the designated member of the Authority, may, for reasons to be recorded in writing, waive or reduce the amount to be deposited under this sub-regulation.
- (6) The designated member of the Authority may revise the award and pass such order as it may deem appropriate. The designated member of the Authority while hearing or deciding the revision application may in addition, pass such other directions in writing, as it deems fit in accordance with the provisions of the Act.
- (7) The designated member of the Authority shall endeavour to dispose of the matter within a period of sixty days of the filing of the application for revision.
- (8) The party so directed shall implement the award within thirty days of receipt of the order of the Authority on revision or within such period as may be specified by the designated member of the Authority in the order disposing off the application for revision.
- (9) The Authority may determine its own procedure consistent with principles of natural justice in the matter of disposing of application for revision and may dismiss such application *in limine* if it does not satisfy any of the grounds specified in sub-regulation (3).
- 29. Cost and Interest.**—(1) The Ombudsman or the designated member of the Authority, as the case may be, shall be entitled to award reasonable compensation along with interest including future interest till date of satisfaction of the award at a rate which may not exceed one percent per mensem.
- (2) The Ombudsman in the case of an award, or the designated member of the Authority in the case of order passed in application for revision of the award, as the case may be, may determine the cost of the proceedings in the award and include the same in the award or as the case may be, in the order. Such cost may be payable to the party concerned or may be directed to be credited to the Subscriber Education and Protection Fund.
- (3) The Ombudsman or the designated member of the Authority may impose cost on the complainant for filing complaint or any petition for revision, which is frivolous.

CHAPTER V

IMPLEMENTATION OF THE AWARD

- 30. Implementation of the award.**—(1) The award shall be implemented by the party so directed within thirty days of receipt of the award from the Ombudsman or an order of the designated member of the Authority passed in confirmation or revision, as the case may be, or within such period as specified in the award or order of the

Authority.

(2) If any person fails to implement the award or order of the designated member of the Authority passed in the revision petition, without reasonable cause -

(a) he shall be deemed to have failed to redress subscribers' grievances and shall be liable to a penalty under sub-section (3) of section 28 of the Act;

(b) he shall also be liable for -

(i) an action for suspension or cancellation of certificate of registration; or

(ii) such other action permissible which may be deemed appropriate in the facts and circumstances of the case:

Provided that no such order shall be passed without following the procedure laid down under the relevant rules or regulations.

31. **Display of the particulars of the ombudsman in office premises and documents.**-(1) Every intermediary under the National Pension System and any other pension scheme regulated by the Authority shall display the name and address of the Ombudsman as specified by the Authority to whom the complaints are to be made by any aggrieved person in its office premises in such manner and at such place, so that it is put to notice of the subscribers visiting their office premises

(2) The intermediary or entity under the National Pension System and any other pension scheme regulated by the Authority in its offer document or subscriber's agreements or notifications, office memorandum or circulars shall give full disclosure about the grievance redressal mechanism through the Ombudsman under these regulations.

(3) Any failure to disclose the grievance redressal mechanism through the Ombudsman under sub-regulation (2) or any failure to display the particulars as per sub-regulation (1) may attract the penal provisions contained in sub-section (3) of section 28 of the Act.

CHAPTER VI

MISCELLANEOUS

32. **Removal of difficulties.**-If any difficulty arises in giving effect to the provisions of these regulations, the Authority may issue such directions or clarifications as it may deem necessary or expedient for removing the difficulty.

33. **Appeal to the Securities Appellate Tribunal.**-Any appeal against the order passed by the designated member of the Authority under this regulation shall lie with the Securities Appellate Tribunal, as provided in section 36 of the Act.

HEMANT G. CONTRACTOR, Chairperson

[ADVT.-III/4/Exty./203/14]

Annexure

I. Key details to be captured for filing of grievances with the Ombudsman

1. Name, address, contact number and e-mail address of the complainant
2. Permanent Retirement Account Number (PRAN), if available
3. CRA/POP/Other Intermediary/Other Pension Scheme Acknowledgement Reference Number (in case of reminder)
4. Nature of complaint type/category
 - a. Registration
 - b. Contributions
 - c. Investment option (Tier I/II)
 - d. Subscriber Account
 - e. Investment management
 - i. Disclosures
 - ii. Unit allocation
 - iii. Performance
 - f. Portability of investments
 - i. Change in location
 - ii. Change in fund manager
 - iii. Change in scheme

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- g. Charges and fees
 - h. Annuity and commutation at retirement
 - i. Process
 - ii. Valuation
 - i. Premature Withdrawals
 - i. Process
 - ii. Valuations
 - j. Service quality
 - i. Intermediary
 - ii. Website
 - iii. Key comments
 - k. Any other grievance not listed above.
5. Dates and details of earlier correspondence with the intermediary under National Pension System or any other pension scheme.
 6. Dates and details of correspondence of escalation of grievance with the National Pension System Trust
 7. Enclosures, if any

SCHEDULE

[See regulation 22 (2)]

FORM

(FOR OFFICE USE ONLY)

Complaint Number	Year	Date of Receipt

(TO BE FILLED UP BY THE COMPLAINANT)

To

The Ombudsman / Pension Fund Regulatory and Development Authority

(* give address of the office of the Authority or the address of the Ombudsman having jurisdiction)

Dear Sir/Madam,

Sub: Complaint against (Name of the intermediary or entity under National Pension System or any other pension scheme)

1. DETAILS OF THE COMPLAINANT:

Sr. No.	Particulars	Details
1	Name (s)	
2	Full Address	
3	Contact No. Tel. No. Mobile No	
4	Email ID	

2. DETAILS OF THE COMPLAINT:

Sr. No.	Particulars	Details	Remarks

1	Subject Matter/Grounds of the complaint		
2	Details of the complaint		<i>If space is not sufficient, please enclose separate sheet</i>
3	Name of the intermediary/entity against which complaint has been made		Please enclose a copy of the complaint
4	Address and contact details of the intermediary/entity		
5	Date of the Complaint made to the intermediary/entity		
6	Unique Grievance Number provided by intermediary		
7	Whether any reminder was sent by the complainant	YES/NO	If yes, please enclose a copy of the reminder
8	Whether any reply has been received by the complainant	YES/NO	<i>If yes, please enclose a copy of the reply of the intermediary under National Pension System or any other pension scheme</i>
9	If yes, whether the complainant is satisfied with the reply	YES/NO	
10	Date of representation by the complainant to the National Pension System Trust		Please enclose a copy of the representation
11	Whether any reminder was sent by the complainant to the National Pension System Trust	YES/NO	If yes, please enclose a copy of the reminder
12	Whether the complainant has received any reply of the intermediary or National Pension System Trust after representation with National Pension System Trust	YES/NO	<i>If yes, please enclose a copy of the reply of the intermediary or National Pension System Trust</i>

3. NATURE OF RELIEF SOUGHT FROM THE OMBUDSMAN/AUTHORITY.....

(Please enclose - a copy of documentary proof, if any, in support of your claim)

4. DECLARATION

1. I/ We, the complainant/s herein declare that:
 - (a) the information furnished herein above is true and correct; and
 - (b) I/ We have not concealed or misrepresented any fact stated in aforesaid columns and the documents submitted herewith.
2. The complaint is filed before expiry of prescribed period reckoned in accordance with the provisions of these regulations.
3. (i) The subject matter of the present complaint has never been brought before the Office of the Pension Fund Regulatory and Development Authority/Ombudsman by me/or by any one of us or by any of the parties concerned with the subject matter to the best of my/our knowledge.

(a) The subject matter of the present complaint is not in respect of the same which was settled through the Office of the Pension Fund Regulatory and Development Authority/Ombudsman in any previous proceedings.

(b) The subject matter of the present complaint has not been decided by any forum/court.

OR

(ii) The subject matter of the present complaint is pending since..... *(please mention the date when the matter was filed)* before *(*Please mention the name of the forum/court/ before whom pending)* and the proceedings are likely to take longer time in its final adjudication as contemplated in the regulations.

4. I/We authorise the intermediary or entity under National Pension System or any other pension scheme provider to disclose any such information/ documents furnished by us to the Pension Fund Regulatory and Development Authority/Ombudsman and disclosure whereof in the opinion of the Pension Fund Regulatory and Development Authority/Ombudsman is necessary and is required for redressal of any other complaint or our complaint.
5. I/We have carefully gone through the provisions of the Pension Fund Regulatory and Development Authority (Redressal of subscriber Grievance) Regulations, 2015.

Yours faithfully

(Signature)

(Complainant)

NOMINATION/AUTHORISATION – (If the complainant wants to nominate/authorise his representative, not being a legal practitioner, to appear and make submissions on his behalf before the Ombudsman, the following declaration should also be submitted.)

I/We the above named complainant/s hereby nominate Shri/Smt..... who is not a legal practitioner and whose address is as my/our REPRESENTATIVE in all proceedings of this complaint and confirm that any statement, acceptance or rejection made by him/her shall be binding on me/us. He/She has signed below in my presence.

ACCEPTED

(Signature of Representative)

(Signature of Complainant)

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REGD. NO. D. L.-33004/99



भारत का राजपत्र The Gazette of India

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PART III—Section 4

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 14 मई, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (प्रतिभूतियों का अभिरक्षक) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/10.—(अ)-पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उप-धारा (2) के खंड (ड), खंड (डू), खंड (ण), खंड (त) और खंड (ब) के साथ पठित उसकी उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात्:—

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (प्रतिभूतियों का अभिरक्षक) विनियम, 2015 है।

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

इन विनियमों का उद्देश्य एनपीएस आस्तियों की सुरक्षा और युक्तियुक्त जोखिम प्रबंधन को सुनिश्चित करने के साथ-साथ आंतरिक नियंत्रण और परिचालन के उच्च मानकों की स्थापना करने के लिए प्रतिभूति अभिरक्षक को मानीटर, पर्यवेक्षण करना और आंतरिक नियंत्रण की संरचना को मानकीकृत करना है।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

- क. "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है;
- ख. 'खाता' से राष्ट्रीय पेंशन प्रणाली न्याय का अभिरक्षक खाता और अभिरक्षक द्वारा संधृत और अधिनियम के अनुच्छेद 12 के उप खंड 1 के खंड ख में उल्लेखित अन्य पेंशन स्कीम का खाता अभिप्रेत है।
- ग. 'कोई अन्य पेंशन योजना' अधिनियम के अनुच्छेद 12 के उप खंड 1 के खंड ख में उल्लेखित पेंशन योजना अभिप्रेत है।
- घ. 'आस्तियां' अधिनियम के अनुच्छेद 12 की उप-धारा के खंड (ख) में वर्णित और अभिदाताओं की ओर से राष्ट्रीय पेंशन प्रणाली के अंतर्गत धारित आस्तियां अभिप्रेत है;
- ड. 'अभिरक्षक सेवाएं' राष्ट्रीय पेंशन प्रणाली और किसी अन्य पेंशन स्कीम के अधीन आस्तियों और प्रतिभूतियों को सुरक्षित रखना तथा उससे अनुपांगिक सेवाएं प्रदान करना अभिप्रेत है और इसमें सम्मिलित हैं:-
- (i) आस्तियों और प्रतिभूतियों के खातों को संधृत करना;
 - (ii) डिपोजिटरी अधिनियम, 1996 (1996 का 22) के निबंधनों और भारतीय प्रतिभूति और विनियम बोर्ड द्वारा अनुज्ञात घरेलू निक्षेपागार के रूप में कार्य करना;
 - (iii) आस्तियों और प्रतिभूतियों पर उद्भूत हकदारी और लाभों का संग्रहण करना;
 - (iv) प्रतिभूतियों के निगमकर्ता द्वारा की गई या की जाने वाली कार्रवाई के बारे में संसूचित करना जो प्रोद्भूत होने वाले लाभों या हकदारी में संबंध हो;
 - (v) उपखंड (i) से (iv) में संदर्भित सेवाओं के अभिलेखों को बनाये रखना और समाधान करना;
- च. 'प्रतिभूतियों का अभिरक्षक' प्राधिकरण द्वारा विनियमित पेंशन स्कीमों के लिए अभिरक्षक और निक्षेपागार प्रतिभागी सेवाएं प्रदान करने के लिए अधिनियम की धारा 27 की उप-धारा (3) के अंतर्गत प्राधिकरण द्वारा अनुदत्त रजिस्ट्रीकरण प्रमाण पत्र प्राप्त संस्था अभिप्रेत है;
- छ. 'प्रपत्र' अनुसूची 1 में निर्दिष्ट प्रपत्र अभिप्रेत है;
- ज. 'अनुसूची' इन विनियमों के साथ अनुलग्नित अनुसूची अभिप्रेत है;
- झ. 'प्रतिभूतियां' का वही अर्थ होगा जो प्रतिभूतियां अनुबंध (विनियम) अधिनियम, 1956 (1956 का 42) और प्राधिकरण द्वारा समय-समय पर विनिधान के लिए आज्ञा प्राप्त लिखतों में अभिप्रेत है;

(2) उन शब्दों और पदों के, जो इन विनियमों में प्रयुक्त हैं और परिभाषित नहीं हैं, किंतु अधिनियम में परिभाषित हैं, वे वही अर्थ होंगे, जो क्रमशः उनका अधिनियम में है।

अध्याय 2

अभिरक्षक का पंजीकरण

रजिस्ट्रीकरण का प्रमाण पत्र.—(1) प्राधिकरण किसी संस्था को प्रतिभूतियों के अभिरक्षक रूप में पंजीकृत करेगा और पंजीकरण का प्रमाण पत्र अनुदत्त करेगा।

(2) प्राधिकरण यदि अभिदाताओं के हित में आवश्यक समझे तो वह एक या अधिक प्रतिभूतियों के अभिरक्षक का चयन कर सकता है।

सुनिश्चित करने के लिए कि प्रतिभूतियों के अभिरक्षक के रूप में और अन्य अनुज्ञाप्राप्त गतिविधियों के मध्य जनशक्ति और अवसंरचना के आधार पर दीर्घकालिक संबंध स्थापित रहा है प्रतिभूतियों का अभिरक्षक प्राधिकरण के पास किसी अन्य क्षमता अथवा वर्ग में पंजीकृत होना चाहिए।

6-3 प्रतिभूतियों के अभिरक्षक के रूप में अपने कर्तव्यों के निर्वहन में अपने आप को समर्थ बनाने के लिए प्रतिभूतियों का अभिरक्षक प्राधिकरण और राष्ट्रीय पेंशन प्रणाली न्यास के समाधान के लिए पर्याप्त असंरचनात्मक सुविधाएं स्थापित करेगा और उसका अनुरक्षण करेगा और मध्यवर्तियों/प्रतिभूतियों के अभिरक्षक की प्रणालियां और कार्यपालन प्रक्रियाएं सुदस्तावेजी और परिचालन नियमावली से समर्थ होगा। 6-4 प्रतिभूतियों का अभिरक्षक उसके अभिरक्षा में सभी दस्तावेजों और डाटा का अभिलेख इस रीति में तैयार करेगा और बनाये रखेगा कि किसी कारणवश मूल अभिलेखों अथवा दस्तावेजों की हानि की स्थिति में डाटा अथवा दस्तावेज के अनुरेखन की सुविधा उपलब्ध हो। 6-5

(क) अभिरक्षक का कोई भी कर्मचारी जो उससे प्रत्यक्ष अथवा अप्रत्यक्ष रूप से जुड़ा है सार्वजनिक अभिगम्य मीडिया में प्रत्यक्ष अथवा अप्रत्यक्ष रूप से किसी प्रतिभूति के बारे में विनिधान संबंधी सलाह नहीं देगा, वास्तविक अथवा अवास्तविक समय पर, ऐसी सलाह प्रस्तुत करते समय;

(ख) प्रतिभूतियों के अभिरक्षक का कोई भी कर्मचारी ऐसा परामर्श प्रतिपादित करता है तो ऐसा परामर्श प्रतिपादित करते समय वह अपने आश्रित परिवार के सदस्यों के हितों और उस प्रतिभूति में अपने नियोक्ता के लघु और दीर्घ दर्जे का प्रकटीकरण करेगा।

हेमंत जी, कांट्रेक्टर, अध्यक्ष

[विज्ञापन-III/4/असा./203/15 (53)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 14th May, 2015

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015

No. PFRDA/12/RGL/10.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clauses (c), (n), (o), (p) and (w) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely: —

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Custodian of Securities) Regulations, 2015.

(2) They shall come into force on the date of their publication in the Official Gazette.

The objective of the Regulations is to standardize the framework for monitoring, supervision and internal control for Custodian of Securities to enable them to establish high standards for internal control and operational conduct, with the aim of protecting the NPS assets and ensuring proper management of risk.

2. Definitions.—(1) In these regulations, unless the context otherwise requires,—

(a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

- (b) "account" means the custody accounts of the National Pension System Trust and that of any other pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act and are maintained by the custodian;
- (c) "any other pension scheme" means a pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act;
- (d) "assets" means the securities held under the National Pension System on behalf of the subscribers and that of any other pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act;
- (e) "custodial services" means safekeeping of securities or assets held under the National Pension System or any other pension scheme and providing services incidental thereto and includes-
- (i) maintaining accounts of securities or assets held;
 - (ii) undertaking activities as a Domestic Depository in terms of the Depositories Act, 1996 (22 of 1996) or as permitted by the Securities and Exchange Board of India;
 - (iii) collecting the benefits or rights accruing on the securities or assets;
 - (iv) informing about the actions taken or to be taken by the issuer of the securities, having a bearing on the benefits or rights accruing on the securities or assets held; and
 - (v) maintaining and reconciling records of the services referred to in sub-clauses (i) to (iv);
- (f) "Custodian of Securities" means an entity which has been granted a certificate of registration under sub-section (3) of section 27 of the Act by the Authority as a custodian of securities for the purpose of providing custodial and depository participant services for the pension schemes regulated by the Authority;
- (g) "Form" means any of the forms set out in the First Schedule;
- (h) "Schedule" means a schedule annexed to these regulations;
- (i) "securities" shall have the same meaning as assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and includes such other instruments, permitted for investment by the Authority from time to time.
- (2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II

REGISTRATION OF CUSTODIAN

3. **Certificate of Registration.**— (1) The Authority shall register and grant an entity a certificate of registration as a custodian of securities.
- (2) The Authority may, if deemed necessary in the interest of the subscribers' select one or more custodian of securities.
- (3) No custodian of securities shall commence any activity relating to a National Pension System or any other pension scheme under the Act except under and in accordance with the conditions of a certificate of registration granted by the Authority in conformity with the provisions of the Act, rules and these regulations.
- (4) Any custodian of securities, which had been associated with a pension scheme and appointed to act as such by the Interim Pension Fund Regulatory and Development Authority prior to the establishment of the Authority under the Act may continue to so act for a period of ninety days from the date of notification of these regulations, if it has made an application for grant of certificate of registration within the said period of ninety days, till the disposal of such application in the manner specified in regulation 15:
- (5) Where any existing custodian fails to make an application for grant of certificate of registration within

the period specified in sub-regulation (3) or fails to comply with these regulations, shall cease to carry on an activity as custodian of securities and shall be subject to the directions of the Authority with regard to the transfer of records, documents or securities relating to its activities.

4. Application for grant of certificate of registrations and application fee.- (1) The Authority may, as and when deemed fit, invite applications, for the selection of one or more custodians of securities

(2) On and from the date of publication of notice of the selection process in a newspaper and on the website of the Authority, any entity which fulfils the eligibility conditions specified in regulation 8 and desirous to undertake the business of custodian of securities may make an application accompanied by non-refundable application fee as specified in Part A of the Second Schedule and to be paid in the manner specified in Part B thereof.

5. Application to conform to requirements.- (1) Any application for grant of certificate of registration is liable to be rejected, inter alia on the following grounds, namely:—

(a) it is not complete in all respects and does not conform to the requirements specified in these regulations;

(b) it does not contain such additional information as required by the Authority;

(c) it is incorrect, false or misleading;

(d) the applicant is not in compliance with the minimum eligibility requirements as specified in these regulations;

(e) it, in the opinion of the Authority, is not in the interest of subscribers or the objective of orderly development of pension sector or both, or is not in the interest of the National Pension System or any other pension scheme.

(2) Before rejecting an application on the grounds under sub-regulation (1), the applicant shall be given an opportunity to remove the objection, within time as may be specified by the Authority:

Provided that where an application is rejected for the reason that it contains false or misleading information, no such opportunity shall be given and the applicant shall not make any application for grant of certificate of registration under these regulations or any other regulations for a period of six years from the date of such rejection.

6. Furnishing of information and clarification.- (1) The Authority may require the applicant to furnish any further information or clarification, for the purpose of disposal of the application, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority

(2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.

7. Verification of information.- (1) While considering the application, the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information in any manner it deems necessary, which may include physical verification of documents, office space, and inspect the availability of office space, infrastructure, and technological support which the applicant is required to have.

(2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an external auditor.

8. Eligibility criteria.- (1) For the purpose of grant of a certificate of registration, an applicant satisfying the following minimum eligibility criteria may submit its application for grant of certificate of registration:-

(a) the applicant must be registered with the Securities and Exchange Board of India as a custodian of securities for the past five years on the date of application;

(b) direct or indirect cross holding by any pension fund or its sponsor, Trustee Bank or central record keeping agency in the custodian of securities should be less than fifty per cent.;

(c) the applicant's holding of assets under custody on the date of application must be at least equal to the total assets under management of the National Pension System as on 31st March of the preceding financial year.

(2) For the purpose of grant of a certificate of registration, the Authority shall take into account any or all matters which are relevant to the activities of a custodian of securities as also all matters which it deems relevant to the pension sector and National Pension System or any other pension scheme, including but not limited to the following particulars, whether-

(a) the applicant has the necessary infrastructure, including adequate office space, requisite information technology and information security systems with inbuilt flexibility and scaling up capability, required to effectively discharge its activities as custodian of securities;

(b) the applicant has the ability to segregate activities of the National Pension System or any other pension schemes from its other custodial clients and maintain firewall;

(c) the applicant has the requisite approvals under any applicable law in force in connection with providing custodial services in respect of permissible securities under National Pension System or any other pension scheme;

(d) the applicant has in its employment adequate and competent persons who have the experience, capacity and ability of managing the business of the custodian of securities;

(e) the applicant has prepared a complete manual, setting out the systems and procedures to be followed by it for the effective and efficient discharge of its functions and the arm's length relationships to be maintained with the other businesses, if any, of the applicant;

(f) the applicant or any of its associates have in the past been refused certificate of registration or renewal of registration certificate by any of the financial sector regulators in India including, the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority and the Authority and if so, the ground for such refusal;

(g) the applicant have in the past five years been imposed with any penalty by any of the financial regulators referred to in clause(f) or by a court of law or tribunal, on the matters concerning violation of regulations, directions, guidelines and circulars of the regulator and if so, the ground for such refusal;

(h) the applicant is or, is not, a 'fit and proper entity', as stated in the Third Schedule;

(i) the grant of certificate of registration is in the interest of subscribers.

(3) Notwithstanding anything contained in sub-regulations (1) and (2), the Authority shall not consider an application made under these regulations unless the applicant is a body corporate.

9. Exemptions in certain cases from eligibility criteria.—(1) Every applicant must mandatorily meet the minimum eligibility criteria specified in sub-regulation(1) of regulation 8.

(2) If any entity does not fulfil some of the other criteria specified in sub-regulation (2) of regulation 8, it may, request the Authority by making an application seeking exemption from such criteria.

(3) Nothing contained in sub-regulation (2), confers the applicant any right to claim exemption.

(4) The Authority, if feels, that the non-fulfilment of the conditions under sub-regulation (2) of regulation 8, of which relaxation is sought would not prejudicially affect the interest of the subscriber, it may grant exemption from some of the criteria to such entity for reasons to be recorded in writing. The Authority may in such circumstances impose such additional conditions as it may deem fit for grant of certificate of registration.

10. Procedure for grant of certificate of registration and payment of registration fee.—(1) Any application received in response to the Authority's invitation under regulation 4, shall be evaluated in accordance with these regulations and the selection process and evaluation under such selection process as may be specified at the time of inviting application.

(2) The best value proposal shall be given an opportunity to accept the asset service charges as determined under regulation 16.

(3) On receipt of an intimation from the Authority under sub-regulation (2), the applicant shall pay to the Authority the non-refundable registration fee specified in Part A of the Second Schedule, in the manner specified in Part B thereof.

(4) Upon acceptance of the registration fee from the Applicant, the Authority may, subject to such terms and conditions as it may specify, grant a certificate of registration in Form A..

(5) No existing custodian of securities shall be entitled to claim any priority or privilege for grant of certificate of registration under the selection process.

11. Terms and conditions of registration.-The certificate of registration granted to the applicant or the custodian of securities shall be subject to the following conditions, namely:-

- (a) it shall pay the registration fees and annual fee as specified in Part A of the Second Schedule, which shall be paid in the manner specified in part B thereof;
- (b) it shall provide all custodial and depository services related to all securities, permitted to be held under pension schemes regulated by the Authority;
- (c) it fulfills and complies with the minimum eligibility conditions as specified by the Authority at all times;
- (d) all representations, warranties, information, disclosures, reports, documents and statements relating to or after registration as custodian are true, complete, accurate and correct in all respects and do not contain any untrue statement of any material fact or omit to state any material fact and shall inform the Authority of any material change in the information or particulars previously furnished, which have a bearing on its registration;
- (e) it has taken all necessary actions and steps to accept the registration as custodian of the assets regulated by the Authority and binds itself for the due performance of its obligations and shall discharge its obligations under them;
- (f) it executes such agreements with the parties as directed by the Authority or as specified under these regulations and shall comply with the terms of the agreements executed;
- (g) it shall maintain confidentiality with respect to all transactions records, data and information received while discharging its obligations and shall not, without the prior permission of the Authority, produce or share such data or information as an evidence or for any other purpose except as required under the process of law;
- (h) it shall comply with the provisions of the Act, rules or the regulations made or, clarifications or directions issued by the Authority;
- (i) it shall submit statements to the Authority or the National Pension System Trust or to such other intermediaries at such intervals as may be specified by the Authority or the National Pension System Trust from time to time or as specified in the agreements;
- (j) it shall comply with the 'code of conduct' as specified in the Fourth Schedule, and it shall not assign or delegate or outsource any part of its functions as a custodian of securities to any other entity without the prior permission of the Authority.

12. Documentation with intermediaries- (1) Before commencement of business, the custodian shall execute the following agreements:-

- (a) tripartite agreement with the pension fund and the National Pension System Trust;
- (b) any other agreement which is required for the efficient and orderly conduct of activities as custodian of pension schemes regulated by the Authority, as may be specified by it from time to time.

(2) Besides the above mentioned agreements, the custodian of securities shall obtain necessary approvals from other sectorial regulators or any other authorities and it shall comply with the requirements of the intermediaries, depositories, clearing houses, exchanges with regards to opening of accounts, authorizing signatories, obtaining digital signatures, providing connectivity and software installation.

13. Commencement of business.- (1) Upon completion of documentation by the custodian of securities and other related formalities for undertaking its operations for which it has been granted registration, the custodian of securities shall seek issuance of "certificate for commencement of business" from the Authority.

(2) The Authority upon being satisfied that the custodian of securities is fully equipped to commence its operations may issue a "certificate for commencement of business for the National Pension System or other pension schemes" to the custodian of securities, in Form B set out in the First Schedule, after which the custodian of securities can undertake the operations and activities envisaged.

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14. Period of validity.—(1) Every certificate of registration granted under these regulations shall be valid for a period of five years from the date of grant of certificate of registration.

(2) The Authority may, however extend the tenure of the Certificate of Registration, for such period as it may determine in the interest of the subscribers. Such extension shall be granted for reasons to be recorded in writing. Any extension granted to the Custodian of Securities upon expiry of tenure of registration shall be binding on the custodian of securities and the custodian of securities shall discharge its functions in accordance with the terms and conditions of the certificate of registration during the extension period as well.

(3) During the validity of certificate of registration under sub-regulations (1) and (2), the certificate of registration granted to the custodian of securities shall be reviewed annually or at any other period or point of time as notified by the Authority and its continuity as such custodian of securities shall be decided thereupon by the Authority.

(4) The custodian of securities shall be liable to Annual pay fee as specified in Part A and in the manner specified in Part B of the Second Schedule, on pro rata basis for the extended period.

15. Transitory provisions for registration of existing custodian of securities appointed by Interim PFRDA.—

(1) An existing custodian of securities, after notification of these regulations, shall make an application for continuation of its activities, within ninety days of such notification and the application shall be accompanied by—

(a) the original certificate of registration or letter of appointment;

(b) an undertaking supported by documentary evidence by the principal officer of the applicant certifying that all eligibility criteria as specified under these regulations have been satisfied;

(c) fee as specified in the Second Schedule;

(d) any other information as may be required by the Authority during the processing of the application for registration.

(2) The Authority may, consequent upon its satisfaction that the existing custodian of securities fulfills the conditions specified in these regulations and further that the grant of registration to such existing intermediary is in subscribers interest, register or re-register such intermediary for a period of one year only or till the selection of the custodian of securities is made in accordance with the selection process, whichever is earlier.

(3) Any existing custodian of securities specified under sub-regulation (1) shall not be entitled to claim any priority or privilege for grant of certificate of registration under the selection process which may be undertaken under these regulations.

16. Asset servicing charges.—(1) The asset servicing charges that can be levied by the custodian of securities on the asset held under the pension schemes regulated by the Authority shall be determined as per procedure laid down by the Authority.

(2) The assets servicing charges shall be calculated on the basis of daily closing balance of assets held by the custodian of securities under the pension schemes regulated by the Authority on face value of debt instruments and of purchase price of equity instruments.

17. Annual Fee

Every Custodian of Securities shall deposit with Authority an Annual Fee as detailed in Second Schedule before the 15th of April each year or within 15 days of the issuance or extension of Certificate of registration.

CHAPTER III

GENERAL OBLIGATIONS AND RESPONSIBILITIES OF CUSTODIANS

18. Code of conduct.—Every custodian of securities shall abide by the Code of conduct as stated in the Fourth Schedule.

19. General obligations of custodian of securities.- (1) The custodian of securities shall exercise at all times reasonable care, prudence, professional skill and diligence while discharging its duties in the best interest of the subscribers.

(2) The custodian of securities shall facilitate adequate infrastructure information technology, systems and procedures that are required for enabling it to co-ordinate with other intermediaries and entities and adapt to future changes including changes on account of technology advancements, changes in system specifications and services and undertake functional obligations specified by the Authority.

(3) The custodian of securities shall take all necessary precautions to ensure that continuity of the record keeping is not lost or destroyed and that sufficient back up of records are available.

(4) The custodian of securities shall ensure at all times that transactions in the pension schemes accounts are put through according to the instructions of the pension fund or the National Pension System Trust and the securities held in such accounts are used only for transactions explicitly authorised by the pension fund or the National Pension System Trust.

(5) The custodian of securities shall ensure at all times that, the securities held on behalf of the National Pension System Trust are separate and clearly segregated in its books from its own holdings, other client accounts and separated from all other activities. The custodian of securities shall open a separate custody account for pension schemes regulated by the Authority and in accordance with the manner specified for registration of securities.

(6) The custodian of securities shall ensure that all the rights or entitlements on the securities held in its custody for pension schemes or the National Pension System Trust are received on time and in the manner specified by the Authority or the National Pension System Trust.

(7) The custodian of securities shall ensure that the individual holdings of securities in the pension scheme accounts are reconciled with the depository holdings and Constituents' Subsidiary General Ledger (CSGL) account at the end of the day.

(8) The custodian of securities shall be continuously accountable for the movement of securities in and out of the pension scheme accounts and shall provide complete audit trail whenever called for by the Authority or the National Pension System Trust.

(9) The custodian of securities shall create and maintain the records of securities held in its custody in such manner that the tracing of securities or obtaining duplicate of the documents is facilitated, in the event of loss of original records for any reason.

(10) The custodian of securities shall ensure that the securities handled by it under the National Pension System or any pension scheme regulated by the Authority are adequately insured.

(11) The custodian of securities shall have adequate systems for internal controls to prevent any manipulation of records and documents including audits for securities and rights or entitlements arising from the securities held under this agreement. The custodian of securities shall have appropriate safekeeping measures to ensure that such securities (assets or documents) are protected from theft or natural hazard.

(12) The custodian of securities shall not be entitled to setting off securities held in the pension scheme accounts regulated by the Authority or otherwise deal with them to extinguish partly or fully any amounts due to it from the pension fund or the National Pension System Trust without the prior consent in writing from the Authority or the National Pension System Trust.

(13) The custodian of securities shall not encumber the securities in any manner including by an act of pledging, hypothecating or creating any charge or lien on the said securities. The custodian of securities shall not convert the securities in any manner without the approval of the Authority or the National Pension System Trust.

(14) The custodian of securities shall transmit such reports and statements to the pension fund or the National Pension System Trust or the Authority or to such other intermediaries at such periodic intervals as may be

specified by the Authority from time to time or as specified in the agreements.

(15) The custodian of securities shall maintain proper books of accounts, registers, records, documents and have adequate mechanisms for the purposes of reviewing, monitoring and evaluating the custodian's controls, systems, procedures and safeguards.

(16) The custodian of securities shall have its books of accounts audited quarterly by an internal auditor and submit an extract thereof relating to the assets or business of the pension funds to the Authority or the National Pension System Trust, as specified, within thirty days from the date of audit.

(17) The custodian of securities shall adhere to all applicable rules, regulations, circulars or guidelines framed, recommended, mandated by any regulator, authority, clearing corporation, exchange or depository for various functions or services offerings to the National Pension System Trust.

20. Monitoring, review and evaluating systems and controls.—(1) Every custodian of securities shall have adequate mechanisms for the purposes of reviewing, monitoring and evaluating the custodian's controls, systems, procedures and safeguards.

(2) The custodian of securities shall cause to be audited annually or at any other periodicity as may be specified by the Authority through the mechanism referred to in sub-regulation (1), by an expert appointed in accordance with the Authority's guidelines and forward the audit report to the National Pension System Trust within thirty days from the date of audit.

(3) The National Pension System Trust shall be the nodal agency for monitoring, reviewing and evaluating of the operations of the custodian of securities..

21. Appointment of compliance officer.—(1) Every custodian of securities shall appoint a compliance officer who shall be responsible for monitoring the compliance of provisions of the Act or the rules or the regulations made or notifications, guidelines, instructions, issued by the Authority or National Pension System Trust or the Central Government.

(2) The compliance officer shall immediately and independently report to the Authority and the National Pension System Trust of any non-compliance observed by him or her.

CHAPTER IV

INSPECTION AND AUDIT

22. Inspection and audit.—(1) The Authority may, if it considers necessary at any time, undertake directly or through its authorized representative, or an auditor, an inspection and audit of the books, accounts, records including the telephone records and electronic records and documents of the custodian of securities for any purpose, including the purposes as specified under this regulation.

(2) The purposes referred to in sub-regulation (1) may include,—

(a) to ascertain the infrastructural capabilities, systems and procedures;

(b) to ensure that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;

(c) to ensure that the affairs of the custodian of securities, in relation to the activities entrusted with, are conducted in a manner which is in the interest of the subscriber;

(d) to ascertain whether the provisions of the Act or rules or the regulations made thereunder or circulars, guidelines or notifications issued by the Authority are being complied with;

(e) to inquire into the complaints received from pension fund or any intermediary on any matter having a bearing on the activities entrusted to the custodian of securities by the Authority.;

(f) to inquire suo motu into such matters as may be deemed fit in the interest of subscribers.

(3) The Authority may appoint one or more authorized representatives or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1).

Explanation.- For the purpose of this sub-regulation, the expression “qualified auditor” shall have the meaning derived from section 226 of the Companies Act, 1956 (1 of 1956).

23. Notice before inspection or audit.—(1) Before undertaking an inspection or audit under regulation 22s, the Authority or its authorised representative or the auditor shall give ten working days’ notice to the custodian of securities:

Provided that no notice shall be required if the Authority is satisfied that an inspection or audit is required for immediate safeguarding of the interest of the subscribers.

(2) During the course of an inspection or audit, the custodian of securities against which the inspection or audit is being carried out shall be bound to discharge its obligations as provided in these regulations.

24. Obligations on inspection and audit.— (1) It shall be the duty of the custodian of securities, the affairs of which is being inspected or audited, and of every director, officer and employee thereof, to produce to the Authority, or its authorized representative or auditor, such books, accounts, records and other documents in its custody or control and furnish to the Authority or its authorised representative or auditor with such statements and information relating to the activities entrusted to it by the Authority, as it or he may require, within such reasonable period as may be specified.

(2) The custodian of securities shall allow the Authority or its authorized representative or the auditor to have a reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records, documents and computer data in the possession of the custodian of securities or such other person and also provide copies of documents or other materials which in the opinion of the Authority or its authorized representative or auditor are relevant for the purpose of the inspection or audit.

(3) It shall be the duty of the custodian of securities to give to the Authority, or its authorized representative or audit or all assistance in connection with the inspection and audit which the Authority or its authorized representative, National Pension System Trust or its authorized representative or auditor may reasonably require.

25. Submission of report.—(1) On completion of the inspection or audit, a report shall be submitted to the Authority, which after consideration of the report, may take such action as it may deem fit and appropriate in the interest of the subscribers.

(2) The Authority may *suo motu* or after consideration of the inspection or audit report, as the case may be, order an investigation or inquiry to be conducted in the matter.

26. Payment of inspection and audit fees.—The Authority shall be entitled to recover from the custodian of such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative under sub-regulation (1) of regulation 22.

27. Inspection and audit by National Pension System Trust.— (1) The National Pension System Trust shall undertake directly or through its authorized representative, inspection or audit or both of the custodian of securities, on an annual basis or at such other period as may be specified by the Authority in relation to operational Service Level Agreements in accordance with the provisions of Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015. The custodian of securities shall allow the National Pension System Trust, or its authorized representative to have a reasonable access to the premises occupied by it, books of accounts, records, technology infrastructure, and provide necessary information as may be required by it for the purpose of such inspection or audit, as the case may be.

CHAPTER V

SUSPENSION OR CANCELLATION OF CERTIFICATE AND ACTION IN CASE OF DEFAULT

28. Cancellation or suspension of certificate of registration.— (1) The registration granted by the Authority to act as a custodian of securities is liable to be cancelled, suspended or withdrawn, if the—

- (a) existing custodian of securities fails to apply or obtain afresh the certificate of registration upon expiry of tenure;
- (b) fails to comply with any of the terms and conditions of certificate of registration or Contravenes any of the provisions of the Act or the rules or the regulations made or any guidelines or notifications, directions, instructions or circulars issued thereunder;
- (c) indulges in unfair trade practices or conducts its activities in a manner prejudicial to the interests of the subscribers;
- (d) fails to furnish any information, periodical returns as required under the Act or by the Authority;
- (e) ceases to carry on business or goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Authority) or a receiver, manager, or administrator or similar person is appointed with respect to the assets and undertakings of the custodian of securities;
- (f) in the opinion of the Authority, the custodian of securities has engaged in corrupt or fraudulent practices in obtaining the certificate of registration or has been blacklisted by any regulator or submits to the Authority a false statement or information which has a material effect on the rights, obligations or interests of the Authority or the subscribers;
- (g) any other reason which in the opinion of the Authority warrants for suspension or cancellation of the certificate of registration granted;

(2) The Authority may without prejudice to the powers under sub-regulation (1), instead of cancelling, suspending or withdrawing the certificate of registration, direct for varying or modifying the terms and conditions of the certificate of registration as it may deem fit, or pass any other order, as may be deemed beneficial in the interest of the subscribers, for reason to be recorded in writing.

(3) The custodian of securities once registered shall have to ensure that the eligibility conditions as mentioned in these regulations are strictly adhered to during the entire currency of the registration period and any extension thereto. Certificate evidencing compliance with the eligibility condition shall have to be furnished by the registered custodian of securities to the Authority on annual basis within thirty days of closure of accounts for the financial year.

29. Surrender of any certificate of registration.— (1) Any custodian of securities, which has been granted a certificate of registration under the Act or the regulations made thereunder, desirous of giving up its activity and surrendering the certificate, may make a request for such surrender to the Authority.

(2) While disposing of a request under these regulations, the Authority may require the concerned custodian of securities to satisfy the Authority of the factors as it deems fit, including but not limited to the following:—

- (a) the arrangements made by the custodian of securities at its own costs and expenses for maintenance and preservation of records and other documents required to be maintained under the Act, rules, regulations and guidelines;
- (b) redressal of subscriber grievances as per the provision of Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015;
- (c) transfer of records, regulated assets at its own cost and expense;
- (d) the arrangements made by it for ensuring continuity of service to the subscribers;
- (e) defaults or pending actions, if any.

(3) While accepting the surrender request, the Authority may impose such conditions upon the custodian of securities as it deems fit for the protection of interest of the subscribers of the National Pension System and the custodian concerned shall comply with such conditions.

30. Effect of suspension, cancellation or withdrawal of certificate of registration.— (1) Any custodian of securities which has not applied for or which has failed to obtain a certificate of registration afresh upon expiry of tenure or certificate of registration, or certificate of registration of which has been cancelled, withdrawn or suspended shall, on and from the date specified by the Authority cease to carry on any activity as custodian of securities.

(2) On and from the date of suspension, cancellation or withdrawal of the certificate of registration, the custodian of securities shall—

(a) take such actions in respect of the assets, records documents or information that are in the custody or control of the custodian of securities, within such time and in the manner, as may be required under the relevant regulations or as may be directed by the Authority, while passing the order under these regulations or otherwise;

(b) not represent itself as a custodian of securities for carrying out the activities for which the certificate of registration had been granted and return the certificate of registration to the Authority if so directed;

(c) transfer the assets, records, documents or information that are in its control to another custodian of securities, if so directed by the Authority, at its own cost;

(d) be subject to the direction of the Authority till all such transfers or actions are completed or till the time the certificate of registration remains suspended.

31. Appointment of designated authority.— (1) Where it appears to the designated member that any custodian of securities which has been granted certificate of registration under the Act, these regulations or any other concerned person has committed any default of the nature specified in regulation 28, he may appoint an officer not below the rank of a Chief General Manager, or any other officer of an equivalent rank, as a designated authority.

(2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.

32. Issuance of notice.— (1) The designated authority shall, if it finds reasonable grounds to do so, issue a notice to the custodian of securities or any other concerned person requiring it to show cause as to why the certificate of registration granted to it, should not be suspended or cancelled or why any other action provided herein should not be taken.

(2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, rules, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.

(3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection carried out, if any.

(4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.

33. Reply by noticee.—(1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof:

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

(2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make recommendation as the case may be on the basis of material facts available before him.

34. Action in case of default.—After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,—

(a) suspension of certificate of registration for a specified period;

(b) cancellation of certificate of registration;

(c) prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;

(d) debarring a principal officer of the noticee from being employed or associated with any registered intermediary or other registered person for the period specified in the order;

(e) debarring a branch or an office of the noticee from carrying out activities for the specified period;

(f) warning the noticee.

35. Procedure for action on recommendation.—(1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show-cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.

(2) The noticee may, within twenty-one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.

(3) The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.

36. Intimation of order.—(1) Every report made by a designated authority and every order passed by the designated member under these regulations shall be dated and signed.

(2) A copy of the order passed under these regulations shall be sent to the custodian of securities or any person concerned and also placed on the website of the Authority.

37. Penalty and adjudication.—The imposition of penalty, if any, on the custodian of securities or any person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.

38. Appeal to Securities Appellate Tribunal.—The custodian of securities or any person concerned, aggrieved by an order under these regulations may, prefer an appeal to the Securities Appellate Tribunal against such order in accordance with the provisions of sub-section (1) of section 36 of the Act.

Explanation.—For the purposes of this Chapter,—

“designated authority” means an officer of the Authority appointed under sub-regulation (1) of regulation 30;

“designated member” means the Chairperson or a whole-time member of the Authority designated for the purpose;

“noticee” means the person to whom a notice has been issued under this Chapter.

CHAPTER VI

MISCELLANEOUS

39. Power of Authority to issue clarifications.—In order to remove any difficulties in the application or interpretation of these regulations, the Authority may issue clarifications and guidelines in the form of notes or circulars which shall be binding on the custodian of securities.

40. Directions.—Without prejudice to any order under the Act, the regulations and directions, guidelines, and circulars as may be issued by the Authority, including order under Chapter V, may, in the interest of the subscribers or for the purpose of securing the proper management of custodian of securities, issue, necessary direction:

Provided that before issuing any directions, the Authority shall give a reasonable opportunity of being heard to the persons concerned:

Provided further that if the circumstances warrant any interim direction is required to be passed immediately, the Authority may give a reasonable opportunity of hearing to the persons concerned after passing the direction, without any undue delay.

FIRST SCHEDULE**FORMS**

[See regulation 2 (1) (g)]

FORM A**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES)****REGULATIONS, 2015**

[See regulation 10 (4)]

CERTIFICATE OF REGISTRATION AS CUSTODIAN OF SECURITIES**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****CERTIFICATE OF REGISTRATION AS CUSTODIAN OF SECURITIES**

In exercise of powers conferred by sub-section (3) of section 27 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), read with regulations made thereunder, the Authority hereby grants this certificate of registration to _____ as a custodian of securities for the pension Schemes (indicate name of Schemes) regulated by the Pension Fund Regulatory and Development Authority, until..... subject to the terms and conditions specified in the Act and regulations made thereunder.

The Registration Code for the Custodian is _____.

Date : _____

Place : _____

By order

For and on behalf of the Pension Fund Regulatory and Development Authority

FORM B**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015**

[See regulation 13 (2)]

CERTIFICATE FOR COMMENCEMENT OF BUSINESS**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****CERTIFICATE FOR COMMENCEMENT OF BUSINESS AS CUSTODIAN OF SECURITIES**

_____ who has been granted a certificate of registration as custodian of securities vide _____ on _____ is hereby allowed to commence the activities as custodian of securities for the pension Schemes (Name of Scheme) regulated by the Pension Fund Regulatory and Development Authority on this ____ day of ____ 20__

Place : _____

By order

For and on behalf of Pension Fund Regulatory and Development Authority

SECOND SCHEDULE**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015**

[See regulations 4(2), 10 (3), 11(a), 14 (4) 15 (1) (c) and 17]

FEES PAYABLE UNDER THE REGULATIONS**PART A****AMOUNT TO BE PAID AS FEES**

1	Application fee	Rs 5,00,000	Non Refundable	At the time of submission of application for grant of Certificate of Registration
2	Registration fee	Rs 25,00, 000	Non Refundable	At the time of grant of registration certificate for the tenor of appointment
3	Annual fee	0.0005% of Assets under custody or Rs 10.00, 000, Whichever is higher	Assets under custody shall be considered as on 31st March of preceding financial year.	Payable by 15th of April of every financial year or within fifteen days of grant of certificate of registration.

PART B

For the purpose of this Part,-

- I. The fees specified above shall be payable by demand draft or bankers cheque in favour of "The Pension Fund Regulatory and Development Authority" at New Delhi.
- II. The expression "assets under custody" shall mean the value of the assets calculated on face value of debt instruments and of purchase value of equity instruments held by the custodian of securities as disclosed by him under sub-paragraph VI of Part B below: The payment of annual fee shall be accompanied by a statement of assets under custody which shall be in such format as may be specified by the Authority and shall be certified to be true and complete by the functional head of the custody services of the custodian of securities.
- III. It is clarified that no registration fee or application fee (as shown against item 2 above) shall be payable in case of extension of the Certificate of registration A custodian of securities shall pay pro rata annual fee on quarterly basis, if the extension of certificate of registration is granted - Ref Regulation 14 (4)
- IV. No registration fee shall be payable by the custodian of securities who is granted certificate of registration under regulation 15.
- V. A custodian of securities which has been granted registration under regulations 15 shall pay proportionate annual fee for the period of transition under regulation 15
- VI. The Authority reserves the right to amend all or any of the fees from time to time.

THIRD SCHEDULE**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(CUSTODIAN OF SECURITIES) REGULATIONS, 2015**

[See regulation 8 (2) (h)]

Criteria for determining a 'fit and proper person'

(1) For the purpose of determining as to whether an applicant is a 'fit and proper person', the Authority may take into account of any consideration as it deems fit, including but not limited to the following criteria in relation to it or him:-

- (i) financial integrity;
- (ii) absence of convictions or civil liabilities;
- (iii) competence.
- (iv) good reputation and character;
- (v) efficiency and honesty; and

An applicant shall not be considered as a 'fit and proper person' for the purpose of grant of certificate of registration under these regulations, if it or he incurs any of the following disqualifications, namely:-

- (a) the applicant or custodian of securities or its whole time director or principal officer or managing partner has been convicted by a court for any offence involving moral turpitude, economic offence, violation of any securities law or fraud;
- (b) an order for winding up has been passed against the applicant;
- (c) the applicant or its whole time director, or managing partner has been declared insolvent and has not been discharged;
- (d) an order, other than an order of suspension of appointment as an intermediary, restraining, prohibiting or debarring the applicant or its whole time director or principal officer or managing partner from dealing in securities in the capital market or from accessing the capital market has been passed by any regulatory authority or court, and a period of three years from the date of the expiry of the period specified in the order has not elapsed;
- (e) an order cancelling the appointment of the applicant has been passed by the Authority or other concerned financial sector regulator on the ground of its indulging in insider trading, fraudulent and unfair trade practices or market manipulation and a period of three years from the date of the order has not elapsed;
- (f) an order withdrawing or refusing to grant any license or approval to the applicant or its whole time director or managing partner which has a bearing on the capital market, has been passed by concerned financial sector regulator or any other regulatory authority and a period of three years from the date of the order has not elapsed;

Provided that the Authority may for reasons to be recorded in writing, allow the applicant to seek appointment before the lapse of three Years referred to in clauses (d), (e) and (f) above:

- (g) the applicant is financially not sound;
- (h) there is a notice of any action or investigation or other proceedings of any nature whatsoever, against the applicant, or its chief executive officer, any of its directors or employees, or a related group concern, by any governmental or statutory authority which would restrain, prohibit or otherwise challenge or impede the performance of obligations as custodian of the assets regulated by the Authority, and that there is adverse proceedings against it from any financial sector regulator including the Reserve Bank of India, Insurance Regulatory and Development Authority or the Securities and Exchange Board of India, of a nature that could adversely affect the ability to provide the services as custodian for the assets regulated by the Authority;
- (i) any other reason, to be recorded in writing by the Authority, which in its opinion renders such applicant custodian of securities or its whole time director, principal officer or managing partner unfit to operate in the capital market.

Explanation.—For the purpose of clause (g), the Authority may take into consideration the capital adequacy or net worth of the applicant, wherever it has been so specified in the relevant application for certificate of registration.

FOURTH SCHEDULE**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****(CUSTODIAN OF SECURITIES) REGULATIONS, 2015**

[See regulations 11 (j) and 18]

CODE OF CONDUCT**I. SUBSCRIBER PROTECTION****1.1 Subscribers of Authority or National Pension System Trusts-**

A custodian of securities shall make all efforts to protect the interests of subscribers and shall render the best possible service to the Authority or National Pension System Trusts having regard to the subscriber's needs and the environments and his own professional skills.

1.2 High standards of service.- A custodian of securities shall ensure that it and its key management personnel, employees, contractors and agents, shall in the conduct of their business, observe high standards of integrity, dignity, fairness, ethics and professionalism and all professional dealings shall be affected in a prompt, effective and efficient manner. A custodian of securities shall be responsible for the acts or omissions of its employees and agents in respect to the conduct of its business.

1.3 Exercise of due diligence and no collusion.- A custodian of securities shall at all times render high standards of service, exercise due skill and diligence over persons employed or appointed by it, ensure proper care and exercise independent professional judgment and shall not at any time act in collusion with other custodians of securities or other intermediaries in a manner that is detrimental to the subscribers.

1.4 Fees.- A custodian of securities shall levy charges or fees for the services rendered as determined by the Authority

II DISBURSAL OF AMOUNTS

2.1 Disbursal of Amounts.- A custodian of securities shall be prompt in disbursing dividends, interests or any such accrual income received or collected by it on behalf of the Authority or National Pension System Trusts or subscribers.

III DISCLOSURE OF INFORMATION

3.1 A custodian of securities shall ensure that adequate disclosures are made to the Authority, National Pension System Trust or pension fund in a comprehensible and timely manner so as to enable them to make a balanced and informed decision.

3.2 A custodian of securities shall not make any misrepresentation and ensure that the information provided to the Authority, National Pension System Trust or pension fund is not misleading.

3.3 A custodian of securities shall not make any exaggerated statement whether oral or written to the Authority, National Pension System Trust or subscribers, either about its qualification or capability to render certain services or its achievements in regard to services rendered to other Authority, National Pension System Trusts or subscribers.

3.4 A custodian of securities shall not divulge to anybody, either orally or in writing, directly or indirectly, any confidential information about the Authority, National Pension System Trusts or subscribers, which has come to its knowledge, without taking prior permission of the Authority or National Pension System Trusts except where such disclosures are required to be made in compliance with any law for the time being in force.

IV. CONFLICT OF INTEREST

4.1 A custodian of securities shall avoid conflict of interest and make adequate disclosure of its interest and shall put in place a mechanism to resolve any conflict of interest situation that may arise in the conduct of its

business or where any conflict of interest arises, shall take reasonable steps to resolve the same in an equitable manner. A custodian of securities shall make appropriate disclosure to the Authority or National Pension System Trust of its possible source or potential areas of conflict of duties and interest while acting as a custodian of securities which would impair its ability to render fair, objective and unbiased services.

4.2 A custodian of securities or any of its directors, or employee having the management of the whole or substantially the whole of affairs of the business, or an associate of the custodian of securities shall not, either through its account or their respective accounts or through their family members, relatives or friends indulge in any insider trading.

V. COMPLIANCE AND CORPORATE GOVERNANCE

5.1 A custodian of securities shall ensure that good corporate policies and corporate governance is in place. It shall not engage in fraudulent and manipulative transactions in the securities listed on any stock exchange in India and shall not indulge in any unfair competition (including resorting to unfair means for inducing other intermediaries, Authority or National Pension System Trust) which is likely to harm the interests of other custodians of securities or subscribers or is likely to place such other intermediaries in a disadvantageous position while competing for or executing any assignment.

5.2 A custodian of securities shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. It shall also ensure that for electronic records and data, up-to-date back up is always available with it. In case of physical securities, the records to be maintained to facilitate obtaining duplicate title deeds.

5.3 A custodian of securities shall co-operate with the Authority, or any intermediary designated by the Authority, as and when required and shall not make any untrue statement or suppress any material fact in any documents, reports, papers or information furnished to the Authority or neglect or fail or refuse to submit to the Authority or other agencies with which it is registered, such books, documents, correspondence and papers or any part thereof as may be demanded or requested from time to time.

5.4 A custodian of securities shall ensure that any change in registration status, any penal action taken by any Authority or any material change in financials which may adversely affect the interests of the Authority or National Pension System Trust or subscribers is promptly informed to the Authority or National Pension System Trust.

5.5 A custodian of securities shall maintain an appropriate level of knowledge and competency and abide by the provisions of any Act, regulations, circulars and guidelines of the Central Government, the Reserve Bank of India, the Securities and Exchange Board of India, the Authority, the stock exchange or any other applicable statutory or self regulatory or other body, as the case may be, and as may be applicable to the custodian of securities in respect of the business carried on by such custodian of securities. A custodian of securities shall also comply with the award of the Ombudsman passed under the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015.

5.6 A custodian of securities shall ensure that the Authority is promptly informed about any action or legal proceedings, initiated against it in respect of any material breach or non-compliance by it, of any law, rules, regulations, and directions of the Authority or of any other regulatory body.

VI. CUSTODIAN OF SECURITIES INFRASTRUCTURE REQUIREMENTS

6.1 A custodian of securities shall have internal control procedures and financial and operational capabilities which can be reasonably expected to protect its operations, the Authority, National Pension System Trust, subscribers and other registered entities from financial loss arising from theft, fraud, and other dishonest acts, professional misconduct or omissions.

6.2 A custodian of securities also registered with the Authority in any other capacity or category shall endeavour to ensure that arms length relationship is maintained in terms of both manpower and infrastructure between the activities carried out as a custodian of securities and other permitted activities.

6.3 A custodian of securities shall establish and maintain adequate infrastructural facility to be able to

discharge its services as such custodian of securities to the satisfaction of the Authority or National Pension System Trusts, and the operating procedures and systems of the intermediaries/custodians of securities shall be well documented and backed by operations manuals.

6.4 A custodian of securities shall create and maintain the records of all documents and data in their in custody in such manner that the tracing of such document or data is facilitated in the event of loss of original records or documents for any reason.

6.5 (a) any of the employees of Custodian who are involved directly or indirectly shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, while rendering such advice;

(b) in case an employee of the custodian of securities is rendering such advice, he shall also disclose the interest of his dependent family members and employer including their long or short position in the said security, while rendering such advice.

HEMANT G. CONTRACTOR, Chairperson

[ADVT.-III/4/Exty./203/15(53)]

भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

प्राधिकार से प्रकाशित

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 14 मई, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (कर्मचारी सेवा) विनियम

सं. पीएफआरडीए/12/आरजीएल/139/11-प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013(अधिनियम संख्या-2013 की धारा 23) की धारा 52 की उपधारा 2 के खण्ड (ख) के साथ पठित धारा 11 की उपधारा (2) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए पेंशन सलाहकार समिति के परामर्श से निम्नलिखित विनियम बनाता है अर्थात: -

अध्याय 1

प्रारम्भिक

संक्षिप्त नाम और प्रारम्भ

प्रयोज्यता

- 1.(1) इन विनियमों को पेंशन निधि विनियामक और विकास प्राधिकरण (कर्मचारी सेवा) विनियम, 2015 कहा जा सकेगा।
- (2) वे राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।
- 2 (1) ये विनियम अधिनियम की धारा 11 की उप-धारा 2 के अधीन प्राधिकरण द्वारा नियुक्त प्रत्येक पूर्णकालिक कर्मचारी को और अधिनियम को अधिसूचित किए जाने से पहले अंतरिम पेंशन निधि विनियामक और विकास प्राधिकरण द्वारा नियुक्त प्रत्येक पूर्ण-कालिक कर्मचारी को लागू होंगे। परन्तु यह कि वे, इन विनियमों में अन्यथा उपबंधित के सिवाय या इस विस्तार तक जो प्राधिकरण द्वारा विनिर्दिष्टतः या साधारणतः विनिश्चित किया जाये, अस्थायी रूप से या संविदाओं पर नियोजित व्यक्तियों को लागू नहीं होंगे।
- (2) इन विनियमों के प्रारम्भ की तारीख से ही -
- (क) प्राधिकरण के विद्यमान पूर्ण-कालिक कर्मचारियों की सेवा की निबंधन और शर्तें इन विनियमों के उपबंधों के अनुसार उपांतरित रहेंगी।
- (ख) पेंशन निधि विनियामक और विकास प्राधिकरण (कर्मचारी सेवा) विनियम, निरस्त

परिभाषाएं

- रहेंगे। ऐसे निरसन के होते हुए भी, उक्त विनियमों के अधीन की गई कोई बात या की गई कोई कार्रवाई, इन विनियमों के तत्स्थानी उपबंधों के अधीन की गयी या ली गयी समझी जायेगी।
- 3.(1) इन विनियमों में, जब तक की कोई भी विषय या संदर्भ में विरुद्ध नहीं—
(क) 'अधिनियम' से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है।
(ख) 'प्राधिकरण' से अधिनियम की धारा 3 की उप-धारा (1) के अधीन स्थापित पेंशन निधि नियामक और विकास प्राधिकरण अभिप्रेत है।
(ग) 'अध्यक्ष' से प्राधिकरण का अध्यक्ष अभिप्रेत है और उसके द्वारा प्रयोक्तव्य शक्तियों के संबंध में, जिसके अंतर्गत प्राधिकरण का पूर्णकालिक सदस्य या कार्यपालक निदेशकों की समिति या कार्यपालक निदेशक या कोई अन्य अधिकारी जिनको इन विनियमों के अधीन अध्यक्ष द्वारा शक्तियां प्रदत्त की जाती है।
(घ) 'अनुपूरकभत्ता' से, विशेष परिस्थितियों में आवश्यक बनाए गए कर्तव्य पालन हेतु किये गये व्यय के लिए प्रदान किया गया भत्ता अभिप्रेत है।
(ङ) 'सक्षम प्राधिकारी' से,
(1) अध्यक्ष अधिकारियों के मामले में, जिस पद के अंतर्गत प्राधिकरण का पूर्णकालिक सदस्य या कार्यपालक निदेशक भी शामिल है, इन विनियमों के अधीन अध्यक्ष द्वारा निपटाये जाने वाले किसी मामले या प्रदत्त शक्ति के प्रयोग के विषय में, किन्तु जो उसको प्रदत्त किया गया है, अभिप्रेत है।
(2) सभी अन्य कर्मचारियों के मामले में, संबद्ध कार्यपालक निदेशक, जिस पद के अंतर्गत, निम्न दर्जे में कोई अधिकारी भी शामिल है, इन विनियमों के अधीन कार्यपालक निदेशक द्वारा निपटाये जाने वाले किसी मामले या प्रयुक्त शक्ति के विषय में, किन्तु जो उसको प्रदत्त है, अभिप्रेत है।
(च) 'आश्रित' से वह व्यक्ति अभिप्रेत है जो कर्मचारी पर पूर्णतया आश्रित है और जिसकी मासिक आय समय-समय पर अध्यक्ष द्वारा विनिर्दिष्ट सीमा से अधिक नहीं है।
(छ) 'कर्तव्य' के अंतर्गत —
(1) परिवीक्षाधीन के रूप में सेवा,
(2) कालावधि जिसके दौरान कर्मचारी प्राधिकरण द्वारा प्राधिकृत कार्यग्रहण काल या प्रशिक्षण पर है;
(3) सक्षम प्राधिकारी द्वारा सम्यक् रूप से प्राधिकृत आकस्मिक छुट्टी पर बितायी गयी कालावधि शामिल है।
(ज) 'परिवार' से
(1) पुरुष कर्मचारी के मामले में, उसकी पत्नी, चाहे उसके साथ निवास कर रही हो या न, किन्तु इसके अंतर्गत वैध रूप से पृथक हुई पत्नी नहीं आती है और महिला कर्मचारी के मामले में उसका पति, चाहे उसके साथ निवास कर रहा हो या न, किन्तु इसके अंतर्गत वैध रूप से पृथक हुआ पति नहीं आता है।
(2) कर्मचारी के पुत्र-पुत्री या सौतेले पुत्र-पुत्री चाहे उसके साथ रह रहे हों या न और ऐसे कर्मचारी पर पूर्णतया आश्रित किन्तु जिनके अंतर्गत पुत्र-पुत्री, या सौतेले पुत्र-पुत्री, जिनकी अभिरक्षा कर्मचारी को किसी विधि द्वारा या के अधीन वंचित कर दी गई है नहीं आते हैं, और
कर्मचारी से विवाह अथवा खून का संबंध रखने वाला कोई व्यक्ति अथवा उसका पति/पत्नी और उस पर पूर्णतया आश्रित व्यक्ति आते हैं
फिर भी, प्राधिकरण द्वारा अपने कर्मचारियों को प्रदान किये जाने वाले लाभ जैसे — स्वास्थ्य बीमा, यात्रा छुट्टी में रियायत आदि प्राप्त करने के प्रयोजन के लिए परिवार का मतलब —
(1) कर्मचारी कापति या पत्नी, जो भी मामला हो, और दो अविवाहित या जीवित सौतेला बच्चा जो पूर्णरूप से कर्मचारी पर आश्रित हो, इस बात की परवाह किए बिना कि वे कर्मचारी के साथ रहते हैं या नहीं;
(2) विवाहित बेटियां जिनका तलाक हो गया है, छोड़ दिया गया है अथवा पति से अलग हो गया है और कर्मचारी के साथ रह रहे विधवा बेटियां जो पूर्णतः कर्मचारी पर आश्रित हैं;

प्रपत्र - ख

अधिवास की घोषणा

मैं, अधोहस्ताक्षरी, पेंशन निधि विनियामक और विकास प्राधिकरण की सेवा में नियुक्त किए जाने पर, एतद द्वारा (स्थान) में (जिला) को अपने अधिवास स्थान के रूप में घोषित करता/करती हूँ।

अथवा

उपरोक्त मेरा जन्म स्थान नहीं है। मेरा जन्म स्थान जिला में (स्थान) है किन्तु नीचे दिए गए कारणों से (स्थान) को मेरे अधिवास के स्थान के रूप में घोषित किया गया है:

पूरा नाम
नियुक्ति का प्रकृति
नियुक्ति की तिथि
हस्ताक्षर
स्थान
तिथि-----

प्रपत्र - ग

कर्मचारी सेवा विनियम द्वारा आबद्ध की जाने वाली घोषणा

मैं एतद्वारा घोषणा करता/करती हूँ कि मैंने पेंशन निधि विनियामक और विकास प्राधिकरण की (कर्मचारी सेवा) विनियम, 2011 को पढ़ और समझ लिया है* और मैं एतद्वारा उक्त विनियम द्वारा आबद्ध होने के लिए हस्ताक्षर करता/करती हूँ तथा सहमत होता/होती हूँ, जो समय-समय पर प्रवृत्त किए जायें।

पूरा नाम
नियुक्ति की प्रकृति
नियुक्ति की तिथि
हस्ताक्षर
गयाह-----
स्थान
तिथि-----

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (EMPLOYEES' SERVICE) REGULATIONS

New Delhi, the 14th May, 2015

No. PFRDA/12/RGL/139/11— In exercise of the powers conferred by Sub-Section (2) of Section 11 read with sub-clause (b) of sub-section 2 of Section 52 of The Pension Fund Regulatory and Development Authority Act, 2013 (Act No. 23 of 2013), the Pension Fund Regulatory and Development Authority in consultation with the Pension Advisory Committee hereby makes the following regulations, namely:—

CHAPTER -I

PRELIMINARY

Short Title and Commencement	1(1)	These regulations may be called the Pension Fund Regulatory and Development Authority (Employees' Service) Regulations, 2014.
	(2)	They shall come into force on the date of their publication in the Official Gazette.
Applicability	2(1)	These regulations shall apply to every whole-time employee appointed by the Authority under sub-section 2 of Section 11 of the Act and to every whole-time employee appointed by the Interim Pension Fund Regulatory and Development Authority, prior to the notification of the Act. Provided that they shall not apply, except as otherwise provided in these regulations or to such extent as may be specifically or generally decided by the Authority, to persons employed temporarily or on contracts.
	(2)	On and from the date of commencement of these regulations -
	(a)	The terms and conditions of the service of the existing whole-time employees of the Authority shall stand modified in accordance with the provisions of these regulations.
	(b)	the Pension Fund Regulatory and Development Authority (Employees' Service) Regulations, stand repealed. Notwithstanding such repeal, anything done or any action taken under the said Regulations, shall be deemed to have been done or taken under the corresponding provision of these regulations.
Definitions	3(1)	In these regulations, unless there is anything repugnant in the subject or context -
	(a)	"Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (Act No.23 of 2013)..
	(b)	"Authority" means the Pension Fund Regulatory and Development Authority established under sub-section (1) of Section 3 of the Act.
	(c)	"Chairperson" means the Chairperson of the Authority and, in relation to the powers exercisable by him under these regulations, includes whole- time member of the Authority or a Committee of Executive Directors or Executive Director or any other officer to whom the powers under these regulations may be delegated by the Chairperson.
	(d)	"compensatory allowance" means an allowance granted to meet expenditure necessitated by the special circumstances in which the duty is performed.
	(e)	"Competent Authority" means,
	(i)	The Chairperson in the case of officers, which expression shall also include whole-time member of the Authority or Executive Director, in regard to any matter or power to

be dealt with or exercisable by the Chairperson under these Regulations, but which are delegated to him.

(ii) In the case of all other employees, concerned Executive Director, which expression shall also include, any officer lower in rank, in regard to any matter or power to be dealt with or exercised by the Executive Director under these Regulations, but which are delegated to him.

(f) "Dependent" means a person who is wholly dependent upon the employee and whose monthly income doesn't exceed the limits as may be specified by the Chairperson, from time to time.

(g) "duty" includes ---

(i) Service as a probationer;

(ii) Period during which an employee is on joining time or training authorised by the Authority;

(iii) Period spent on causal leave duly authorised by the competent authority.

(h) "family" means

(i) In the case of male employee, his wife, whether residing with him or not, but does not include a legally separated wife and in case of a woman employee her husband, whether residing with her or not, but does not include a legally separated husband.

(ii) Children or step children of the employee whether residing with him or not and dependent wholly on such employee but does not include children or step children of whose custody the employee has been deprived of by or under any law; and

(iii) Any other person related to, by blood or marriage to the employee or to his spouse and wholly dependent upon such employee.

However, for the purpose of availing of benefits offered by the Authority to its employees like health insurance, leave travel concession etc, the family means

(i) Employees wife or husband, as the case may be, and two surviving unmarried children or step children wholly dependent on the employee, irrespective of whether they are residing with the employee or not

(ii) Married daughters who have been divorced, abandoned or separated from their husbands and widowed daughters and are residing with the employee and are wholly dependent on the employee

(iii) Parents and or step mother residing with and wholly dependent on the employee

(iv) Unmarried minor brothers as well as unmarried, divorced, abandoned, separated from their husbands or widowed sisters residing with the employee and are wholly dependent on the employee, provided their parents are either not alive or are themselves wholly dependent on the employee.

(i) "leave pay" means the monthly pay which the employee would have drawn while on duty but for proceeding on leave.

(j) "Pay" means the amount drawn by an employee as-

(i) Pay which had been sanctioned for a post held by him substantively or in an

officiating capacity, or to which he is entitled by reason of his position in a cadre;

(ii) Special pay and personal pay;

(iii) Any other amount which may be specially classified as pay by the Authority;

(k) "Personal pay" means an additional pay granted to an employee -

(i) To save him for a loss of substantive pay in respect of a permanent post due to a revision of pay or to any reduction of such substantive pay otherwise than as a disciplinary measure; or

(ii) In exceptional circumstances, on other personal considerations;

(l) "special allowance" means an addition, in the nature of an allowance, to the pay attached to a post or of an employee, granted at the discretion of the Authority or its duly appointed authority in consideration of the specially arduous nature of the duties attached to the post or required to be performed by the employee;

(m) "special pay" means an addition to the pay of a post of an employee granted at the discretion of the Authority or its duly appointed authority in consideration of a specific addition to the work or responsibility;

(n) "substantive pay" means the pay to which an employee is entitled on account of a post to which he has been appointed substantively or by reason of his substantive position in a cadre;

Save as otherwise provided, -

(o) "year" means a continuous period of twelve months commencing from 1st day of April of a year and ending with 31st day of March of the next year.

(p) "service" includes the period during which an employee is on duty as well as on leave duly authorised by a competent authority, but does not include any period during which an employee is absent from duty without permission or overstay his leave, unless specifically permitted by the competent authority.

(q) "member" means a member of the Authority and includes its Chairperson.

(2) All words and expressions used herein and not defined in these Regulations but defined in **Pension Fund Regulatory and Development Authority Act, 2013**, the regulations made thereafter shall have the meanings respectively assigned to them in that Act.

(3) For the purposes of these regulations, the terms 'he', 'him', 'his' and 'himself' shall also refer to 'she', 'her' and 'herself' wherever the context warrants and singular will also include plural.

Chairperson's
power to delegate

4

The Chairperson may delegate to the whole-time member of the Authority or Executive Director or Committee of Executive Directors or any Officer subject to such conditions as he may think fit to impose, all or any of the powers conferred upon him by these Regulations.

Power to
implement

5(1)

The power to implement these regulations vests in the Chairperson who is also empowered to issue such administrative instructions as may be necessary to give effect to and carry out the purposes of these regulations or otherwise to secure effective control of the employees and the decision of the Chairperson shall be final and binding on the employees.

(2)

The Powers exercisable by the competent authority under these regulations shall also be exercisable by authority superior to the authority first mentioned.

CHAPTER-II

APPOINTMENTS, PROBATION AND TERMINATION OF SERVICE

Classification and appointment of whole- time employees	6 (1)	The whole-time employees of the Authority shall be classified as follows: (a) Officers (Grades A, B, C, D, E, F and Executive Director); (b) Driver, General Assistant.
	(2)	The Authority shall specify from time to time the pay of each post or group of posts and shall grant approval for sanction of posts at the level of Executive Director while the Chairperson shall be the Competent Authority for sanction of posts up to Grade F.
	(3)	All appointments in any grade or post shall be made by the competent authority at its discretion and no person shall have a right to be appointed to any particular post or grade.
Recruitment	(4)	(a) Recruitment shall be made at the entry level in Grade A or in Grade B or in such grade as may be specified by the competent authority by such method as the Chairperson may determine. Provided that, in special circumstances, where no suitable candidate is available in the Authority's service or the exigencies of work require, recruitment may also be made at a higher grade. (b) Mode of recruitment, Educational and other qualifications, age limit, experience and other incidental matters related to the recruitment and promotion in the Authority's service shall be as specified in the Schedule. (c) A competitive examination, including a written test and/or group discussion and interview, shall be conducted by the Competent Authority or by an outside agency engaged by the Authority for the purpose of recruitment. Provided that Competent Authority may relax any or all of these requirements, for reasons to be recorded in writing. (d) Competent authority shall constitute a selection committee, comprising such number of persons and outside expert as he may determine for interviewing the candidates. Provided that in the case of appointment to the post of Executive Director, the Selection Committee shall consist of Chairperson and two other members of the Authority, constituted by the Chairperson and such appointment to the post of Executive Director shall be approved by the Authority before an offer of appointment is issued to the selected candidate.
Temporary / Contract employees	7(1)	(a) Notwithstanding anything contained in these Regulations, the competent authority may appoint persons on a temporary basis due to exigencies of work, on suitable terms and conditions, subject to such general or special directions, if any issued by the Authority from time to time. (b) The terms and conditions of service of the temporary employees shall be specified by the competent authority but in no case shall the terms and conditions so specified be more favourable than those laid down in these regulations for an appointment carrying equivalent status or responsibility.

		(2)	Notwithstanding anything contained in these regulations, Competent authority may appoint persons on contract basis due to exigencies of work on suitable terms and conditions.
		(3)	Competent authority may, due to exigencies of work and/or non-availability of suitable candidates within the Authority's service, take on deputation such employees in Grade D and above from Govt. or any other Organisations for a specified period and their terms and conditions of deputation, shall be specified by the competent authority in consultation with the lending organisation.
		(4)	In the case of appointment to the post of Executive Director by deputation or on contract, the appointment shall be approved by the Authority before an offer of appointment is issued to the person to be appointed on deputation or on contract.
Appointments to be made on minimum pay	8		All initial appointments shall be made on the minimum pay of the grade to which the appointment is made, provided the Chairperson may keeping in view the higher academic qualifications, special experience of value to the Authority and salary in the previous job, grant additional increments, not exceeding four in the scale of pay fixed for the grade in which the appointment is made.
Re-employment Authority	in 9(1)		No person who has ceased to be in the service of the Authority except by way of removal or dismissal or compulsory retirement may be re-employed without the specific sanction of, and on such terms and conditions as may be specified by the Authority.
		(2)	Except as otherwise provided by the Authority at the time of his re-employment, these Regulations shall apply to a person who is re-employed in the Authority, as if he had entered the service for the first time on the date of his re-employment.
Probation	10(1)		An employee directly appointed in any of the specified scales of pay or promoted to one grade/ scale to another shall be on probation for a period of one year.
		(2)	Chairperson may, if he considers it necessary extend the period of probation upto a period of one year for unsatisfactory performance or reduce or dispense with period of probation for reasons to be recorded in writing.
		(3)	Save as otherwise provided in this regulation, an employee shall be deemed to have been confirmed in the post to which he has been appointed or, as the case may be, promoted on successful completion of the period of probation.
		(4)	During the first month of his probation, an employee may be discharged without assigning any reasons at one day's notice and thereafter at one month's notice or by payment of substantive pay for one day or one month as the case may be in lieu thereof.
		(5)	Without prejudice to the provisions of Regulation 17, an employee selected from the Authority's employees and on probation shall be liable to be reverted to his previous grade without notice or pay in lieu thereof if, in the opinion of the competent authority, he fails to show satisfactory performance during the period of his probation.
Commencement of service	11		Except as otherwise provided by or under these Regulations, "service" of an employee shall be deemed to commence from the working day on which an employee reports for duty in an appointment covered by these Regulations at the place and time intimated to him by the appointing authority. Provided that if he reports after noon, his service shall commence from the next following working day
Determination of service by notice	12(1)		An employee shall not leave or discontinue his service in the Authority without first giving notice to the Competent Authority, in writing of his

intention to leave or discontinue the service.

(2) The period of notice required shall be, -

(a) In the case of employees holding the post on regular basis, three months;

(b) In the case of employees holding the post on probation, one month;

Provided that Chairperson may waive the period of notice required under this sub-regulation for the reasons to be recorded in writing.

(3) Provided further that the employee shall not be entitled to set off any leave earned and not availed of by him against the period of such notice.

In the case of breach by an employee of the provisions of the sub-regulation (2), he shall be liable to pay to the Authority as compensation a sum equal to his substantive pay for the period of notice required of him.

Provided that the payment of such compensation may be waived by the Chairperson, at his discretion.

(4) Notwithstanding anything contained in sub-regulation (1), the resignation of an employee shall not be effective unless it is accepted by the competent authority. The competent authority may refuse to accept a resignation;

(a) If disciplinary proceedings have been instituted against or are proposed to be instituted against the employee;

(b) If the employee is under an obligation to serve the Authority for a specified period which has not yet expired;

(c) The employee owes the Authority any sums of money; or

(d) For any other sufficient ground to be recorded in writing.

Explanation 1 Disciplinary proceedings shall be deemed to be instituted against an employee for the purposes of this sub-regulation if he has been placed under suspension under these Regulations or any notice has been issued to him asking him to show cause why disciplinary proceedings should not be instituted against him or any charge-sheet has been issued to him under these Regulations and will be deemed to be pending till final orders are passed by the competent authority.

Explanation 2. The expression "month" used in this Regulation shall be reckoned according to the English calendar and shall commence from the day following that on which notice is given by the employee or the Authority as the case may be.

Explanation 3. A notice given by an employee under sub-regulation (1) above shall be deemed to be proper only if he remains on duty during the period of the notice.

Superannuation and Retirement 13(1)

An employee shall retire at 60 years of age.

Provided that the Authority may retire any employee on, or at any time after the completion of 55 years of age or 30 years of total service, whichever is earlier, by giving him three months' notice in writing.

(2) An employee, who attains the age of superannuation on any day other than the first day of any calendar month, shall retire on the last day of the month in which he completed his age of retirement.

(3) An employee may also, if he so desires, and subject to terms of appointment to the contrary, if any, retire from service on completion of 50 years of age or 20 years of service in the Authority, by giving three months' notice to the Authority in writing.

- (4) The Authority may also offer a scheme, subject to such terms and conditions as it may specify, to its whole-time employees for voluntary retirement from the services of the Authority.
- (5) When an employee retires from service either under the provisions of the proviso to sub-regulation (1) or sub-regulation (3), the Authority may consider grant of compensation on such scale and terms as may be determined by it from time to time. The Authority while determining the terms shall take into account all relevant factors including the balance of service left to a retiring employee.
- (6) Notwithstanding anything contained in these Regulations, where an employee has ordinary leave earned but not availed of as on the date of retirement, he may, at his option,
- (a) be permitted to avail of leave subject to a maximum of ten months in respect of leave earned under these Regulations and in that case the employee will be deemed to have retired from service on the expiry of the leave;
- or
- (b) be paid a lumpsum amount which would be equivalent to pay as defined in Regulation 3(1)(j) of these Regulations as on the date of his retirement, for the unavailed ordinary leave earned subject to maximum of ten months plus all allowances normally admissible to the employee concerned during ordinary leave, after which he shall retire.

Explanation :-

"Date of Retirement" means the date on which the employee attains the age of superannuation in accordance with the provisions of the Regulation or the date on which he is retired by the Authority under sub-regulation (1) of the Regulation or the date on which the employee voluntarily retires in terms of sub-regulation (3) or sub-regulation (4) of the Regulation as the case may be.

**Execution of Bond, (6)
etc.**

Notwithstanding anything contained in these Regulations, the Authority will have the right to obtain undertakings / bonds from an employee for payment of liquidated damages relating to deputation of training or his failure to complete the required number of years of service in a particular post, as may be determined by the Authority from time to time.

CHAPTER - III

RECORD OF SERVICE, SENIORITY, PROMOTION AND REVERSION

Record of Service	14	A record of service shall be maintained by the Authority in respect of each employee at such place or places and shall be kept in such form and shall contain such information as may be specified from time to time by the Chairperson.
Seniority	15(1)	An employee confirmed in the services of the Authority shall ordinarily rank for seniority in his/her grade, according to the date of his/her confirmation in that grade, as follows: All India direct recruitment through open competition/internal promotions through switch over to the officer cadre: An employee on probation shall ordinarily rank for seniority among the employees selected along with him/her in the same batch according to the ranking assigned to him/her at the time of selection.
	(2)	The Authority shall, each year, prepare a list of the employees in its service showing their names in the order of their seniority containing such other particulars as the Chairperson may determine and a copy of such list shall be made available to each employee.

Promotion	16(1)	All promotions shall be made at the discretion of the Authority and notwithstanding his seniority in a grade no employee shall have a right to be promoted to any particular post or grade. Provided that an employee, who has put in a minimum of 3 years of service in any post or grade, when promotion opportunities arise, shall be eligible for consideration of promotion to a higher post.
	(2)	All promotions shall be against vacancies in sanctioned posts declared by the authority except promotions up to Officer Grade Cand shall be based on- (a) Seniority, merit and suitability in the cases of Officers. (b) Seniority and merit in the cases of Driver, General Assistant.
	(3)	Provided that in assessing the suitability of the employee for promotion, the performance of the employee in the post or grade, from where he is being considered for promotion, shall be considered. For the purpose of promotions, Chairperson shall constitute a Departmental Promotion Committee comprising such number of persons including external expert which may conduct interviews, if so decided, for selection of employees for considering promotion to the next grade or post. Provided that in the case of promotions to the post of Executive Director, the Committee shall consist of Chairperson and two other members of the Authority.
Reversion	17	An employee promoted from one grade to another shall be liable to be reverted without notice at any time within one year of such promotion.

CHAPTER -IV

PAY, ALLOWANCES AND OTHER BENEFITS

Pay, allowances and other benefits	18(1)	The Authority, shall at its discretion, determine from time to time the pay and allowances applicable to different categories of employees.
	(2)	The Authority, may at its discretion, from time to time frame such schemes and allow such other benefits for the welfare of the employees at such terms and conditions as it may determine.
When accrue and payable	19	Subject to the provisions of these Regulations, pay and allowances shall accrue from the commencement of the service of an employee, and shall become payable on the afternoon of the last working day of each month in respect of the service performed during the said month. Provided that an employee proceeding on ordinary leave other than extraordinary leave for a period not less than one month may be paid in advance one month's pay and allowances if he applies therefor.
When not payable for part of a month	20	Pay and allowances shall not be payable for a part of a month to an employee who leaves or discontinues his service without due notice during a month, unless such notice has been waived by the competent authority.
When allowance to cease	21	Pay and allowances shall cease to accrue from the date as an employee ceases to be in service. In the case of an employee dismissed, removed or compulsorily retired from the Authority's service, the pay and allowances shall cease from the date of his dismissal, removal or compulsory retirement. In the case of an employee

		who dies while in service, they shall cease from the day following that on which the death occurs.
Admissibility of allowances	22	Allowances shall only be payable to employees who are actually at that time fulfilling the conditions subject to which they are admissible.
Compensatory Allowance	23	Notwithstanding the fact that the whole-time of an employee is at the disposal of the Authority, the Authority may grant compensatory allowance, not counting as pay, to an employee who is required to work on holidays to put in extra hours on week days in connection with the Authority's work. The rate at, and the circumstances in which such allowance may be drawn shall be determined by the Chairperson.
Increments	24(1)	In an incremental scale, the increment shall accrue on an annual basis on each stage of that scale, whether such service be probationary, officiating or substantive. Provided that the benefit of increment shall be admissible from the first of the month in which it accrues, irrespective of the actual date of its accrual.
	(2)	Officiating service in a higher grade will count for increments in an employee's substantive grade as well as in the higher grade in which he is officiating and if there is an intermediate grade between the two in which he would have officiated had he not been appointed to officiate in the higher grade, also in the intermediate grade, but the period during which an employee is on leave without pay will not count for increment unless so authorised by the competent authority for reasons to be recorded in writing.
	(3)	Sanction to draw increments will be given by the Competent authority.
	(4)	No increment may be withheld except as a disciplinary measure under Regulation 81 and each order withholding an increment shall state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments: Provided that if in an incremental scale there is an efficiency bar, an employee shall not draw increments above that bar until he has been certified fit to do so by the Competent Authority. On each occasion on which an employee is allowed to pass an efficiency bar which has previously been enforced against him, he shall be placed in the incremental scale at such stage as the authority competent to remove the bar may fix provided that such stage shall not be higher than that at which he would draw his pay, if the bar had not been enforced against him and further that no increments granted on the removal of a bar shall have a retrospective effect.
	(5)	The Chairperson may, grant stagnation increments to an employee who has reached the last stage in the concerned scale.
Re-fixation of pay on promotion and on confirmation	25(1)	The pay of an employee promoted from one grade to another shall be initially fixed at the minimum in the scale of higher grade, the difference between the pay so fixed and the substantive pay of the employee in the old scale, if the latter be more, be treated as personal pay;
	(2)	On confirmation in the higher grade, the pay of an employee shall be fixed at the stage in the higher grade which is next above his substantive pay in the old scale as on the date of confirmation, if such pay be higher than the pay drawn by him at the time of confirmation.
Domicile	26(1)	Every employee shall on his appointment declare his domicile in writing to the Authority and if such domicile is not his place of birth he must establish the same to the satisfaction of the Competent Authority.
	(2)	No employee who has once indicated his domicile, shall be allowed to alter the same unless he satisfies the Authority that the change is bonafide and in no case may an employee be permitted to change his domicile in such a

manner as to increase the cost to the Authority of any such concession.

CHAPTER-V

LEAVE AND JOINING TIME

Kinds of leave	27(1)	Subject to the provisions of these Regulations, the following kinds of leave may be granted to an employee:
		(a) Casual leave and Special Casual leave
		(b) Ordinary leave
		(c) Sick leave and Special leave
		(d) Maternity leave or Paternity Leave, as the case may be
		(e) Extraordinary leave
		(f) Accident leave
		(g) Other special leave as may be specified by the Authority
	(2)	Pay during leave shall be drawn at full or half rate of leave pay, according to the kind of leave availed of by the employee provided that no pay shall be admissible during the extraordinary leave.
Authorities empowered to grant leave	28	The power to grant leave shall vest in the competent authority. All applications for leave shall be addressed by the employee to the authority empowered to grant leave.
Power to refuse leave or recall an employee on leave	29(1)	Leave cannot be claimed as a matter of right. When the exigencies of the service so require, discretion to refuse or revoke leave of any description is reserved to the competent authority empowered to grant it, and an employee already on leave may be recalled by that competent authority when it considers necessary in the interests of the service of the Authority.
Lapse of leave on cessation of service	(2)	Save as otherwise specifically provided in these Regulations, leave earned by an employee lapses on the date on which he ceases to be in service.
Earlier return from leave	(3)	Unless he is permitted to do so by the competent authority which granted his leave, an employee on leave may not return to duty more than 14 days before the expiry of the period of leave granted to him.
Commencement and termination of leave	30(1)	The first day of an employee's leave is the working day succeeding that upon which he takes over charge.
	(2)	The last day of an employee's leave is the working day preceding that upon which he reports his return to duty.
Obligation to furnish Leave address	31	An employee shall, before proceeding on leave, intimate to the competent authority his address with telephone number (if any) while on leave, and shall keep the said authority informed of any change in the address previously furnished.
Station to which an employee should report on return	32	An employee on leave shall, unless otherwise instructed to the contrary, return for duty to the place at which he was last stationed.
When medical certificate of fitness may be demanded	33	A competent authority may require an employee who has availed himself leave above three days for reasons of health to produce a medical certificate of fitness before he resumes duty even though such leave was

not actually granted on a medical certificate.

Leave not admissible to an employee under suspension	34	Leave may not be granted to an employee under suspension or against whom disciplinary proceedings are pending.
Casual leave	35(1)	An employee shall be eligible for casual leave upto a maximum of 12 working days in each calendar year provided that no employee may take casual leave for less than half day or more than 5 days at a time. Provided that public holidays may not be combined with such leave in such a way as to increase the absence at any one time beyond twelve days. Any casual leave which is extended beyond these limits will be treated as Ordinary Leave in respect of the entire period. Casual leave cannot be suffixed or prefixed with any other kind of leave except with special casual leave.
	(2)	No casual leave may be availed of, except with prior sanction of the competent authority. Provided that if for any genuine reason, it is not possible for an employee to obtain such permission in advance, he shall intimate his absence to such competent authority within 24 hours. Provided further that such competent authority may condone the delay, if any, in this behalf if he is satisfied that an employee was not in a position to intimate his absence for reasons beyond his control.
	(3)	When an employee joins the service of the Authority at any time during the year, his entitlement to casual leave shall be at the rate of one day per month during that calendar year.
	(4)	The casual leave, which has not been availed of at the end of the calendar year, shall be credited to the extent of 50% of such leave not availed of, to the ordinary leave account of the concerned employee. Fraction, if any, in such cases shall be ignored.
Special Casual Leave	36	Notwithstanding anything contained in Regulation 35, the Chairperson may permit the grant of special casual leave.
	(1)	When the absence from duty is necessitated by orders from the authorities empowered to issue quarantine orders not to attend office in consequence of any infectious disease in the family or household of any employee;
	(2)	When the absence of an employee is due to his having sustained a bodily injury while on duty and the absence is supported by certificate from the Medical Officer of the Authority or Registered Medical Practitioner;
	(3)	When the absence is necessitated by reason of an employee who is a member of the Auxiliary Force, India, Home Guard, A R P or other Civil Defence Organization or any other organisation of a similar nature having to attend an annual camp or a training course; or
	(4)	When there are other exceptional circumstances necessitating the grant of special casual leave in excess of the specified limits;
	(5)	For undergoing family planning operation, subject to production of Medical Certificate :-
		(a) Female Employees:
		(i) 14 days for tubectomy / laparoscopy
		(ii) 1 day on the day on which the husband undergoes vasectomy.

(iii) 1 day on the day of IUD insertion / reinsertion.

(b) Male Employees:

(i) 6 days for vasectomy operation

(ii) 7 days when the wife undergoes tubectomy / laproscopy.

Provided that special casual leave sanctioned under this sub-regulation may be clubbed with any other leave, except casual leave.

Explanation 1: Except in respect of special casual leave sanctioned in terms of sub-regulation (4) of this regulation, the total period of casual leave granted under Regulation 35(1) and the special casual leave granted under this regulation in anyone calendar year shall in no case exceed 45 days and if the grant of leave under the said Regulations shall result in such total period being extended beyond 45 days, any period of absence in excess of 45 days shall be treated, subject to the provisions of Regulation 44(2) as Ordinary, Sick, Special or Extraordinary Leave, as the employee concerned may request and as may be admissible to him.

Explanation 2: Except in respect of special casual leave sanctioned in terms of sub-regulation (4) of this regulation, in computing casual leave under Regulation 35(1) and special casual leave under this Regulation, intervening public holidays shall not be reckoned as day of casual leave or special casual leave as the case may be.

Ordinary leave

37(1)

Every employee shall be entitled to ordinary leave at the rate of 30 days for every year of service subject to a maximum accumulation of ten months (300 days).

The leave so earned shall be credited to the ordinary leave account of the employee half yearly on 1st January and 1st July respectively in each year at the rate of 15 days for every 6 months of service rendered by such employee.

No employee, shall earn ordinary leave when he is on leave other than casual leave for a continuous period of more than 6 months. If an employee renders less than 6 months of service in any half year, he shall be credited with one day for every 11 days of duty.

Fractions of a day of earned leave shall be taken as full day if amounting to half a day or more, and shall be ignored if amounting to less than half a day.

(2)

The period of ordinary leave, which can be taken at one time by an employee shall not be less than five days.

Provided that the employee may take less than 5 days when he does not have casual leave to his credit.

(3)

Application for grant of ordinary leave shall be submitted fifteen days in advance from the date of availing, to the Competent Authority.

(4)

An employee on ordinary leave shall draw pay equal to leave pay.

Encashment of
Ordinary Leave

38(1)

An employee may be permitted to encash ordinary leave once in two years for a minimum period of 10 days and a maximum period of 30 days.

Provided that at the time of such encashment the employee avails of ordinary leave for a minimum period of 10 days and also has to his credit a balance of leave which shall not be less than the leave so encashed.

Provided further that availing of ordinary leave for a minimum period of

10 days is not required in the case of resignation by the employee subject to the condition that the employee gives required notice, as the case may be, under these regulations.

(2) If an employee dies during the Authority's service or who is declared by the Medical Officer of the Authority to be completely and permanently incapacitated for further service, he (legal heirs in case of death of an employee) may be granted by the competent authority, cash equivalent to unavailed earned leave to his credit on the date of death, invalidation from service, as the case may be.

(3) An employee of the Authority who resigns from service after giving proper notice of resignation, in terms of regulation 12, may be permitted encashment of half of the period of ordinary leave at his/her credit as on the date of resignation subject to a maximum of five months ordinary leave.

Sick Leave

39(1) Every employee shall be entitled to sick leave, on production of medical certificate, at the rate of 20 days for every calendar year of service subject to a maximum of 540 days during the full period of his service. Additional sick leave may be granted if it is considered necessary and advisable in the interest of the Authority.

Provided further that in the case of an employee, the production of a medical certificate may not be insisted upon if sick leave to be granted does not exceed three days. Sick leave shall be on half pay.

(2) Provided that where an employee has served the Authority for at least a period of three years, he may, if he so requests, be permitted to avail, during the full period of his service, sick leave on leave pay upto a maximum period of nine months and such leave on leave pay shall be entered in his sick leave account as twice the amount of leave taken by him.

(3) An employee may be granted sick leave during the first year of his service on pro-rata basis at the discretion of the Competent Authority.

Maternity Leave

40(1) Maternity leave, which shall be on leave pay, may be granted to a female employee upto a period of 180 days on full pay at a time and not more than 360 days during the entire period of service.

(2) Female employees undergoing hysterectomy operation may also claim maternity leave for a period not exceeding 20 days (including stay in hospital) within the overall ceiling of 360 days.

(3) Leave not exceeding 45 days may be granted to a female employee during the entire service of the female employee in case of miscarriage including abortion on production of medical certificate within the overall ceiling of 360 days.

(4) A competent authority may grant leave of any other kind admissible to the female employee in combination with, or in continuation of maternity leave if the request for its grant is supported by requisite medical certificate.

Paternity Leave

41 (1) Paternity Leave may be granted to a male Staff member (natural father), with less than two surviving children, during the confinement of his wife for child birth, for a period of fifteen days per child, from fifteen days prior to the delivery or up to six months from the date of such delivery.

(2) Paternity Leave may also be granted to a male employee (adoptive father), with less than two surviving children, who has adopted a child through proper legal process, for a period of fifteen days per child within six months from the date of adoption.

	(3)	During the period of Paternity Leave, the employee shall be paid leave pay.
	(4)	Paternity Leave may be combined with any kind of leave other than Casual Leave and Special Casual Leave.
	(5)	The employee shall avail the entire Paternity Leave at one time during the eligible period as mentioned in sub-regulations (1) and (2), as the case may be.
Accident Leave	42(1)	Accident Leave may be granted to an employee who sustains an injury in the course of the performance of his duties, for the period for which leave is certified by the Medical Officer of the Authority to be necessary for recovery from the injury.
	(2)	Accident Leave would also be admissible to an employee, who is on tour / duty in connection with the official work of the Authority, subject to the period for which leave is necessary for recovery from the injury being certified either by the Authority's Medical Officer, or a Government/ Municipal Doctor.
	(3)	The competent authority may, at the option of the employee, grant any other kind of leave as admissible to him for the period so medically certified and also in combination with or in continuation of any accident leave sanctioned.
	(4)	An employee on accident leave shall for the first four months thereof, draw a pay equal to his leave pay and half leave pay for the rest of the period.
Extraordinary Leave	43(1)	Extraordinary Leave may be granted to an employee when no other leave is due to him and when, having regard to his length of service, sick or special leave is not considered justified by the competent authority. Except in exceptional circumstances, the duration of extraordinary leave shall not exceed 90 days on any one occasion and 360 days during the entire period of an employee's service.
	(2)	The competent authority may grant extraordinary leave in combination with, or in continuation of leave of any other kind admissible to the employee, and may commute retrospectively periods of absence without leave into extraordinary leave.
	(3)	No pay and allowances are admissible during the period of extraordinary leave and the period spent on such leave shall not count for increments: Provided that, in cases where the sanctioning authority is satisfied that the leave was taken on account of illness or for any other cause beyond the employee's control, it may direct that the period of extraordinary leave may count for increments.
Special Leave	44(1)	During the full period of his service an employee may be granted special leave on private affairs for a period not exceeding 360 days. Special leave may not be availed of if ordinary leave is admissible; Provided that an employee may be granted special leave if he is suffering from a disease requiring prolonged treatment and he has no ordinary leave and sick leave to his credit and is also not eligible.
	(2)	In case an employee is absent from duty on account of quarantine, the Authority may, at the request of the employee, treat such absence upto a maximum of 90 days as ordinary, sick or special leave if such leave is otherwise permissible. Special leave under the sub-regulation may be availed of even if ordinary leave is admissible.

Pay during special Leave	45	Special leave shall be on half leave pay, which shall be reduced, except with the special sanction of the Chairperson, to one quarter of leave pay after six months.
Joining Time	46(1)	Joining time may be granted to an employee by the Chairperson to enable the employee – (a) to join a new post to which he is appointed while on duty in his old post; or (b) to join a new post on return from leave of not more than four months' duration although the duration of leave exceeds four months, the employee has not had sufficient notice of his appointment to the new post.
	(2)	Joining time shall not be granted when no change in the headquarters of an employee is involved.
Pay and allowances during joining time	(3)	The pay and allowances of an employee on joining time shall be determined in accordance with the Regulations.
Period for which admissible	(4)	Joining time which may be allowed to an employee shall not exceed seven days, exclusive of the number of days spent on travelling.
How calculated	(5)	In calculating joining time admissible to an employee, the day on which he is relieved from his old post shall be excluded but public holidays following the day of his relief shall be included in the joining time.
Special casual leave in lieu of joining time	(6)	Where an employee on transfer from one centre to another does not avail of the joining time or his joining time has been curtailed due to exigencies of Authority's service, he may be allowed to avail of the Special Casual Leave to the extent of unavailed joining time subject to a maximum of 7 days, at any time after the date of reporting at new centre but before the completion of a period of six months or such other extended period as may be agreed to by the Authority for submitting supplementary travelling allowance bill in respect of his family and personal effects provided he has advised the office to this effect before proceeding on transfer. Saturdays/Sundays/holidays prefixed to Special Casual Leave in lieu of joining time shall be excluded but Saturdays/Sundays/holidays intervening such Special Casual Leave shall be reckoned as Special Casual Leave.
	(7)	Where an employee on transfer from one station to another does not avail the entire joining time including special casual leave referred to in sub-regulation (6) or the same has been curtailed due to exigencies of Authority's Service, the unavailed joining time will be added to the Ordinary Leave account of the employee.
Overstayal after joining time	47	An employee who does not join his post within the joining time allowed to him shall be deemed to have committed a breach of Regulation 61.

CHAPTER – VI

CONDUCT, DISCIPLINE AND APPEALS

Scope of an employee's service	48	Unless it be otherwise distinctly provided, the whole time of an employee shall be at the disposal of the Authority and he shall serve the Authority in its business in such capacity and at such place as he may from time to time be directed.
Liability to abide by Regulations and	49	Every employee shall conform to and abide by these Regulations and shall observe, comply with and obey all orders and directions which may from

Orders		time to time be given to him by any person or persons under whose jurisdiction, superintendence or control he may for the time being be placed.
Obligation to maintain secrecy	50(1)	Every employee shall maintain strictest secrecy regarding the Authority's affairs and shall not divulge or disclose, directly or indirectly, any information of a confidential nature or relating to the working of the Authority to a member of the public or of the Authority's employees or to his friends or relatives, unless compelled to do so by judicial or other authority, or unless instructed to do so by a superior officer in the discharge of his duties.
	(2)	No employee shall make use of any information emanating from the Authority or otherwise which has come to his knowledge in the discharge of his official duties for his personal benefit or for the benefit of his friends or relatives.
	(3)	No employee shall communicate any unpublished price sensitive information to any other person except when required to do so in the course of his official duty.
	(4)	Every employee, including those who are on contract/temporary basis shall, before entering upon his duties, make a declaration of fidelity and secrecy in the FORM - A annexed to these Regulations.
Employees to promote Authority's interest	51(1)	Every employee shall serve the Authority honestly and faithfully and shall use his utmost endeavors to promote the interests of the Authority and shall show utmost courtesy and attention in all transactions and dealings with the public, between the officers of Government and the Authority.
	(2)	Every employee shall at all times :- (a) maintain absolute integrity, good conduct and discipline, (b) maintain devotion and diligence to duty; and (c) do nothing which is unbecoming of an employee/ public servant.
	(3)	No employee shall in his official dealings with the public or otherwise adopt dilatory tactics or willfully cause delays in disposal of the work assigned to him.
	(4)	No employee, shall, in the performance of his official duties or in the exercise of powers conferred on him, act otherwise than in his best judgment except when he is acting under the direction of his superior.
	(5)	Every employee shall take all possible steps to ensure the integrity and devotion to duty of all persons for the time being under his control and supervision.
Prohibition against participation in politics and standing for election	52	No employee shall take active part in politics or in any political demonstration, or stand for election as member, of a Municipal Council, District Board or any other Local Body or any Legislative Body.
Prohibition against joining certain associations and strikes, etc.	53	No employee who is not a 'workman' within the meaning of the Industrial Disputes Act, 1947 shall-
	(a)	Become or continue to be a member or office-bearer of, or be otherwise directly or indirectly associated with, any trade union of employees of the Authority who are 'workmen' within the meaning of that Act, or a

		federation of such trade unions; or
	(b)	Resort to, or in any way abet, any form of strike or participate in any violent, unseemly or indecent demonstration in connection with any matter pertaining to his conditions of service or the conditions of service of any other employee of the Authority.
Contributions to the press	54(1)	No employee may contribute to the press without the prior sanction of the Competent Authority or without such sanction make public or publish any document, paper or information which may come in his possession in his official capacity.
	(2)	No employee shall except with the previous sanction of the competent authority publish or cause to be published any book or any similar printed matter of which he is the author or not or deliver talk or lecture in any public meeting or otherwise. Provided that no such sanction is required, if such broadcast or contribution or publication is of a purely literary, artistic, scientific, professional, cultural, educational, religious or social character.
Employee not to seek outside employment	55	No employee shall accept, solicit, or seek any outside employment or office, whether stipendiary or honorary, without the previous sanction of the Chairperson.
Employment after retirement	56(1)	No employee of the Authority who has retired from service shall, within a period of two years from the date when he finally ceases to be in the Authority's service, accept or undertake a commercial employment except with the previous approval in writing of the competent authority. Provided that an employee who was permitted by the Competent authority to take up commercial employment during his leave preparatory to retirement or during refused leave shall not be required to obtain subsequent permission for his continuance in such employment after retirement.
	(2)	For the purpose of this Regulation, "commercial employment" means:
	(a)	Employment in any capacity including that of an agent under a Company, Cooperative Society, firm or individual engaged in trade, or commercial, industrial or professional business and also includes a directorship of such a company and partnership of such firm but does not include employment under a body corporate wholly or substantially held or controlled by the Authority.
	(b)	Setting up a practice, either independently or as partner of a firm, as adviser or consultant in matters in respect of which the retired officer- (i) has no professional qualifications and the matters in respect of which the practice is to be set up or is carried on are relatable to his official knowledge or experience, or (ii) the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reason of his previous official position, or
	(c)	Undertaking work involving liaison or contact with the offices or officers of the Authority. <i>Explanation:</i> For the purpose of this clause, "employment under a cooperative society" includes the holding of any office, whether elective or otherwise such as that of President, Chairperson, Manager, Secretary, Treasurer and the like, by whatever name called in such society.
	(3)	Notwithstanding anything contained in sub-regulation (1), no employee of the Authority, including employees on contract shall within a period of two years from the date that he finally ceases to be in the Authority's

service, accept or undertake an employment or be in any manner associated with an intermediary registered with the Authority, except with the prior written approval of the Competent Authority.

Provided, however, before refusing approval the competent authority shall give a hearing to the concerned employee. A copy of the decision taken shall be communicated by the Competent Authority to the concerned employee.

The competent authority while granting such approval shall satisfy itself regarding the appropriateness of granting the approval, having regard to dealing which the employee may have had with the said intermediary while in the services of the Authority; and may impose such conditions as may be necessary having regard to the circumstances of the case including:

	(a)	Prohibiting the employee from representing the intermediary in any manner before the Authority.
	(b)	Seeking a fresh approval from the Authority in the event of the employee accepting or undertaking employment or associating in any manner with another intermediary registered with the Authority, during the period of two years.
	(4)	The approval/refusal under this regulation shall be communicated to the employee by the Competent Authority within a period of 90 days from the date of receipt of the application for such approval, failing which the approval shall be deemed to have been granted.
Employment of family members with an intermediary registered with the Authority	57(1)	No employee shall use his position or influence directly or indirectly to secure employment in any intermediary registered with the Authority, of any person related, whether by blood or marriage to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.
	(2)	Every employee shall report to the competent authority in case his son/daughter or any other member of his family accepts employment in any intermediary registered with the Authority with which he has official dealings or in any undertaking having official dealings with the Authority.
Giving evidence	58(1)	Save as provided in sub-regulation (3) no employee shall, except with the previous approval of the competent authority, give evidence in connection with any enquiry conducted by any person, committee or authority.
	(2)	Where any approval has been accorded under sub-regulation (1) no employee giving such evidence shall criticize the policy or any action of the Central Government or State Government or the Authority.
	(3)	Nothing in this regulation shall apply to any evidence given (a) at any enquiry before an authority appointed by the Central Government, State Government, Parliament or a State Legislature; or (b) in any judicial enquiry; or (c) at any departmental enquiry ordered by the competent authority.
Seeking to influence	59	No employee shall bring or attempt to bring any political or other outside influence to bear upon any superior authority to further his interests in respect of matters pertaining to his services in the Authority.
Part-time work	60	No employee shall undertake part-time work for a private or public body or a private person, or accept any fee therefor, without the sanction of the competent authority which shall grant the sanction only in exceptional cases when it is satisfied that the work can be undertaken without detriment to his official duties and responsibilities. The competent

- authority may, in cases in which it thinks fit to grant such sanction, stipulate that any fees received by the employee for undertaking the work shall be paid, in whole or in part, to the Authority.
- Employee not to be absent from duty without permission or be late in attendance 61(1) An employee shall not absent himself from his duties without having first obtained the permission of the competent authority, nor shall absent himself in case of sickness or accident without submitting a requisite medical certificate.
- Provided that in the case of temporary indisposition, the production of a medical certificate may, at the discretion of the competent authority, be dispensed with.
- (2) An employee who absents himself/herself from duty without leave or overstays his leave, except under circumstances beyond his control for which he must tender a satisfactory explanation, shall not be entitled to draw any pay and allowances during such absence or overstay, and shall further be liable to such disciplinary measures as the competent authority may impose. The period of such absence or overstay may, if not followed by discharge under Regulation 10(4) or compulsory retirement or removal or dismissal under Regulation 81, be treated as period spent on extraordinary leave.
- (3) An employee who is habitually late in attendance shall, in addition to such other penalty as the competent authority may deem fit to impose, have one day of casual leave forfeited for every three days he is late in a month. Where such an employee has no casual leave due to him, the period of leave to be so forfeited may be treated as ordinary or extraordinary leave as the competent authority may determine.
- Absence from station 62 An employee, if so required by the competent authority, must not absent himself from his station overnight without obtaining previous sanction of his superior.
- Acceptance of gifts 63(1) An employee shall not solicit or accept any gift or permit any member of his family or any person acting in his behalf to accept any gift from any person with whom the employee is likely to have official dealings either directly or indirectly or from any subordinate employee. Trivial gifts like small packets of sweets, diaries, calendars on the occasion of Diwali and New Year may, however, be exempted.
- Explanation:* The expression "gift" shall include free transport, boarding, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the employee or with the Authority.
- Note 1:** A casual meal, lift or other social hospitality shall not be deemed to be a gift.
- Note 2:** An employee shall avoid acceptance of lavish or frequent hospitality from any individual or concern having official dealings with the employee or with the Authority.
- (2) On occasions such as marriages, anniversaries, funerals or religious functions when the making of gifts is in conformity with the prevailing religious or social practice, an employee may accept gifts from his personal friends having no official dealing with the employee or with the Authority but he shall make a report to the competent authority if the value of such gifts exceeds Rs.10,000.
- (3) An employee shall not –
- (a) Give or take or abet the giving or taking of dowry; or
 - (b) Demand directly or indirectly from the parents or guardians of a bride or bridegroom, as the case may be, any 'dowry'.

Private trading	64	<i>Explanation:</i> In this Regulation, the term 'dowry' shall have the same meaning as in the Dowry Prohibition Act, 1961. No employee shall engage in any commercial business or pursue it either on his own account or as agent for others, nor act as an agent for an insurance company nor shall he be connected with the formation or management of a joint stock company. <i>Explanation :</i> Canvassing by an employee in support of the business of insurance agency or commission agency carried on or managed by a member of his family shall be deemed to be a breach of this Regulation.
Restrictions on Investments	65	An employee can make investments in equity and equity related instruments, including convertible debentures and warrants up to two times the monthly gross salary of the employee per investment and subject to declaration of all such investments in the annual asset-liability declaration, prior approval of the Authority shall be obtained where the investment exceeds this limit. These restrictions would apply to : (i) Investments of the employees; (ii) Investments of dependent children or other wards managed by the employee as a guardian (iii) Investment made by spouse, dependent children, dependent parents and dependent parents-in-laws of the employee out of the moneys received from the employee.
Speculation in stocks, shares, investments, etc.	66 (1)	An employee shall not indulge in badtrading, speculate in stock, shares, securities or commodities of any description.
	(2)	No employee, shall when in knowledge of unpublished price sensitive information, encourage any person to deal in the securities to which it relates.
	(3)	Any employee, who has price sensitive insider information of any nature with regard to pension system, will not use it for pecuniary gain for himself or for anybody. In case of allegations of such nature, the onus would be on the employee to prove that he is not guilty of the same.
Movable, immovable and valuable property	67(1)	Every employees shall make a declaration of his assets and liabilities as under,- (a) Every employee, within thirty days from the date of joining the services of the Authority shall furnish to the Authority, information as per sub-section (2) of Section 44 of the Lokpal and Lokayuktas Act, 2013; (b) Every employee in the service of the Authority as on the commencement of the Lokpal and Lokayukt Act, 2013 and continuing in the service of the Authority shall furnish information to the Authority, relating to such assets and liabilities as per sub-section (3) of Section 44 of the Lokpal and Lokayuktas Act, 2013; (c) Every employee shall file with the Authority, on or before 31st July every year, an annual return of such assets and liabilities as per sub-section (4) of Section 44 of the Lokpal and Lokayuktas Act, 2013; (2) No employee shall, except with the previous knowledge of the competent authority, acquire or dispose off any immovable property by lease, mortgage, purchase, sale, gift or otherwise either in his own name or in

the name of any member of his family.

Provided that the previous sanction of the competent authority shall be obtained by the employee if any such transaction is with a person having official dealings with the employee.

- (3) Where an employee enters into a transaction in respect of movable property either in his own name or in the name of the member of his family, he shall within 30 days from the date of such transaction, report the same to the competent authority, if the value of such property exceeds such amount as may be specified by the Chairperson from time to time.

Provided that the previous sanction of the competent authority shall be obtained by the employee if any such transaction is with a person having official dealings with the employee.

- (4) The competent authority may, at any time, by general or special order require an employee to furnish within a period specified in the order a full and complete statement of such movable or immovable property held or acquired by him or on his behalf or by any member of his family as may be specified in the order. Such statement shall, if so required by the competent authority, include the details of the means by which, or the source from which, such property was acquired.

Lending and Borrowings

68

No employee shall in his individual capacity -

- (i) borrow or permit any member of his dependent family members to borrow or otherwise place himself or a member of his dependent family members under a pecuniary obligation to a broker or a money lender or a subordinate employee of the Authority or any person, association of persons, firm, company or institution, whether incorporated or not, having dealings with the Authority;
- (ii) incur debts at a race meeting;
- (iii) lend money in private capacity to a constituent of the Authority or have personal dealings with such constituent in the purchase or sale of bills of exchange, Government paper or any other securities; and
- (iv) guarantee in his private capacity the pecuniary obligations of another person or agree to indemnify in such capacity another person from loss except with the previous permission of the competent authority;

Provided further that an employee may obtain a loan from a cooperative credit society of which he is a member or stand as surety in respect of a loan taken by another member from a cooperative credit society of which he is a member.

Demonstrations

69

No employee shall engage himself or participate in any demonstration which is prejudicial to the interests of the authority sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality, or which involves contempt of court, defamation or incitement of an offence.

Joining of Association prejudicial to the interests of the country

70

No employee shall join, or continue to be a member of an association, the objects or activities of which are prejudicial to the interests of the authority sovereignty and integrity of India or public order or morality.

Raising of subscriptions

71

No employee shall, except with the previous sanction of the competent authority, ask for or accept a contribution to or otherwise associate himself with the raising of any funds or other collections in cash or in kind in pursuance of any objective whatsoever.

Not to misuse official position	72 (1)	No employee, shall ; (a) Ever encourage outside agencies to call on him at his residence/temporary headquarters while on tour for discussion on official matters. (b) In dealing with the intermediaries and public for seeking any clarification on matters relating to them, resort to oral clarifications and personal discussions as far as possible and written communication shall be the normal practice. (c) Use office facilities like letter heads for writing to the companies asking them to consider allotment of shares securities to their family members, friends or associates on expiry of the relevant dates or otherwise. (d) Ever involve in any type of activities / favours and physical facilities so as to place himself in an embarrassing position in the discharge of his duties with integrity and fairness.
Consumption of Intoxicating Drinks and Drugs	(2)	An employee is strictly prohibited from using his official position for any personal favour for himself or his family members or his relatives or friends.
	73(1)	An employee shall strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be posted for the time being.
	(2)	It is also the duty of the employee to see that- (a) He takes due care that the performance of his duty is not affected in any way by the influence of any intoxicating drink or drug; (b) He does not appear in public place in a state of intoxication; and Explanation: For the purpose of this regulation, the term "Public place" would include clubs (even exclusively meant for members where it is permissible for the members to invite non-members as guests), bars and restaurants, public conveyances and all other places to which the public have or are permitted to have access, whether on payment or otherwise. (c) He does not habitually use any intoxicating drink or drug in excess.
Employees in debt	74(1)	An employee shall so manage his private affairs as to avoid habitual indebtedness or insolvency. An employee, against whom any legal proceeding is instituted for the recovery of any debt due from him or for adjudging him as an insolvent, shall forthwith report the full facts of the legal proceedings to the competent authority.
	(2)	An employee who is in debt shall furnish to the competent authority a signed statement of his position half-yearly on the 30th June and 31st December and shall indicate in the statement the steps he is taking to rectify his position. An employee who makes a false statement under this Regulation or who fails to submit the specified statement or appears unable to liquidate his debts within a reasonable time or applies for the protection of an insolvency court shall be liable to disciplinary action. <i>Explanation 1:</i> For the purpose of this Regulation, an employee shall be deemed to be in debt if his total liabilities exclusive of those which are fully secured exceed his substantive pay for twelve months. <i>Explanation 2:</i> An employee shall be deemed to be unable to liquidate his debts within a reasonable time if it appears having regard to his personal resources and unavoidable current expenses that he will not cease to be in debt within a period of two years.

Employees arrested for debt or on criminal charge	75(1)	An employee who is arrested for debt or on a criminal charge or is detained in pursuance of any process of law may, if so directed by the competent authority, be considered as being or having been under suspension from the date of his arrest or, as the case may be, of his detention, upto such date or during such other period as the competent authority may direct. In respect of the period in regard to which he is so treated, he shall be allowed the payment admissible to an employee under suspension under sub-regulation (6) of Regulation 88.
	(2)	Any payment made to an employee under sub-regulation (1) shall be subject to adjustment of his pay and allowances which shall be made according to the circumstances of the case and in the light of the decision as to whether such period is to be accounted for as a period of duty or leave; Provided that full pay and allowances will be admissible only if the employee -- (a) is treated as on duty during such period; and (b) is acquitted of all blame or satisfies the competent authority, in the case of his release from detention being set aside by a competent court, that he had not been guilty of improper conduct in his detention.
	(3)	An employee shall be liable to dismissal or to any of the other penalties referred to in Regulation 81 if he is committed to prison for debt or is convicted for an offence which, in the opinion of the competent authority, either involves gross moral turpitude or has a bearing on any of the affairs of the Authority or on the discharge by the employee of his / her duties with the Authority; the opinion in this respect of the competent authority shall be conclusive and binding on the employee. Such dismissal or other penalty may be imposed as from the date of his committal to prison or conviction and nothing in Regulation 82 and 84 shall apply to such imposition.
	(4)	Where an employee has been dismissed in pursuance of sub-regulation (3) and the relative conviction is set aside by a higher court and the employee is acquitted, he shall be reinstated in service. Explanation: In this Regulation, committal or conviction shall mean committal or conviction by the lowest court or any appellate court.
	(5)	Where the absence of an employee from duty without leave or his overstayal is due to his having been arrested for debt or on a criminal charge or to his having been detained in pursuance of any process of law, the provisions of Regulation 61 shall also apply and for the purposes of that Regulation as so applied, the employee shall be treated as having absented himself without leave or, as the case may be, overstayed, otherwise than under circumstances beyond his control.
Vindication of Acts and character of employee	76(1)	No employee shall, except with the previous sanction of the competent authority have recourse to any Court or to the press for the vindication of any official act which has been the subject matter of adverse criticism or an attack of a defamatory character.
	(2)	Nothing in this regulation shall be deemed to prohibit an employee from vindicating his private character or any act done by him in private capacity and where any action for vindicating his private character or any act done by him in private capacity is taken, the employee shall submit a report to the competent authority regarding such action.
Not to address appeals, representa-	77	No employee shall address any appeal, representation or petition to any outside authority or person in respect of a matter pertaining to the employees' service in the Authority. Addressing such appeals, representations or petitions shall be deemed a breach of discipline.

tions,		
petitions to		
outside		
authority or person		
Criticism of	78	No employee shall, in any radio broadcast, telecast through any electronic media or any document published in his own name or anonymously, pseudonymously or in the name of any other person or in any communication to the press or in any public utterance, make any statement of fact or opinion which has the effect of an adverse criticism of any current or recent policy or action of the Authority or Government.
Authority or		
Government		Provided that nothing in this regulation shall apply to any statements made or views expressed by an employee in his official capacity or in the due performance of the duties assigned to him.
Not to misuse	79(1)	An employee shall not misuse the residential accommodation or any other facility or concession granted by the Authority.
residential		
accommodation or		
other facilities		
	(2)	Save as otherwise expressly permitted by the Authority, no employee shall, sub-let, lease or otherwise allows occupation by any other person of Authority's residential accommodation which has been allotted to him.
	(3)	An employee shall, after the determination/cancellation of his allotment of residential accommodation vacate the same within the time limit specified by the allotting authority.
Prohibition of Sexual	80 (1)	No employee shall indulge in any act of sexual harassment of any women employee at the work place.
Harassment of		
Women Employee at		
Work Place:		
	(2)	For the purpose of sub-regulation (1), sexual harassment shall mean unwelcome sexually determined behavior, whether directly or by implication, including: (a) Physical contact and advances; (b) A demand or request for sexual favours; (c) Sexually coloured remarks; (d) Showing pornography; or (e) Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.
	(3)	Any complaint of violation of sub-regulation (1) shall be dealt by the Complaints Committee set up by the Authority in accordance with The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, and the rules framed thereunder, provisions of which shall prevail in case of any conflict with these regulations.
	(4)	The Complaints Committee may evolve its own procedure for dealing with complaints received by it.
	(5)	Without prejudice to the provisions contained in sub-regulation (4), where the Complaints Committee is of the opinion that the complaint is motivated or frivolous, it may close the complaint under intimation to the complainant and the Authority.

- (6) When the Complaints Committee is of the opinion that there are grounds for inquiring into the truth of any such complaint, it shall initiate an inquiry into the truth thereof, after recording the reasons therefor.
- (7) Any inquiry initiated by the Complaints Committee under sub-regulation (6) pursuant to any such complaint shall be deemed to be an inquiry within the meaning of regulation 82 and accordingly:
- (i) The Complaints Committee shall be deemed to be an inquiry officer appointed with respect to such complaint and shall have all the powers, functions and duties of an inquiry officer as provided in that regulation;
 - (ii) The proceedings shall be held, as far as may be, in accordance with that regulation, subject to the following modifications, namely:
 - (a) That the charges shall be framed and communicated to the employee by the Complaints Committee (instead of the competent authority) under sub-regulation (3) thereof; and
 - (b) The written statement of defence of the employee shall be sent to the Complaints Committee (instead of to the competent authority).
 - (iii) The findings of the Complaints Committee shall be in the form of a report, which complies with the requirements of sub-regulation (21) of regulation 82 and such report shall be deemed to be an inquiry report for the purpose of these regulations.
- (8) Nothing contained in this regulation shall be construed to prejudice the powers of the Complaints Committee to provide counseling or other support service.
- Penalties 81 Without prejudice to the other provisions of these Regulations, an employee who commits a breach of any regulation of the Authority or who displays negligence, inefficiency or indolence, or who knowingly does anything detrimental to the interests of the Authority or in conflict with its instructions, or who commits a breach of discipline or is guilty of any other act of misconduct, shall be liable to the following penalties:
- Minor penalties (1)
- (a) Censure;
 - (b) Withholding of promotion;
 - (c) Recovery from pay of the whole or part of any pecuniary loss caused to the Authority by the employee by negligence or breach of orders;
 - (d) Reduction to a lower stage in the time scale of pay for a period not exceeding three years without cumulative effect;
 - (e) withholding of increments of pay;
- Major penalties (2)
- (a) Save as provided for in clause (d) of Sub-regulation (1), reduction to a lower stage in the time scale of pay for a specified period with further directions as to whether or not the employee shall earn increments of pay during the period of such reduction and whether on the expiry of such period, the reduction shall or shall not have the effect of postponing the future increments of his pay.
 - (b) Reduction to a lower time scale of pay, grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post or service from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post or service from which the employee was reduced and

his seniority and pay on such restoration to that scale of pay, grade, post or service.

- (c) Compulsory retirement;
- (d) Removal from service which shall not be a disqualification for future employment;
- (e) Dismissal from service which shall ordinarily be a disqualification for future employment.

Explanation : The following shall not amount to a penalty within the meaning of this regulation namely :-

- (i) Withholding of one or more increments of an employee on account of his failure to pass a specified departmental test or examination in accordance with the terms of appointment to the post which he holds.
- (ii) Stoppage of pay of an employee at the efficiency bar in a time scale, on the ground of his unfitness to cross the bar;
- (iii) Non-promotion whether in an officiating capacity or otherwise, of an employee, to a higher grade or post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case;
- (iv) Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered, after trial, to be unsuitable for such higher grade or post, or on administrative grounds unconnected with his conduct;
- (v) Reversion to his previous grade or post, of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment or regulations or orders governing such probation;
- (vi) Termination of the service :-
 - (a) of an employee appointed on probation, during or at the end of the period of probation, in accordance with the terms of his appointment, or the regulations or orders governing such probation;
 - (b) of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment;
 - (c) of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
 - (d) of an employee on abolition of post.
- (vii) Termination of employment of an employee on medical grounds, if he is declared unfit to continue in the Authority's service by the Authority's Medical Officer;
- (viii) Retirement of an employee in accordance with the proviso to Regulation 13(1).

Procedure for
imposing major
penalties

82 (1)

No order imposing any of the major penalties specified in regulation 81(2) shall be made except after an inquiry is held in accordance with this regulation.

(2)

Whenever, the Competent Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, it may itself inquire into or appoint any other officer or any person not below the rank of retired District

Judge, retired High Court Judge, retired Joint Secretary to the Government of India, retired Secretary to any State Government or retired Executive Director of any Financial Institution/Nationalised Bank/Reserve Bank of India (hereinafter referred to as the inquiry officer) to inquiry into the truth thereof.

Explanation : A breach of any of the provisions of these regulations shall be deemed to constitute a misconduct.

The enquiry under this regulation, shall be done, in case the employee against whom proceeding is taken is an officer, by any officer who is in a grade higher than such employee and in the case of other employees any officer.

Explanation: When the Competent Authority itself holds the inquiry any reference in sub- regulation (8) to sub-regulation (21) to the inquiry Officer shall be construed as a reference to Competent Authority

- (3) Where it is proposed to hold an inquiry, the Competent Authority shall frame definite and distinct charges on the basis of the allegation against the employee and the articles of charge, together with a statement of the allegations, on which they are based, shall be communicated in writing to the employee, who shall be required to submit within such time as may be specified by the Competent Authority (not exceeding 15 days), or within such extended time as may be granted by the said Authority, a written statement of his defence.
- (4) On receipt of the written statement of the employee, or if no such statement is received within the time specified, an inquiry may be held by the Competent Authority itself, or if it considers it necessary so to do appoint under sub-regulation (2) an Inquiry Officer for the purpose.

Provided that it may not be necessary to hold an inquiry in respect of the articles of charge admitted by the employee in his written statement but shall be necessary to record its findings on each such charge.
- (5) The Competent Authority shall, where it is not the Inquiry Officer, forward to the Inquiry Officer;
 - (i) a copy of the articles of charges and statements of imputations of misconduct or misbehavior;
 - (ii) a copy of the written statement of defence, if any submitted by the employee;
 - (iii) a list of documents by which and list of witnesses by whom the articles of charge are proposed to be substantiated;
 - (iv) a copy of statements of the witnesses, if any;
 - (v) evidence providing the delivery of articles of charge under sub-regulation (3);
 - (vi) a copy of the order appointing the 'Presenting Officer' in terms of sub-regulation (6).
- (6) Where the Competent Authority itself inquires or appoints an inquiring authority for holding an inquiry, it may, by an order, appoint an officer to be known as the "Presenting Officer" to present on its behalf the case in support of the articles of charge.
- (7) The employee may take the assistance of any other employee but may not engage a legal practitioner, for the purpose, unless the presenting officer appointed by the Competent Authority, is a legal practitioner or Competent Authority having regard to the circumstances of the case, so permits.

- (8) The Inquiry Officer shall by notice in writing specify
- (a) the day on which the employee shall appear in person before the Inquiry Officer.
 - (b) On the date fixed by the Inquiry Officer, the employee shall appear before the Inquiry Officer at the time, place and date specified in the notice.
 - (c) The Inquiry Officer shall ask the employee whether he pleads guilty or as any defence to make and if he pleads guilty to any of the Articles of charge, the Inquiry Officer shall record the plea, sign the record and obtain the signature of the employee concerned thereon.
 - (d) The Inquiry Officer shall return a finding of guilty in respect of those articles of charge to which the employee concerned pleads guilty.
- (9) If the employee does not plead guilty, the Inquiry Officer shall adjourn the case to a later date not exceeding 30 days.
- (10) The Inquiry Officer shall, where the employee does
- a) not admit all or any of the articles of charge, furnish to such employee a list of documents by which, and a list of witness by whom, the articles of charge are proposed to be proved.
 - b) The Inquiry Officer shall also record an order that the employee may for the purpose of preparing his defence.
 - (i) inspect within five days of the order or within such further time not exceeding five days as the inquiring officer may allow, the documents listed;
 - (ii) submit a list of documents and witness that he wants for the inquiry;
 - (iii) be supplied with copies of statements or witnesses to be relied upon, if any, recorded earlier and the Inquiry Officer shall furnish such copies not later than three days before the commencement of the examination of the witnesses by the Inquiry Officer;
 - (iv) give a notice within ten days of the order or within such further time not exceeding ten days as the inquiring officer may allow for the discovery or production of the documents referred to in item (ii).

NOTE: The relevancy of the documents and the examination of the witnesses referred to in sub-clause (ii) shall be given by the employee concerned.

- (11) The inquiry officer shall, on receipt of the notice for the discovery or production of the documents, forward the same or copies thereof to the officer in whose custody or possession the documents are kept with a requisition for the production of the documents on such date as may be specified.
- (12) On the receipt of the requisition under sub regulation (11), the officer having the custody or possession of the requisitioned documents shall arrange to produce the same before the Inquiry Officer on the date, place and time specified in the requisition;

Provided that the officer having the custody or possession of the requisitioned documents may claim privilege if the production of such

documents will be against the public interest or the interest of the Authority. In that event, it shall inform the Inquiry Officer accordingly.

- (13) On the date fixed for the inquiry, the oral or documentary evidence by which the articles of charge are proposed to be proved shall be produced by or on behalf of the Competent Authority.

The witnesses produced by the Presenting Officer shall be examined by the Presenting Officer and may be cross-examined by or on behalf of the employee.

The Presenting Officer shall be entitled to re-examine his witnesses on any points on which they have been cross-examined, but not on a new matter, without the leave of the inquiry officer.

The inquiry officer may also put such questions to the witnesses.

- (14) Before the close of the case, in support of the charges, the Inquiry Officer may, in its discretion, allow the Presenting Officer to produce evidence not included in chargesheet or may itself call for new evidence or recall or re-examine any witness. In such case the employee shall be given opportunity to inspect the documentary evidence before it is taken on record, or to cross-examine a witness, who has been so summoned. The Inquiry Officer may also allow the employee to produce new evidence, if it is of opinion that the production of such evidence is necessary in the interests of justice.

- (15) When the case in support of the charges is closed, the employee may be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case a copy of the statement of defence shall be given to the Presenting officer, if any, appointed.

- (16) The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf, if he so prefers. The witnesses produced by the employee shall then be examined by the employee and may be cross-examined by the Presenting Officer. The employee shall be entitled to re-examine any of his witnesses on any points on which they have been cross-examined, but not on any new matter without the leave of the Inquiry Officer.

- (17) The inquiry officer may, after the employee closes his evidence, and shall, if the employee has not got himself examined, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.

- (18) After the completion of the production of the evidence, the employee and the Presenting Officer may file written briefs of their respective cases within 15 days of the date of completion of the production of evidence.

- (19) If the employee does not submit the written statement of defence referred to in sub-regulation (3) on or before the date specified for the purpose or does not appear in person, or through the assisting officer or otherwise fails or refuses to comply with any of the provisions of these regulations, the Inquiry Officer may hold the inquiry ex-parte.

- (20) Whenever any Inquiry Officer, after having heard and recorded the whole or any part of the evidence in an inquiry ceases to exercise jurisdiction therein, and is succeeded by another Inquiry Officer which has, and which exercises, such jurisdiction, the Inquiry Officer so succeeding may act on the evidence so recorded by its predecessor, or partly recorded by its predecessor and partly recorded by itself:

Provided that if the succeeding Inquiry Officer is of the opinion that further examination of any of the witnesses whose evidence has already

been recorded is necessary in the interest of justice, it may recall, examine, cross-examine and re-examine any such witnesses as herein before provided.

(21) (i) On the conclusion of the inquiry the Inquiry Officer shall prepare a report which shall contain the following:

- (a) a gist of the articles of charge and the statement of the imputations of misconduct or misbehavior;
- (b) a gist of the defence of the employee in respect of each article of charge;
- (c) an assessment of the evidence in respect of each article of charge;
- (d) the findings on each article of charge and the reasons therefor.

Explanation: If, in the opinion of the Inquiry Officer the proceedings of the inquiry establish any article of charge different from the original article of charge, it may record its findings on such article of charge.

Provided that the findings on such article of charge shall be recorded unless the employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

(ii) The Inquiry Officer, where it is not itself the Competent Authority, shall forward to the Competent Authority the records of inquiry which shall include -

- (a) the report of the inquiry prepared by it under clause (i);
- (b) the written statement of defence, if any, submitted by the employee referred to in sub regulation (15);
- (c) the oral and documentary evidence produced in the course of the inquiry;
- (d) written briefs referred to in sub-regulation (18), if any, and
- (e) the orders, if any, made by the Competent Authority and the Inquiry Officer in regard to the inquiry.

Action on the inquiry report 83

- (1) The Competent Authority, if it is not itself the Inquiry Officer, may, for reasons to be recorded by it in writing, remit the case to the inquiry for fresh or further inquiry and report and the Inquiry Officer shall thereupon proceed to hold the further inquiry according to the provisions of regulation 82 as far as may be.
- (2) The Competent Authority, shall, if it disagrees with the findings of the Inquiry Officer on any article of charge, record its reasons for such disagreement and record its own findings on such charge, if the evidence on record is sufficient for the purpose.
- (3) If the Competent Authority, having regard to the findings on all or any of the articles of charge, is of the opinion that any of the penalties specified in regulation 81 should be imposed on the employee it shall notwithstanding anything contained in regulation 84, make an order imposing such penalty.
- (4) If the Competent Authority having regard to its findings on all or any of the articles of charge, is of the opinion that no penalty is called for, it may pass an order exonerating the employee

		concerned.
Procedure for imposing minor penalties	84	(1) Where it is proposed to impose any of the minor penalties specified in clauses (a) to (e) of regulation 81(1), the employee concerned shall be informed in writing of the imputations of lapses against him and given an opportunity to submit his written statement of defence within a specified period not exceeding 15 days or such extended period as may be granted by the Competent Authority and the defence statement, if any, submitted by the employee shall be taken into consideration by the Competent Authority before passing orders. (2) Where however, the Competent Authority is satisfied that an inquiry is necessary, it shall follow the procedure for imposing a major penalty as laid down in regulation 82. (3) The record of the proceedings in such cases shall include: (a) A copy of the statement of imputations of lapses furnished to the employee; (b) The defence statement, if any, of the employee; and (c) The orders of the Competent Authority together with the reasons therefor.
Communication of orders	85	Orders made by the Competent Authority under regulation 83 or regulation 84 shall be communicated to the employee concerned, who shall also be supplied with a copy of the report of inquiry, if any.
Common Proceedings	86	Where two or more employees are concerned in a case, the Competent Authority may make an order directing that the disciplinary proceedings against all of them may be taken in a common proceedings.
Special procedure in certain cases	87	Notwithstanding anything contained in Regulation 82 or Regulation 83 or Regulation 84, the Competent Authority may impose any of the penalties specified in Regulation 81 if the facts on the basis of which action is to be taken have been established in a Court of Law or Court Martial or where the employee has absconded or where it is for any other reason impracticable to communicate with him or where there are other difficulties in observing the requirements contained in Regulation 82, 83 and 84 and the requirements can be waived without injustice to the employee. In every case where all or any of the requirements of Regulation 82, 83 and 84 are waived, the reasons for so doing shall be recorded in writing.
Suspension	88 (1)	An employee may be placed under suspension by the competent authority :- (a) Where a disciplinary proceeding against him is contemplated or is pending; or (b) Where a case against him in respect of any criminal offence is under investigation, inquiry or trial.
	(2)	An employee shall be deemed to have been placed under suspension by an order of the competent authority - (a) with effect from the date of his detention, if he is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours; (b) with effect from the date of his conviction, if, in the event of a conviction for an offence, he is sentenced to a term of imprisonment and is forthwith not dismissed or removed or compulsorily retired consequent to such conviction.

Explanation :- The period of 48 hours referred to in clause (b) of this sub-regulation shall be computed from the commencement of the

imprisonment after the conviction and for that purpose, intermittent periods of imprisonment, if any, shall be taken into account.

(3) Where a penalty of dismissal, removal or compulsory retirement from service imposed upon an employee under suspension is set aside in appeal under these regulations and the case is remitted for further enquiry or action or with any other directions, the order of his suspension shall be deemed to have been continued in force on and from the date of original order of dismissal, removal or compulsory retirement and shall remain in force until further orders.

(4) Where a penalty of dismissal or removal or compulsory retirement from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of a Court of Law and the Competent Authority, on a consideration of a circumstances of the case, decides to hold a further enquiry against him on the allegations on which a penalty of dismissal, removal or compulsory retirement was originally imposed, the employee shall be deemed to have been placed under suspension by the Competent Authority from the date of the original order of dismissal, removal or compulsory retirement and shall continue to remain under suspension until further orders.

(5) Provided that no such further enquiry shall be ordered unless it is intended to meet a situation where the Court has passed an order purely on technical grounds without going into the merits of the case.

Subsistence allowance

(6) An order of suspension made or deemed to have been made under this regulation may at any time be modified or revoked by the Competent Authority which made or is deemed to have made the order.

During such suspension, he shall receive subsistence allowance equal to (i) his substantive pay plus fifty percent of allowances thereon, for the first six months of suspension; and (ii) his substantive pay plus seventy-five per cent of allowances thereon for the period of suspension beyond six months.

Provided that the enhanced rate of subsistence allowance specified under sub-clause (ii) shall be admissible only if the enquiry is not delayed for reasons attributable to the concerned employee or any of his representatives.

Provided further that if no penalty under Regulation 81 is imposed, the employee shall be refunded the difference between the subsistence allowance and the emoluments which he would have received but for such suspension, for the period he was under suspension, and that, if a penalty is imposed on him under Regulation 81, no order shall be passed which shall have the effect of compelling him to refund such subsistence allowance. The period during which an employee is under suspension shall, if he is not dismissed or removed or compulsorily retired from service, be treated as period spent on duty or leave as the Competent Authority who passes the final order may direct.

Vigilance cases

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Notwithstanding anything contained in Regulations 81 to 88 or any other Regulation, the following additional provisions shall apply where it is alleged that an employee has been guilty of corrupt practices, namely:

(1) Where it is alleged that an employee is possessed of disproportionate assets or that he has committed an act of criminal misconduct or where the investigation and proof of the allegation would require the evidence of persons, who are not employees of the Authority or where, in the opinion of the competent authority, the investigation into the allegations may with the approval of the Chairperson, be

entrusted to the Central Bureau of Investigation or the Central Vigilance Commission or any other such agency as may be approved by the Chairperson.

- (2) If after considering the report of the investigation, the competent authority is satisfied that there is a prima facie case for instituting disciplinary proceedings against the employee, it may send the investigation report to the Central Vigilance Commission or such other authority as may be decided by the Chairperson from time to time in this behalf, for its advice whether disciplinary proceedings should be taken against the employee concerned;
- (3) If after considering the advice of the Central Vigilance Commission or other authority, as the case may be, the competent authority is of the opinion that disciplinary proceedings should be instituted against the employee concerned, then notwithstanding the provisions of Regulation 82(2), the enquiry under this Regulation may be entrusted to a Commissioner for Departmental Enquiries or other person who may be nominated by the Central Vigilance Commission for this purpose.
- (4) The Inquiry Officer shall submit his report to the competent authority and the report shall be forwarded by the Chairperson to the Central Vigilance Commission for its advice as to whether the charge or charges as the case may be, can be considered to have been established and the penalty or penalties to be imposed under Regulation 81 hereof. The penalty or penalties to be imposed shall be decided by the competent authority after considering the advice of the Central Vigilance Commission.

Explanation : An employee shall be deemed to be guilty of corrupt practices if he has committed an act of criminal misconduct as defined in Section 13 of the Prevention of Corruption Act, 1988 or he has acted for an improper purpose or in a corrupt manner or had exercised or refrained from exercising his powers with an improper or corrupt motive.

- 90(1) An employee may appeal against an order imposing upon him any of the penalties specified in Regulation 81 or order of suspension under Regulation 88. The appeal shall lie to the Appellate Authority.

Note: For the purpose of this regulation "Appellate Authority" means the Authority, in case the Chairperson is the competent authority; Chairperson or whole-time member of the Authority, in case the Executive Director is the competent authority and Executive Director concerned in all other cases.

- (2) Every appeal shall comply with the following requirements:
 - (a) it shall be written in Hindi or English or if not written in Hindi be accompanied by a translated copy in Hindi and shall be signed.
 - (b) it shall be couched in polite and respectful language and shall be free from unnecessary padding or superfluous verbiage.
 - (c) it shall contain all material statements and arguments relied on and shall be complete in itself.
 - (d) it shall specify the relief desired.
- (3) An appeal shall be preferred to the appellate authority within 45 days from the date of receipt of the order appealed against. The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders. The Appellate Authority may pass an order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority which imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case.

Provided that -

(i) if the enhanced penalty which the Appellate Authority proposed to impose is a major penalty specified in Regulation 81(2) and an inquiry as provided in regulation 82 has not already been held in the case, the Appellate Authority shall direct that such an inquiry be held in accordance with the provisions of regulation 82 and thereafter consider the record of the inquiry and pass such orders as it may deem proper.

(ii) if the Appellate Authority decides to enhance the punishment but an inquiry has already been held as provided in regulation 82, the Appellate Authority shall give a show cause notice to the employee as to why the enhanced penalty should not be imposed upon him and shall pass final order after taking into account the representation, if any, submitted by the employee.

CHAPTER - VII

MISCELLANEOUS

Medical aid and facilities	91(1)	Medical aid and facilities shall be provided by the Authority for its employees and such of their dependents in accordance with such guidelines as may be approved by the Authority from time to time. The said guidelines, may, 'inter alia', provide for illness, injuries arising out of accidents, hospitalisation and domicile treatment.
	(2)	Without prejudice to sub-regulation (1) the Authority may take a comprehensive health insurance policy covering all its employees and their dependants, on such terms and conditions, as it may determine.
Travelling and halting allowances	92	Travelling and halting allowances shall be paid to the employees according to such rates and on such terms and conditions as may be approved by the Authority from time to time.
Deputation of employees to join military service	93	The terms and conditions subject to which an employee may be permitted to join military service shall be determined by the Authority.
Deputation of employees to other services	94(1)	Without prejudice to the provisions of Regulation 93, no employee of the Authority may be deputed to serve under any other employer without the approval of the Chairperson who shall determine the duration of such deputation and the terms and conditions on which the deputation shall take effect;
	(2)	Provided that no employee may be deputed to foreign service against his will. Where the services of an employee of the Authority are placed at the disposal of a foreign employer, it shall be a condition of the deputation that the foreign employer shall, during the periods of such deputation, bear the entire cost of the services of the employee including the following, viz., (a) Pay during joining time. (b) Travelling allowances payable to the employee to enable him to join his appointment under a foreign employer and to return to his appointment in the Authority on the termination of his deputation, (c) Leave earned during the period of deputation, (d) The foreign employer shall contribute towards employer's contribution in the National Pension System (NPS), an amount as may be determined by the Chairperson, sufficient to cover the Authority's liability towards monthly contribution for the period the employee is on deputation. In addition, the foreign employer may also be required to make a contribution towards any gratuity or other sum for which the employee may become eligible on his retirement, on such scale as may be fixed by the Chairperson.

- Gratuity 95(1) Every employee, shall be eligible for gratuity on :-
- (a) retirement;
 - (b) death;
 - (c) disablement rendering him unfit for further service as certified by Authority's Medical Officer;
 - (d) resignation after completing five years of continuous service; or
 - (e) termination of service in any other way (except by way of punishment) after completion of five years of service.
- (2) The amount of gratuity payable shall be determined by the Authority from time to time.
- (3) An employee who has not completed a minimum period of ten years of continuous service in the Authority, the gratuity shall be paid as per the provisions of the Payment of Gratuity Act, 1972 (39 of 1972), as amended from time to time.
- Provided that where an employee has completed a minimum period of ten years of continuous service in the Authority, the gratuity shall be paid as per the PFRDA (Payment of Gratuity to Employees) Rules.
- Provided further that the gratuity amount payable to an employee shall not be less than the amount payable under the Payment of Gratuity Act, 1972.
- (4) Without prejudice to the sub-regulation (1), (2) and (3), the Authority may create a gratuity trust.
- Obligation to subscribe to the pension/insurance scheme or fund instituted by the Authority 96 It shall be incumbent on every employee bound by these Regulations to subscribe to the National Pension System and insurance scheme or fund that may be instituted by the Authority for the benefit of its employees and their families and to be bound by the rules of the said scheme or fund;
- Provided that nothing contained in this Regulation shall serve to curtail any superannuation benefits which may otherwise be admissible to an employee;
- Provided further that nothing contained in this Regulation shall require an employee to subscribe to the said system/scheme or fund if he is exempted from so doing under the rules of the said scheme or fund.
- Declarations to be signed by the employee 97 Every employee to whom these Regulations apply, or who exercises his option to come under them shall subscribe to declarations in Forms A to C.

SCHEDULE

{Refer Clause (b) of Sub Regulation (4) of Regulation (6)}

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
Executive Director	(a) Promotion (b) Deputation from Govt., RBI, Banks, Financial Institutions & Academic Institutions. (c) Direct recruitment. (d) On contract basis. 50% of the total posts	Not less than 40 years and not more than 55 years. Qualification: a) Essential qualification: Post Graduation in any subject b) Desirable qualification: MBA/MMS with specialisation in Finance/ CA / CS /CFA /CWA / LLB etc. from a recognized University / Institution with a minimum of 20 years of post-qualification	Promotion of internal candidates from Grade F with minimum of 3 years service	Deputation from Govt. (All India Central/ Civil Services Group A); RBI, Banks, Financial Institutions, with not less than 20 years of experience in officer cadre in dealing with Problems relating to pension/ financial sector or special	Chairperson and two other members of the Authority shall constitute the Selection Committee. The recommendation of Selection Committee shall be placed before the

	from internal candidates and the remaining 50% to be filled by deputation/contract and/or direct recruitment. In case of non-availability in any category i.e. internal and deputation/open market the post may be filled from other categories.	experience in officer cadre dealing with problems relating to pension/financial sector or special knowledge/ experience of law, investigation, Finance, Economics, Accountancy, Administration or any other Discipline considered useful to the Authority.		knowledge/experience of law, investigation, Finance, Economics, Accountancy, Administration or any other discipline considered useful to the Authority	Authority before an appointment letter/ deputation offer is made to the candidate. In case of deputation from Govt. or other organisations, terms and conditions of deputation to be finalized in consultation with the lending organisation.
Grade D, E & F	Deputation & Internal Promotion.	Upper age 45, 48 & 52 years for Grade D, E and F respectively. Qualification: a) Essential qualification Master's Degree in Economics/ Commerce/ Business Administration, Post Graduate Degree/Post Graduate Diploma in Management with 55% marks in the aggregate. CA/CFA/CS/CWA for officers in General Stream. Bachelor's Degree in Law with a minimum of 55% marks or LL.M for legal stream. Master's Degree in Statistics/ Economics/ Commerce/ Business Administration (Finance)/Econometrics with minimum 55% marks for officers in Research Stream. Candidates with a Doctorate in topics related to above subjects shall be given preference. Research or teaching experience and publication in standard journals will be considered as an additional qualification. First Class Graduate in Engineering (Electrical/Electronics/Electronics and Communication/Information Technology/ Computer Science)/ Masters in Computers Application/ First Class Graduate in any discipline with Post Graduate qualification (minimum 2 years duration) in Computers/Information Technology for officers in Technical Stream (Information System). b) Desirable qualification: MBA/MMS with specialisation in Finance/ CA / CS /CFA /CWA /	Promotion of internal candidates from Grade C, D and E respectively with minimum of 3 years service. However, minimum 8 years experience as an Officer is necessary for considering the claim for promotion from Grade C to D.	Candidate must possess not less than 11, 14 & 17 years of experience for Grade D, E and F respectively in All India/ Central Civil Service as Group A officer or equivalent experience in officer cadre in RBI, Banks, Financial Institutions and academic Institutions. The experience shall be in dealing with the problems relating to pension/Financial Sector, special Knowledge/ experience of law, investigation, finance, Economics, Accountancy, Administration or any other discipline considered useful to the Authority.	Minimum three members - two internal and one external. In case of deputation from Government or other Organisations, terms and conditions of deputation to be finalised in consultation with the lending organisation.

		LLB etc. (as applicable to the stream) from a recognized University / Institution with a Minimum 11, 14 & 17 years of post-qualification experience in officer cadre in dealing with the problems relating to pension /financial sector, special knowledge/ experience in law, investigation, finance, economics, Accountancy, Administration or any other discipline considered useful to the Authority.			
Grade A/B/C	Direct Recruitment and Internal Promotion.	Upper age 27, 30 and 35 for Grade A, B and C respectively. Qualification shall be as specified above for Grade D, E and F. Minimum 4 years post qualification experience for Grade C in the applicable field as an advocate or as an officer in reputed institution preferably in the area of financial services or any such similar experience.	Promotion of internal candidates from Grade A and Grade B respectively with minimum of 3 years' service.		Minimum three members - two internal and one external.
General Assistant	Direct Recruitment	Upto 30 years VIII Standard	-	-	Minimum three members- two internal and one external.
Driver	-do-	-do-	-	-	-do-

1. General/ Relaxation:

- a) In the event of non-availability of adequate number of candidates for interview, the minimum eligible service of three years for promotion to the next higher grade or post may be relaxed by the competent authority upto a period not exceeding six months.
- b) The crucial date for determining the upper age limit specified in the schedule shall be the date indicated in the advertisement.
- c) The upper age limit may be relaxed by the Competent Authority upto a maximum of three years for the reasons to be recorded in writing, if in the opinion of the Competent Authority sufficient number of candidates with the prescribed age limit is not likely to be forthcoming and high academic and professional qualifications and experience of the candidates deserve consideration of such, candidates.
- (d) The Authority may, after recording the reasons in writing, relax the minimum qualifications and experience required for various posts.

2. Reservations:

- a) Reservation, relaxation of age limit and other concessions required to be provided for candidates belonging to the Scheduled Caste, Scheduled Tribes, other backward classes, Ex-Service men and other special categories of persons shall be as applicable in terms of orders/guidelines etc. issued by the Central Government from time to time.
- b) In every selection committee constituted for the purpose of the recruitment, an officer of appropriate rank belonging to the Scheduled Caste or Scheduled Tribe may also be inducted as a member in case no member of selection committee belongs to Scheduled caste or Schedule Tribe.

3. Advertisement of Vacancies:

Vacancies in the Authority to be filled by direct recruitment shall be notified in the following manner:

- a) In relation to direct recruitment of posts except as specified in clause (b) below, it shall be notified by advertisement in at least three leading daily national newspapers, with a view to cover the maximum area

of the country.

b) In relation to such posts to which the law relating to employment exchanges is applicable, by notifying the concerned employment exchange with a request to nominate five candidates against each vacancy. In case, the candidates nominated by the employment exchange fail to satisfy the requirement of selection, the vacancies shall be filled subject to the provisions of the law applicable to such employment exchanges, by issuing advertisement as per Clause (a) above.

4. Medical Fitness and Verification of Antecedents on initial appointment in the Authority:

a) A candidate, except in the case of appointments by deputation or by promotion, will be required to undergo medical tests as per prescribed standards to satisfy the appointing Authority of his medical fitness.

b) The antecedents of a candidate, except in the case of appointments by deputation or by promotion, will be verified as per the prescribed procedure and the said verification shall be completed during the period of probation.

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/15(54)]

APPENDIX

FORM -A

DECLARATION OF FIDELITY AND SECRECY

I _____ do hereby declare that I will faithfully, truly and to the best of my skill and ability execute and perform the duties required of me as an employee of the PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY and which properly relate to the office or position held by me in or in relation to the said Authority:

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the Authority or relating to the affairs of any person having any dealing with the Authority, nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Authority and relating to the business of the Authority or the business of any person having any dealing with the Authority.

(Signature)

Place: _____

Date: _____

Name in full _____

Nature of appointment _____

Signed before me

FORM-B
DECLARATION OF DOMICILE

I, the undersigned, having been appointed to the service of the Pension Fund Regulatory and Development Authority, hereby declare _____ (place) in _____ (district) as my place of domicile.

OR

The above is not my place of birth. My place of birth is _____ (place) in _____ (district) but _____ (place) has been declared as my place of domicile for the reasons given below:

Name in full _____

Nature of appointment _____

Date of appointment _____

Signature _____

Place _____

Date _____

FORM - C
DECLARATION TO BE BOUND BY THE EMPLOYEES' SERVICE
REGULATIONS

I hereby declare that I have read and understood the Pension Fund Regulatory and Development Authority (Employees' Service) Regulations, 2015 and I hereby subscribe to and agree to be bound by the said Regulations, as may be in force from time to time.

Name in full _____

Nature of appointment _____

Date of appointment _____

Signature _____

Witness _____

Place _____

Date _____



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

प्राधिकार से प्रकाशित

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली 8 मई, 2015

फाइल संख्या पीएफआरडीए/17/आरईएस/25.—पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 45 की उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए और पेंशन निधि विनियामक और विकास प्राधिकरण (पेंशन सलाहकार समिति की बैठकें) विनियम, 2015 के खंड 6 के उप-खंड 4 की शर्तों के अनुरूप प्राधिकरण, एतद्वारा फाइल संख्या पीएफआरडीए/17/आरईएस/25, दिनांक 19 सितम्बर 2014 के माध्यम से पूर्व में गठित पेंशन सलाहकार समिति को इस अधिसूचना के लागू होने की तिथि से पुनर्गठित करता है। पुनर्गठित सलाहकार समिति इस प्रकार होगी :-

1. सुश्री आशु सुयश, निदेशक, द एसोसिएशन ऑफ म्यूचल फंड्स इन इंडिया
2. श्री डी. वी. एस. एस. वी. प्रसाद, मुख्य कार्यकारी अधिकारी, फिक्सड इन्कम मनी मार्किट एण्ड डेरावेटिक्स एसोसिएशन ऑफ इंडिया
3. श्री जी. एन. बाजपेयी, अध्यक्ष, राष्ट्रीय पेंशन प्रणाली न्यास
4. श्री गगन राय, प्रबंध निदेशक और मुख्य कार्यकारी अधिकारी, एनएसडीएल ई-गवर्नेंस इंफ्रास्ट्रक्चर लि.
5. डॉ. एल.एच. मंजूनाथ, कार्यकारी निदेशक, श्री क्षेत्र धर्मस्थल ग्रामीण विकास परियोजना
6. श्री कुलीन पटेल, वरिष्ठ बीमांकक एवं निदेशक — क्लाइंट अकाउंट मैनेजमेंट टॉवर वॉटसन, गुडगाव
7. सुश्री मेघना बाजी, मुख्य कार्यकारी अधिकारी, आईसीआईसीआई पुडेंशियल पेंशन फंड्स मैनेजमेंट कम्पनी लि.
8. श्री एम. वी. टंकसाले, मुख्य कार्यकारी, भारतीय बैंक संघ
9. श्री पी. के. चौधरी, अध्यक्ष एवं समूह कार्यकारी अधिकारी, आईसीआरए लि.

10. श्री आर. श्रीधरन, प्रबंध निदेशक, द क्लीयरिंग कॉरपोरेशन ऑफ इंडिया लि.
 11. श्री राघवेन्द्र लाल दास, मुख्य महाप्रबंधक—प्रभार, मानव संसाधन प्रबंधन विभाग, भारतीय रिजर्व बैंक
 12. श्री शैलेन्द्र कुमार, प्रबंध निदेशक एवं मुख्य कार्यकारी अधिकारी, एसबीआई पेंशन फंड प्राइवेट लि.
 13. श्री सुमंत्र गुहा, अध्यक्ष, बैंकिंग, बीमा और पेंशन समिति—इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
 14. सुश्री त्रिशलजीत सेठी, उप महानिदेशक (स्थापना), डाक निदेशालय
 15. मुख्य सचिव, वित्त, राजस्थान सरकार
- प्राधिकरण का अध्यक्ष, पेंशन सलाहकार समिति का पदेन अध्यक्ष और प्राधिकरण के सदस्य समिति के पदेन सदस्य होंगे।

हेमंत जी. कांट्रेक्टर, अध्यक्ष
[विज्ञापन—III/4/असा./203/48/15]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 8th May, 2015

F. No. PFRDA/17/RES/25.—In exercise of the powers conferred by sub-section (1) of Section 45 of the Pension Fund Regulatory and Development Authority Act, 2013 (Act 23 of 2013), and in terms of the sub-regulation 4 of the regulation 6 of Pension Fund Regulatory and Development Authority (Pension Advisory Committee Meetings) Regulations, 2015, the Authority hereby reconstitutes the Pension Advisory Committee constituted earlier vide F. No. PFRDA/17/RES/25 dated 19th September, 2014 with effect from the date of this notification. The reconstituted Pension Advisory Committee is as under;

1. Ms. Ashu Suyash, Director, The Association of Mutual Funds in India
2. Mr. D.V.S.S.V. Prasad, Chief Executive Officer, Fixed Income Money Market and Derivatives Association of India
3. Mr. G. N. Bajpai, Chairman, National Pension System Trust
4. Mr. Gagan Rai, Managing Director & CEO, NSDL e-Governance Infrastructure Limited
5. Dr. L. H. Manjunath, Executive Director, Shree Kshethra Dharmasthala Rural Development Project
6. Mr. Kulin Patel, Senior Actuary and Director – Client Account Management, Towers Watson, Gurgaon
7. Ms. Meghana Baji, Chief Executive Officer, ICICI Prudential Pension Funds Management Co. Ltd.
8. Mr. M. V. Tanksale, Chief Executive, Indian Banks' Association
9. Mr. P. K. Choudhury, Chairman & Group CEO, ICRA Limited
10. Mr. R. Sridharan, Managing Director, The Clearing Corporation of India Ltd

11. Mr. Raghavendra Lal Das, Chief General Manager-in-Charge, Human Resource Management Department, Reserve Bank of India
12. Mr. Shailendra Kumar, Managing Director & CEO, SBI Pension Funds Pvt. Ltd
13. Mr. Sumantra Guha, Chairman of the Committee of Banking, Insurance and Pension of the Institute of Chartered Accountants of India.
14. Ms. Trishaljit Sethi, Deputy Director General (Establishment), Postal Directorate
15. Principal Secretary, Finance, Government of Rajasthan

The Chairperson and the members of the Authority shall be the ex-officio Chairperson and ex-officio members of the Pension Advisory Committee.

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/48/15]

New

Pension Fund Regulatory

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99



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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 12 मार्च, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (राष्ट्रीय पेंशन प्रणाली न्यास) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/5- पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उपधारा (2) के खंड (ड), खंड (ण) और खंड (फ) के साथ पठित उसकी उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात्:-

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ- (1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (राष्ट्रीय पेंशन प्रणाली न्यास) विनियम, 2015 है।

विनियमों का उद्देश्य, राष्ट्रीय पेंशन प्रणाली न्यास के न्यासी बोर्ड की नियुक्ति अधिकृत करना और अधिनियम की धारा 12 की उपधारा (1) के उपखंड (ख) के अधीन पेंशन स्कीमों के लिए तथा उनकी भूमिका और दायित्व को तथा अभिदाताओं के हित के संरक्षण के लिए ऐसे न्यास द्वारा अन्य मध्यवर्तियों के कार्यकलापों के संबंध में प्रयोग की जाने वाली शक्तियों और कृत्यों को परिभाषित करना है।

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

2. परिभाषाएं— (1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

(क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है;

(ख) "संपरीक्षक" से ऐसा व्यक्ति अभिप्रेत है, जो कंपनी अधिनियम, 1956 (1956 का 1) की धारा 224 के अधीन किसी कंपनी के लेखाओं की संपरीक्षा के लिए अर्हित है;

(ग) "कंपनी" से कंपनी अधिनियम, 1956 (1956 का 1) के अधीन विरचित और रजिस्ट्रीकृत कोई कंपनी अभिप्रेत है;

(घ) "अनुपालन अधिकारी" से राष्ट्रीय पेंशन प्रणाली न्यास से कोई ऐसा जिम्मेदार व्यक्ति अभिप्रेत है, जिसे उस रूप में पदाभिहित और अधिनियम या उसके अधीन प्राधिकरण द्वारा बनाए गए नियमों या विनियमों या उसके द्वारा जारी की गई अधिसूचनाओं, मार्गदर्शक सिद्धांतों, परिपत्रों या अनुदेशों की अपेक्षाओं का उसके द्वारा अनुपालन किए जाने को मानीटर करने का उत्तरदायित्व सौंपा गया है;

(ड) "प्रभारों" के अंतर्गत राष्ट्रीय पेंशन प्रणाली के अधीन अभिदाताओं द्वारा मध्यवर्तियों को संदेय ऐसे प्रभार और कोई अन्य उद्ग्रहण सम्मिलित हैं जो प्राधिकरण द्वारा समय-समय पर अवधारित किए जाएं ;

(च) "विनिधान संबंधी मार्गदर्शक सिद्धांतों" से प्राधिकरण द्वारा अनुज्ञेय आस्ति वगैरें, अनुज्ञेय विनिधान और संकेन्द्रण सीमाओं के संबंध में समय-समय पर जारी मार्गदर्शक सिद्धांत और परिपत्र अभिप्रेत हैं ;

(छ) "अनुसूची" से इन विनियमों से उपावद्ध कोई अनुसूची अभिप्रेत है ;

(ज) "न्यासियों" से समय-समय पर राष्ट्रीय पेंशन प्रणाली न्यास के लिए नियुक्त न्यासी बोर्ड या इन विनियमों के अंतर्गत अन्य पेंशन स्कीमों के संबंध में नियुक्त न्यासी अभिप्रेत हैं ।

(2) उन शब्दों और पदों के, जो इन विनियमों में प्रयुक्त हैं और परिभाषित नहीं हैं, किंतु अधिनियम में परिभाषित हैं, वही अर्थ होंगे, जो उनके क्रमशः अधिनियमों में हैं ।

अध्याय 2

राष्ट्रीय पेंशन प्रणाली न्यास का गठन और प्रबंधन तथा न्यासियों की नियुक्ति

3. राष्ट्रीय पेंशन प्रणाली न्यास की स्थापना—राष्ट्रीय पेंशन प्रणाली न्यास के नाम से ज्ञात एक न्यास की स्थापना की जाएगी और न्यास की लिखत रजिस्ट्रीकरण अधिनियम, 1908 (1908 का 16) के अधीन सम्यक् रूप से रजिस्ट्रीकृत एक न्यास विलेख के रूप में होगी, जो ऐसी लिखत में नामित न्यासियों के पक्ष में प्राधिकरण द्वारा निष्पादित की जाएगी । न्यासियों के पक्ष में निष्पादित न्यास विलेख को अधिनियम और इन विनियमों के उपबंधों के अधीन मध्यवर्तियों के रूप में राष्ट्रीय पेंशन प्रणाली न्यास को प्रदत्त रजिस्ट्रेशन के रूप में समझा जाएगा ।

4. न्यास विलेख की अन्तर्वस्तुएं—(1) न्यास विलेख में निम्नलिखित विशिष्टियां और निर्देशात्मक अन्तर्वस्तुएं अंतर्विष्ट होंगी, अर्थात् :—

(क) न्यास की पृष्ठभूमि या उद्देश्य को विनिर्दिष्ट करते हुए प्रस्तावना—जिसमें अभिदाताओं के अधिकारों और रीति जिसमें ये अधिकार न्यासियों में निहित होंगे और व्यवस्थापक और न्यासियों की विशिष्टियों, जिसके अंतर्गत न्यासियों की संख्या भी है, के बारे में कथन होगा ;

(ख) न्यासी बोर्ड की शक्तियां और कृत्य ;

(ग) न्यासी बोर्ड के कर्तव्य और दायित्व ।

(2) विशिष्टतया और पूर्वगामी उपबंधों की व्यापकता पर प्रतिकूल प्रभाव डाले बिना, न्यास विलेख में निम्नलिखित खं अंतर्विष्ट होंगे, अर्थात् :—

(क) न्यासी बोर्ड के कब्जे में की महत्वपूर्ण सूचना को तीसरे पक्ष से गोपनीय बनाए रखने के संबंध में बोर्ड का दायित्व ;

(ख) राष्ट्रीय पेंशन प्रणाली के अधीन मध्यवर्तियों को लागू विनियमों के अनुपालन को सुनिश्चित करने में मध्यवर्तियों द्वारा प्रस्तुत रिपोर्ट पर कार्रवाई करने की बाबत न्यासी बोर्ड का दायित्व ;

(ग) ऐसे उपबंध, जिनका सभी न्यासियों से, ऐसे हित की विशिष्टियों के बारे में, जो किसी अन्य कंपनी या संस्था में किसी निगमित निकाय में निदेशक, भागीदार के रूप में या किसी अन्य हैसियत में उनकी प्रास्थिति के आधार पर उनकी हैं, प्रव करना अपेक्षित है ;

(घ) अन्य ऐसी कंपनियों या संस्थानों या मध्यवर्तियों अथवा किसी संस्थाओं के साथ, जिसके साथ वह सहबद्ध सकता है या हो सकती है, असन्निकट संबंध बनाए रखना ;

(ङ) इस प्रभाव के उपबंध से कि कोई न्यासी, न्यासी बोर्ड की बैठकों में तब भाग नहीं लेगा जब उसमें कोई ऐ विनिश्चय किया जाता है जिसमें उसका कोई फायदाप्रद हित हो सकता है ;

(च) न्यासी बोर्ड का, राष्ट्रीय पेंशन प्रणाली के अधीन अभिदाता की आस्तियों पर या यदि प्राधिकरण द्वारा अधिनियम के उपबंधों द्वारा शासित किसी अन्य पेंशन स्कीम में प्रभावशाली नियंत्रण होगा ;

(छ) अभिदाताओं का, न्यास की आस्तियों में, अभिदत्त स्कीमों में उनकी व्यक्ति धृति के विस्तार तक, फायदाप्रद सीमित होगा ;

(ज) इस प्रभाव के उपबंध कि न्यासी बोर्ड, सभी समयों पर अभिदाताओं के हित में कार्य करेगा और अभिदाताओं ऐसी सूचना को अपवर्जित करते हुए जो वाणिज्यिक महत्व या गोपनीय प्रकृति की हो, अपेक्षित सूचना उपलब्ध करवाएगा ;

(झ) न्यासी बोर्ड द्वारा प्राधिकरण को, अधिनियम, नियमों और विनियमों के ऐसे उल्लंघन के लिए, जो उस जानकारी में आते हैं, किसी मध्यवर्ती के विरुद्ध उपयुक्त उपाय करने की सिफारिश करना ;

(ञ) राष्ट्रीय पेंशन प्रणाली न्यास, राष्ट्रीय पेंशन प्रणाली के अधीन अधिनियम या प्राधिकरण द्वारा बनाए विनियमों या जारी किए गए मार्गदर्शक सिद्धांतों या परिपत्रों के उपबंधों के अनुसार सभी मध्यवर्तियों के, जिसके अ सरकारी नोडल कार्यालय और संचयनों के संग्रहण, प्रबंध और अभिलेख पालन तथा वितरण से संबंधित ऐसे अन्य संस्था

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY NOTIFICATION

New Delhi, the 12th March, 2015

Pension Fund Regulatory And Development Authority (National Pension System Trust) Regulations 2015

No. PFRDA/12/RGL/5 —In exercise of the powers conferred by sub-section (1) of Section 52 read with clause (e), (o) and clause (v) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015.

The aim of the regulations is to lay down the appointment of the Board of Trustees of the National Pension System Trust and for pension schemes under sub-clause (b) of sub-section(1) of Section 12 of the Act and to define their role and responsibilities, powers and functions to be exercised in relation to the affairs of such Trust vis-à-vis other intermediaries, for protection of interest of the subscribers.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.- (1) In these regulations, unless the context otherwise requires,-

(a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

(b) "auditor" means a person who is qualified to audit the accounts of a company under section 224 of the Companies Act, 1956 (1 of 1956);

(c) "company" means a company formed and registered under the Companies Act, 1956 (1 of 1956);

(d) "compliance officer" means a person of responsibility from the National Pension System Trust; designated as such and charged with the responsibility of monitoring compliance by it of the requirements of the Act or the rules or the regulations made or notifications, guidelines, circulars or instructions issued by the Authority thereunder;

(e) "charges" shall include charges and any other levies payable by the subscriber to the intermediaries under the National Pension System as may be determined by the Authority from time to time.;

(f) "investment guidelines" mean guidelines and circulars issued by the Authority from time to time with regard to permissible asset classes, permissible investment and concentration limits;

(g) "Schedule" means any of the schedules annexed to these regulations;

(h) "trustees" means the Board of Trustees appointed to the National Pension System Trust from time to time or the trustees appointed in relation to other pension schemes covered under these regulations.

(2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II

CONSTITUTION AND MANAGEMENT OF NATIONAL PENSION SYSTEM TRUST AND APPOINTMENT OF TRUSTEES

Establishment of National Pension System Trust.- There shall be established a trust to be known as the National Pension System Trust and the instrument of trust shall be in the form of a Trust Deed duly registered under the Registration Act, 1908 (16 of 1908), executed by the Authority in favour of the trustees named in such an instrument. The trust deed executed in favour of the trustees shall be deemed as the registration granted to the National Pension System Trust, as an intermediary, under the provisions of the Act and these regulations.

Contents of Trust Deed.- (1) The Trust Deed shall contain the following particulars and indicative contents, namely:-

(a) the preamble-specifying the background or objective of the trust-stating the rights of the subscribers and the manner in which these rights are vested in the trustees and particulars of the settlor and trustees, including the numbers of trustees;

(b) the powers and functions of the Board of Trustees;

(c) duties and responsibilities of the Board of Trustees.

(2) In particular, and without prejudice to the generality of the foregoing provisions, the Trust Deed shall contain the following clauses, namely:-

(a) the Board of Trustees' responsibility with regard to maintenance of third-party confidentiality of material information in its possession;

(b) the responsibilities of the Board of Trustees with regard to taking of action on reports submitted by the intermediaries in order to ensure compliance with the regulations applicable to them under the National Pension System;

(c) provisions requiring all trustees to disclose, the particulars of interest which they may have in any other company or institution or a body corporate by virtue of their position as director, partner or in any other capacity;

- (d) maintain an arms' length relationship with other companies or institutions or intermediaries or any entity with which he or she may be associated;
- (e) provision to the effect that a trustee not to participate in the meetings of the Board of Trustees when any decisions are being taken in which he or she may have a beneficial interest;
- (f) the Board of Trustees to have effective control over assets of the subscriber under the National Pension System or if so directed by the Authority in any other pension scheme governed by the provisions of the Act;
- (g) the subscribers to have beneficial interest in the assets of the trust limited to the extent of their individual holding in the subscribed schemes;
- (h) provision to the effect that the duty of the Board of Trustees shall be to act at all times in the interest of the subscribers and cause to provide the required information, excluding information which is of commercial importance or confidential in nature, to the subscribers;
- (i) the Board of Trustees to recommend to the Authority for taking suitable measures against any intermediary for violation of the Act, rules and regulations, which comes to its notice;
- (j) the National Pension System Trust shall be responsible for monitoring and evaluation of all operational and service level activities of all intermediaries including government nodal offices and such other entity or person connected with collection, management and recordkeeping and distribution of accumulations, under the National Pension System, in accordance with the provisions of the Act or the regulations made or guidelines or circulars issued by the Authority;
- (k) the National Pension System Trust shall be responsible for receiving, processing and settlement of claims made by the subscribers upon exit from National Pension System. The National Pension System Trust may delegate the activities of receiving and processing of such claims made by the subscribers upon exit from National Pension System to any other intermediary registered with the Authority, with the previous approval of the Authority;
- (l) the National Pension System Trust shall be the nodal point for co-ordination of the operations of all intermediaries;
- (m) explicitly forbidding of assumption of any unlimited liability or that which would result in encumbrance of the property vested in the Board of Trustees in any way;
- (n) provision to ensure that removal of a trustee of the National Pension System Trust, in all cases, shall be decided by the Authority;
- (o) provisions specifying the quorum and frequency of the meetings of the Board of Trustees;
- (p) the responsibility of the Board of Trustees to supervise the collection of any income due on assets held in the name of the National Pension System Trust and for claiming any repayment of tax and holding any income received in trust for the holders in accordance with the Trust Deed and regulations;
- (q) provisions for the terms of payment of fees to the trustees;
- (r) provision to the effect that amendment to the Trust Deed shall be carried as and when so directed by the Authority;
- (s) the Trust Deed shall not contain any clause which has the effect of—
 - (i) limiting or extinguishing the obligations and liabilities of a trustee in relation to the subscribers under the Act; or
 - (ii) indemnifying the trustees for loss or damage caused to the subscriber by the trustees' acts of negligence or acts of commission or omission.

5. Eligibility for appointment as trustees.- (1) The Authority shall appoint trustees to the Board of National Pension System Trust in accordance with these regulations.

(2) No person shall be eligible to be appointed as a trustee of the Board of Trustees of the National Pension System Trust unless —

- (a) he or she is a citizen of India;
- (b) he or she is a person of ability, integrity and standing;
- (c) has not been found guilty of moral turpitude;
- (d) has not been convicted of any economic offence or violation of any securities laws;
- (e) suitably qualified, with sufficient education in law or finance or economics or accountancy or social welfare or administration with proven management skill, experience, capacity integrity and reputation;
- (f) any other qualifications or terms and conditions including age limit that may be specified by the Authority from time to time; and
- (g) has furnished particulars as specified in Schedule I.

(3) No intermediary under the National Pension System, sponsor or no director (other than independent director), officer or employee of such intermediary, or sponsor shall be eligible to be appointed as a trustee of the trust.

(4) No person who is appointed as a trustee of the Board of Trustees of the National Pension System Trust shall be eligible to be appointed as a trustee of any other pension trust, or as director of any of the intermediaries registered with the Authority or its sponsor.

6. Cessation of office of trustee.-The office of a trustee shall be treated as vacated if he or she—

- (i) dies;
- (ii) resigns;

- (iii) ceases to hold the office by virtue of which he or she was appointed as a trustee;
- (iv) becomes insane;
- (v) becomes bankrupt or insolvent;
- (vi) becomes infirm or incapable of functioning due to ill health;
- (vii) is convicted of any offence involving moral turpitude;
- (viii) does not attend two consecutive meetings of the trust, without obtaining leave of absence. However, this may be condonable at the discretion of the Authority for valid reasons to be recorded in writing; or
- (ix) any other ground in the opinion of the Authority, which warrants such removal.

7. Term of office of trustees.- (1) Every trustee shall be appointed by the Authority for a term of three years which may, if the Authority deems fit, be extended not more than two years.

(2) No trustee shall continue to hold office of a trustee or be eligible to be appointed as a trustee beyond the completion of a total period of five years as a trustee from the date of his or her first appointment as trustee of the National Pension System Trust.

8. Resignation and removal of trustees.- (1) Any trustee may, by thirty days notice in writing under his hand addressed to the Authority, resign his or her office. The office of the trustee shall fall vacant from the date on which his or her resignation has been accepted and he or she is relieved by the Authority. A trustee who has resigned, shall not be eligible for appointment as a trustee, for a period of two years from the date of his or her resignation.

(2) Notwithstanding anything contained in sub-regulation (1), the Authority shall have the right to remove any trustee and such removal shall be pursuant to reasons to be recorded in writing.

(3) The Authority shall have the powers to fill up any vacancy of the trustees under the National Pension System Trust as and when it occurs. Pending the filling up of any vacancies, the existing Board of Trustees shall have the power to act on behalf of the National Pension System Trust. The Authority shall ensure that the number of trustees do not fall below the minimum number of trustees so specified, at any point of time.

CHAPTER III

OBJECTIVES, MANAGEMENT OF NATIONAL PENSION SYSTEM TRUST AND RIGHTS, OBLIGATIONS, POWERS AND RESPONSIBILITIES OF TRUSTEE

9. Objectives of National Pension System Trust.- (1) The National Pension System Trust is established for taking care of the assets and funds under the National Pension System in the interest of the subscribers and monitoring and evaluation of all operational and Service level activities under the National Pension System. The Authority may by issuance of appropriate guidelines direct that the National Pension System Trust shall have such other powers and duties in relation to any other pension scheme, referred to in clause (b) of sub-section (1) of section 12 of the Act, as may, in the interest of subscribers, be deemed necessary.

(2) The securities purchased by each pension fund on behalf of, and in the name of the National Pension System Trust must be held in the custodial account of the National Pension System Trust.

(3) Individual National Pension System subscribers shall be the beneficial owners of the National Pension System assets purchased using contribution made by the National Pension System subscribers.

(4) The assets shall comprise cash, securities and any other instruments as specified in the investment guidelines issued by the Authority and held in the name of the National Pension System Trust on behalf of the subscribers.

10. Management of the National Pension System Trust.- (1) The National Pension System Trust shall be managed by a Board of Trustees, consisting of a minimum of five trustees and not more than eleven trustees as may be appointed from time to time by the Authority.

(2) Out of the trustees appointed, one trustee shall be designated by the Authority as Chairperson of the Board of Trustees of the National Pension System Trust. The Chairperson of the National Pension System Trust shall preside over all meetings of the Board of Trustees. At any meeting of the Board of Trustees, if the Chairperson is absent, one of the trustees shall act as the Chairperson of that meeting, provided that the requisite quorum of at least four trustees is present for conducting the meeting. The Board of Trustees may recommend to the Authority for removal of the Chairperson of the National Pension System Trust.

(3) Where the number of trustees, appointed to the National Pension System Trust, at any time fall below eight in number, then three trustees shall constitute the quorum for the transaction of business at a meeting of the Board of Trustees.

(4) All matters which come up before any meeting of the board of trustees of the National Pension System Trust, shall be decided by a majority of votes, by trustees present and voting, and in the event of an equality of votes, the Chairperson of the National Pension System Trust, or in his absence, a trustee, who is chosen to act as the Chairperson for such meeting, shall have a second or casting vote.

(5) The Authority may appoint a Chief Executive Officer of the National Pension System Trust, who shall not be a trustee of such trust. The Chief Executive Officer shall be suitably qualified, having sufficient education and experience in the field of fund management, finance, law, economics or any other field that may be considered relevant for such post. The Chief Executive Officer shall be responsible for day-to-day administration and management of the National Pension System Trust, subject to the superintendence, direction and control of the Board of Trustees of the National

Pension System Trust. He shall be aided and assisted by the staff of the National Pension System Trust in discharging the affairs of the trust and shall be guided by the Board of Trustees in discharge of his functions. The Chief Executive Officer may also exercise such powers as may be delegated under regulation 41 for the effective discharge of his responsibilities and in achieving the objectives of the trust. The compensation to the Chief Executive Officer shall be determined by the Authority and met by the National Pension System Trust or as the Authority may determine in this behalf.

(6) No decision of the Board of Trustees shall be considered void merely on the ground of the existence of any vacancy in or any defect or irregularity in the constitution of the Board of Trustees.

(7) Every trustee of the Board of Trustees shall furnish to the National Pension System Trust and to the Authority a statement of his or her beneficial and material interest which he or she may have in any other company or institution or body corporate by virtue of his or her position as a director, partner, proprietor, employee or in any other capacity on an annual basis within thirty days of the closing of a financial year.

11. Powers and functions of the Board of Trustees.- (1) Subject to the provisions of the Act and these regulations, the Board of Trustees of the National Pension System Trust shall have the legal ownership of the trust and the funds, and that the general superintendence, direction and management of the affairs of the trust, and all powers, authorities and discretions appurtenant to or incidental to the purpose of the trust shall absolutely vest in the Board of Trustees:

Provided that the beneficial interest shall always vest with the beneficiaries of the National Pension System Trust.

(2) Without prejudice to the generality of powers and functions of the Board of Trustees to manage and administer the National Pension System Trust, the Board of Trustees shall have the following powers to-

(i) accept any grants, contribution in cash or kind from any person or association of persons, institutions or trust (including the Central Government, State Government, commercial banks, financial institutions, bilateral or multilateral organisations, autonomous organizations, statutory bodies or other like entities) for the furtherance of the objectives of the National Pension System Trust;

Provided that where the grantor is other than the Central Government or the State Government, no grants shall be accepted from such grantor without the previous approval of the Authority;

(ii) borrow from any person, commercial banks, financial institutions, bilateral or multilateral donors, autonomous organizations, statutory bodies, institution or Government or other like bodies, any loans, without encumbering any of the assets of the National Pension System Trust in any manner, and subject to the notifications, circulars or, any directions or guidelines issued, by the Authority in this behalf;

(iii) arrange for or authorize for signing or execution of any agreement, contract, instrument, documents or any other paper required to be signed or executed, on behalf of the trust or Board of Trustees, by the Chief Executive Officer along with any one of the trustees to be nominated in this behalf by the Board of Trustees or in the absence of the Chief Executive Officer by any two trustees to be nominated by the Board of Trustees in this behalf and make the same effective and binding as if the said agreement, contract, instrument or documents or papers were signed by all the trustees;

(iv) appoint or make provisions for appointment of sub-committee of trustees or others to attend to or supervise or conduct specific objectives, scheme or schemes or functions in such manner and subject to such conditions as the Board of Trustees may specify;

(v) authorize one or more trustees of the Board of Trustees to hold any asset or any fund or any investment of the National Pension System Trust subject to the terms of these regulations and also subject to such manners, terms and conditions as the Board of Trustees may specify from time to time:

Provided that the beneficial interest shall always vest with the beneficiaries of the National Pension System Trust;

(vi) appoint officers and other staff for implementation or administration of the functions of the trust, and to determine their pay and allowances and other terms and conditions of service, with the prior approval of the Authority;

(vii) engage lawyers, solicitors, chartered accountants, consultants, advisors or any other professional to protect the properties of the National Pension System Trust and safeguard the interests of the National Pension System Trust and its beneficiaries;

(viii) incur expenditure on publicity, dissemination, meetings, seminars, visits, study, consultation or on other similar activities in furtherance of the scheme or schemes of the National Pension System Trust to meet its objectives, within the budgetary provisions approved by the Authority;

(ix) join, co-operate, amalgamate, any other trust having allied or related objectives with the National Pension System Trust, with prior approval of the Authority;

(x) monitor the activities of, and issue instructions to, the custodian not to assign, transfer, hypothecate, pledge, lend or otherwise dispose of any assets or property of the National Pension System Trust;

(xi) monitor and audit, the operational activities of and call for any information or reports from all intermediaries and issue instructions for protecting the interests of the beneficiaries;

(xii) appoint a panel of auditors to undertake scheme audits of each pension fund. The Board of Trustees shall also obtain internal audit reports at regular intervals from the auditors appointed by the intermediaries under National Pension

System. The reports of the auditor appointed by the Board of Trustee and internal audit reports or compliance reports of the intermediaries shall be considered at the meetings of the Board of Trustees for appropriate action;

(xiii) obtain compliance certificates at regular intervals from the pension funds, points of presence, Aggregators, Trustee Bank, custodians, central recordkeeping agencies and other intermediaries in the formats and within the period or periods specified by the Authority and submit exception report to the Authority;

(xiv) institute, conduct, compound or withdraw any legal proceedings for or on behalf of or in the name of the National Pension System Trust or the trustees, and to defend, compound or otherwise deal with any such proceedings against the National Pension System Trust or trustees or any of the officers of the National Pension System Trust or concerning the affairs of the National Pension System Trust; also to compound and allow time for payment or satisfaction of any debts due and to any claims or demand by or against the National Pension System Trust and to refer any differences to arbitration and observe and perform any awards thereof. For this purpose the trustees acting together may confer the authorization on any of the trustees or the Chief Executive Officer of the trust, as the case may be;

(xv) make and give receipts, release and other discharges for moneys payable to the National Pension System Trust and for the claims and demands of the National Pension System Trust;

(xvi) pay for all costs, charges and expenses, incidental to the administration of the National Pension System Trust and the management and maintenance of the National Pension System Trust property; the custodian's fees, management fees and any other fees unless specified otherwise by the Authority ;

(xvii) approve payment of fees or charges to the intermediaries, as may be decided by the Authority from time to time;

(xviii) arrange for, after approval from the Authority, a suitable indemnity policy for the trustees from an Indian Insurance Company to provide indemnity to trustees for their *bona fide* actions carried out in good faith. The National Pension System Trust may provide for legal and other assistance to the trustees or its officers in case of any disputes or legal proceedings arising out of their *bonafide* actions, taken while acting as trustees;

(xix) do all such other things as may be considered necessary or incidental to the management of the National Pension System Trust for furtherance of its objectives.

12. Obligations, duties, responsibilities and liabilities of Board of Trustees.- The Board of Trustees shall be responsible for the monitoring of the operational and service level functions under the National Pension System or any other pension scheme regulated under the Act, if it is so directed by the Authority. The scope of the National Pension System Trust role shall include activities relating to exit of the subscriber from the National Pension System, redressal of subscriber grievances in accordance with the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015 and other responsibilities, in particular, the following shall be obligations, duties, responsibilities and liabilities of the Board of Trustees, namely:-

(a) the Board of Trustees (hereafter to be referred as it) shall execute the individual pension account [as defined in clause(e) of sub-section (1) of section 2 of the Act] in its name with the subscriber;

(b) it shall be responsible for approving audited scheme financials, internal audit reports, inspection, compliance reports and any other reports, as specified by the Authority, which are to be submitted by the intermediaries to the National Pension System Trust. Such approved scheme and reports shall be presented to the Authority with qualifications and recommendations, if any, made by it:

Provided that the recommendations shall not be binding on the Authority in any manner;

(c) it shall be liable only to the extent of the assets available and funds flows to National Pension System Trust;

(d) no trustee shall be liable for the act, omission, default of any other trustee or for any loss experienced by the National Pension System Trust on account of any error of *bonafide* judgment on his or her part or for any other loss or damage whatsoever that may occur in relation to the execution of his or her duties as a trustee or in relation thereto, unless the same be caused by wilful act or negligence or omission or commission on part of the trustee. Notwithstanding anything contained in these regulations, the trustees shall not be held liable for acts done in good faith if they have exercised adequate due diligence and honesty;

(e) the trustees shall have the benefit of all indemnities conferred upon trustees by the Indian Trusts Act, 1882 (2 of 1882);

(f) it shall be its responsibility to carry out its duties and responsibilities and to maintain arms' length relationship with other intermediaries, companies or institutions or bodies corporate with which the trustees may be associated;

(g) it shall be its duty to take into its custody or under its control all the property of the trust, held by intermediaries, in trust for the beneficiaries;

(h) it shall be its duty to act always in the interests of the beneficiaries;

(i) it shall be its duty to provide or cause to provide information to the beneficiaries and the Authority as may be required by the Authority from time to time;

(j) it shall supervise the collection of any income due on assets held in the name of the National Pension System Trust and for claiming any repayment of tax and holding any income received in trust for the beneficiaries in accordance with the Trust Deed and, the regulations, guidelines or directions issued by the Authority;

- (k) it shall not acquire any asset out of the pension funds which involves the assumption of any liability which results in encumbrance of the property of the National Pension System Trust or that of the subscribers in any way;
- (l) it shall execute all operational agreements with intermediaries under the National Pension System including the pension funds, Trustee Bank, central recordkeeping agency, aggregators, point of presence, custodian or any other person including an annuity service provider;
- (m) it shall be its duty to take all care to ensure that the pension funds are managed in accordance with the provisions of the Act, Trust Deed and these regulations, or any guidelines or directions issued by the Authority;
- (n) the Chief Executive Officer of the National Pension System Trust shall maintain records of the decisions taken by the Board of Trustees at its meetings and the minutes of the meetings. The trustees shall adhere to a Code of Conduct as specified in Schedule II;
- (o) it shall communicate in writing to the pension funds and other intermediaries of the deficiencies and also keep checks on the rectification of such deficiencies;
- (p) it shall ensure that the intermediaries are conducting their activities in accordance with the applicable regulations in force and any guidelines, notifications or circulars issued by the Authority and the operational agreements executed between the National Pension System Trust and such intermediaries;
- (q) where it has reason to believe that the conduct of business of the intermediary is not in accordance with clause (p), it shall forthwith take such remedial steps as are necessary and shall immediately inform the Authority of the violation and the action taken thereafter;
- (r) it shall review the scheme performance and may review any or all transactions carried out by the pension funds on an ongoing basis, and submit exception reports along with its recommendations to the Authority;
- (s) it and the pension fund shall, with the prior approval of the Authority enter into an investment management agreement and such other agreements as may be deemed necessary for the protection of subscribers' interest and information;
- (t) it shall open and operate accounts with the Trustee Bank, custodian as may be necessary on behalf of the subscribers;
- (u) it shall have the duty to disseminate information and provide publicity to National Pension system and for which purpose it may receive funds from the Authority;
- (v) its interaction with other National Pension System intermediaries shall be guided by regulations, directions or guidelines issued by the Authority from time to time;
- (w) it may, through a written approval, authorize any intermediary to expend a pre-determined amount on activities such as legal counselling, engaging advocates and consulting in the benefit of subscriber interest. It must, during the meeting where the agenda for such approval is placed, record the reason for such authorization in accordance with guidelines laid down by the Authority;
- (x) it may approve payment of fees or charges to the intermediaries as may be decided by the Authority from time to time;
- (y) it shall furnish to the Authority on quarterly basis-
 - (i) report on the activities of the Trust;
 - (ii) a certificate stating that it has satisfied itself that there have been no instances of self dealing or front running by any of the trustees, directors and key personnel of the pension fund;
 - (iii) a certificate to the effect that the pension funds have been managing the scheme independently of any other activities and that the pension fund has taken adequate steps to ensure that the interest of subscribers are protected;
 - (iv) exception reports; and
 - (v) recommendations on further course of action on deviations.The Authority may call for such information on a monthly basis, which shall be furnished by the Chief Executive Officer;
- (z) it ensures the dissemination of adequate, accurate, explicit and timely information about the investment policies, investment objectives, financial position and general affairs of the scheme to the subscribers in a fairly simple language;
- (za) it has to ensure that all intermediaries maintain segregated bank account and other books of accounts pertaining to activities under National Pension system;
- (zb) it shall authorise the Trustee Bank to act as its agent for the purpose of banking the funds in accordance with the provisions of the Act or the regulations made or guidelines or directions issued by the Authority;
- (zc) it shall ensure that the central recordkeeping agency exercises all due diligence and vigilance in carrying out its duties and in protecting the rights and interests of the subscribers and comply with the terms and conditions of the agreement between the National Pension System Trust and the central recordkeeping agency;
- (zd) it shall ensure that the point of presence and aggregators exercises all due diligence and vigilance in carrying out its duties and in protecting the rights and interests of the subscribers and comply with the terms and conditions of the agreement between the National Pension System Trust and such intermediaries, as the case may be.

13. General and specific due diligence.- (1) The Board of Trustees shall exercise the following due diligence, namely:-
- it shall review the desirability of continuance of the pension fund if substantial irregularities are observed and recommend to the Authority its observations;
 - it shall ensure that the trust property is properly protected, held and administered by the proper persons and by a proper number of such persons;
 - it shall arrange for test checks of operational and service level agreements;
 - it shall immediately report to the Authority of any special developments in the domestic pension fund industry.
- (2) The Board of Trustees shall exercise the following specific due diligence, namely:-
- obtain internal audit reports at regular intervals from auditors appointed by the trustees and the intermediaries;
 - obtain compliance certificates at regular intervals from all intermediaries under the National Pension System;
 - hold meeting of trustees periodically;
 - consider the reports of the auditor and compliance reports of all intermediaries, at the meetings of trustees for appropriate action;
 - maintain records of the decisions of the trustees at their meetings and of the minutes of the meetings;
 - ensure that the entities under the National Pension System adhere to the code of ethics;
 - communicate in writing to all intermediaries of the deficiencies and for rectification of such deficiencies.

CHAPTER IV

ACCOUNTS AND MAINTENANCE OF RECORDS

14. Maintenance of records. - (1) The National Pension System Trust shall maintain such books and accounts in such form and in a manner as may be determined by the Authority, in addition to those that are statutorily required to be maintained. The National Pension System Trust shall cause its accounts to be audited by a chartered accountant on every financial year in such manner as may be directed by the Authority from time to time.
- (2) The Board of Trustees shall give true and accurate accounts of all money received and spent and all matters in respect thereof in the course of management of the National Pension System Trust's properties or in relation with carrying out the objectives and purpose of the National Pension System Trust as well as all the assets and liabilities related to the National Pension System Trust's properties.
- (3) The Board of Trustees shall, prepare once every year, an annual report of the activities of the National Pension System Trust. A copy of the same along with the copy of the audited accounts at the end of the financial year be furnished to the Authority, not later than July, 31st of the same calendar year.
- (4) The National Pension System Trust shall maintain proper books of accounts and records with respect to -
- all sums of money received and expended by it under the " National Pension System Trust General Administration Account" and the matters in respect of which the receipt and expenditure have taken place;
 - the assets and liabilities of the National Pension System Trust;
 - minutes of meetings of trustees;
 - audited reports of pension funds schemes approved by the pension fund and approved by the Board of Trustees;
 - consolidated scheme accounts approved by the Board of Trustees;
 - register for documents or records received and sent to the National Pension System intermediaries.

CHAPTER V

INSPECTION AND AUDIT

15. Right to inspection and audit.- (1) Notwithstanding anything contained in Chapter IV, the Authority may, if it considers necessary at any time, undertake directly or through its authorized representative, inspection and audit of the books, accounts, records including telephone records and electronic records and documents of the National Pension System Trust for any purpose, including the purposes as specified under this regulation.
- (2) The purposes referred to in sub-regulation (1) may include,-
- to ensure that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;
 - to ascertain whether adequate internal control systems, procedures and safeguards have been established and are being followed by the National Pension System Trust;
 - to ascertain whether the provisions of the Act or the regulations made or circulars, guidelines or notifications issued by the Authority are being complied with;

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- (d) to inquire into the complaints received from subscribers, nodal offices, intermediaries or any other person on any matter having a bearing on the activities assigned by the Authority to the National Pension System Trust;
- (e) to inquire *suo motu* into such matters as may be deemed fit in the interest of subscribers.
- (3) The Authority may, appoint one or more authorised representatives or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1).
- Explanation.*— For the purposes of this sub-regulation, the expression “qualified auditor” shall have the meaning derived from section 226 of the Companies Act, 1956 (1 of 1956).
- (4) For the purpose of inspection or audit by the Authority, the National Pension System Trust shall provide reasonable access to all the information, documents, records and systems in its possession relating to the National Pension System and its services and shall also cause employees, subcontractors, suppliers and agents to produce any document, record and system reasonably required for inspection or audit and shall provide reasonable assistance in connection with the inspection or audit.
- (5) Any change or amendment required to be incorporated in the systems and procedures, arising out of the audit or inspection report and approved by the Authority, shall be effected within sixty days by the National Pension System Trust and informed to the Authority and required change or amendment shall be effected through the change control note procedure as defined by the Authority.
16. Notice before inspection or audit.—Before undertaking an inspection or audit under the regulation 15, the Authority or its authorised representative or the auditor shall give ten working days notice to the National Pension System Trust or may conduct any inspection or audit without any prior notice if the Authority is satisfied that such inspection or audit is required for safeguarding the interest of the subscribers.
17. Obligations of the National Pension System Trust on inspection or audit.—(1) It shall be the duty of every trustee, Chief Executive Officer, officer and employee of the National Pension System Trust, to produce to the Authority or its authorised representative or auditor such books, accounts, records including telephone records and electronic records and documents in his custody or control and furnish to it or him with such statements and information relating to activities entrusted to it or him by the Authority, as it or he may require, within such reasonable period as may be specified.
- (2) The National Pension System Trust shall allow the Authority or its authorised representative or the auditor to have reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records including telephone records and electronic records and documents in the possession of the National Pension System Trust or any such other person and also provide copies of documents or other material which in the opinion of the Authority or its authorised representative or auditor are relevant for the purposes of the inspection or audit.
- (3) The Authority or its authorised representative or auditor shall, in the course of inspection or audit, be entitled to examine or record statements of any trustee, Chief Executive officer, or employee of the National Pension System Trust.
- (4) It shall be the duty of every trustee, Chief Executive Officer and employee of the National Pension System Trust to give to the Authority or its authorised representative or the auditor all assistance which the Authority or its authorised representative or the auditor may reasonably require in connection with the inspection or audit.
- (5) The Authority may appoint a qualified valuer or direct a qualified valuer to be appointed by the National Pension System Trust, if so considered necessary by it. The expenses of valuation under this sub-regulation shall be borne by the National Pension System Trust.
18. Submission of report to the Authority.—On completion of the inspection and audit, a report shall be submitted to the Authority, who shall, after consideration of the report, take such action as it may deem fit and appropriate in the interest of the subscribers.
19. Payment of inspection and audit fees.—The Authority shall be entitled to recover such expenses incurred by it for the purposes of inspection and audit undertaken directly or through its authorised representative.

CHAPTER VI

ACTION IN CASE OF DEFAULT

20. Definitions.— In this Chapter, unless the context otherwise requires,—

- (a) “designated authority” means an officer of the Authority appointed under regulation 22;
- (b) “designated member” means the Chairperson or a whole-time member of the Authority designated for the purpose;
- (c) “noticee” means the person to whom a notice has been issued under this Chapter.

21. Contravention of provisions of Act, etc.— Where the National Pension System Trust or any of its officers or any person concerned contravenes any of the provisions of the Act or the regulations made or directions, instructions or circulars issued thereunder or the Trust Deed, the Authority may, without prejudice to any action under the Act or the

regulations made or directions, instructions or circulars issued thereunder or the Trust Deed, by order take such action in the manner provided under these regulations

22. Appointment of designated authority.- (1) Where it appears to the designated member that the National Pension System Trust or any other concerned person has committed any default of the nature specified in regulation 21 he may appoint an officer not below the rank of Chief General Manager, or any other officer of an equivalent rank as a designated authority.

(2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.

23. Issuance of notice.- (1) The designated authority shall, if he finds reasonable grounds to do so, issue a notice to the National Pension System Trust or any other concerned person requiring it to show cause as to why any action under the provisions of the Act or these regulations should not be taken.

(2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the notice indicating the provisions of the Act, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.

(3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection, if any, carried out.

(4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.

24. Reply by noticee. - (1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof:

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

(2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make his recommendations as the case may be on the basis of material facts available before him.

25. Action in case of default.- After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, rules, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending, such action as he may deem fit including removal of any trustee or any officer of the National Pension System Trust, or debarring the trustee or the officer from being employed with any registered intermediary or issuing warning to the noticee, as the case may be.

26. Procedure for action on recommendation.- (1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.

(2) The noticee may, within twenty one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.

27. The designated member may pass a common order in respect of a number of noticees where the subject-matter in question is substantially the same or similar in nature.

28. Intimation of order.- (1) Every report made by a designated authority and every order made by the designated member under these regulations shall be dated and signed.

(2) A copy of the order passed under these regulations shall be sent to the National Pension System Trust or other concerned person and also placed on the website of the Authority.

29. Penalty and adjudication.-The imposition of penalty, if any, on the National Pension System Trust or any officer thereof or any person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority(Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.

30. Appeals to Securities Appellate Tribunal.-The National Pension System Trust or any officer thereof or any person concerned if aggrieved by any order passed by the designated member may prefer an appeal before the Securities Appellate Tribunal under sub-section (1) of section 36 of the Act.

CHAPTER VII

MISCELLANEOUS

31.Revocation of the National Pension System Trust.-The National Pension System Trust shall be irrevocable, save at the instance of the Authority. In the event of revocation, all the funds, assets and other properties of the National Pension System Trust shall be transferred to another trust created by the Authority or shall vest with the Authority.

32.Power to issue directions and amend the National Pension System Trust Deed.- The Authority,-

(a) may from time to time, issue such guidelines or directions to the Board of Trustees of the National Pension System Trust as it may consider necessary for the proper implementation of the National Pension System or for the purpose of removing any difficulty which may arise;

(b) shall direct the National Pension System Trust to alter, vary, modify, rescind, cancel or add to the Trust Deed any clause it may consider necessary in the interest of the subscribers and the Board of Trustees shall execute a deed of amendment on receipt of directions from the Authority to give immediate effect to any such variations, modifications, cancellations or additions thereto.

33. Amendment to the Trust Deed.-Any amendment to the Trust Deed shall be made by a deed of amendment, but such an amendment shall not revoke any of the trusts herein declared or resume, recover or divert the National Pension System Trust's funds or any part thereof or to apply the National Pension System Trust's fund for any purposes other than the purposes of the National Pension System Trust.

34. Provisions of Indian Trust Act, 1882 to override.- Without prejudice to what has been provided in these regulations, the National Pension System Trust and Board of Trustees shall be bound by the provisions of the Indian Trusts Act, 1882 (2 of 1882).

CHAPTER VIII

GENERAL OBLIGATIONS

35.Systems and procedures.- The National Pension System Trust shall,-

(a) have all the necessary systems and procedures that may be required to enable it to co-ordinate with other intermediaries;

(b) be responsible for the acts of, or commissions or omissions by, its employees or the persons whose services it has procured.

36.Monitoring, review, evaluating and inspecting systems and controls.-The National Pension System Trust,-

(a)shall have adequate processes for reviewing, monitoring and evaluating its controls, systems, procedures and safeguards and that of other intermediaries;

(b) must take necessary precautions, where its records are kept electronically, to ensure that continuity in recordkeeping is not lost or destroyed and that a sufficient back-up of records is available;

(c) must ensure that its systems, processes and account be inspected annually by an expert and this expert must forward the inspection report within one month from the date of inspection to the Authority;

(d) shall establish and maintain adequate infrastructural facilities to be able to discharge its role and responsibilities under the Act, rules and regulations and as per the agreement with pension fund, custodian, Trustee Bank or any other intermediary under the National Pension System, and its operating procedures and systems must be adequately documented and backed by operation manuals.

37.Prohibition of assignment.-The National Pension System Trust shall not assign or delegate its functions to any other person unless such person is authorized by the Authority.

38.Confidentiality.-The National Pension System Trusts shall ensure safety of all the records, data and information received by it under the National Pension System. Further, it shall maintain confidentiality with respect to all records, data and information received by it under the National Pension System. It shall not, without the prior permission of the

Authority, produce or share such data or information as evidence or for any other purpose except as required by the process of law.

39. Co-operation and support.-The National Pension System Trust shall,-

(a) extend to other intermediaries all such co-operation that is necessary for the smooth functioning of National Pension System;

(b) ensure the complete transfer of records or data to the Authority or other intermediaries as directed by the Authority.

40. Appointment of compliance officer. -

(1) The National Pension System Trust shall appoint a compliance officer who shall be responsible for monitoring compliance of provisions of the Act, the rules and the regulations made, and notifications, guidelines and instructions issued by the Authority, matters relating to exit from the National Pension System and for redressal of subscriber grievances.

(2) The compliance officer shall immediately and independently report any non-compliance observed by him or her to the National Pension System Trust and the Authority.

41. Power to delegate.- The Board of Trustees of the National Pension System Trust may, by a special resolution passed, resolve that the powers exercised by it under these regulation shall, in relation to such matters and subject to such conditions, if any, as may be specified in the resolution, be exercisable also by the Chief Executive Officer.

42. The trust deed, dated 27th February, 2008, alongwith any amendments thereto, shall be deemed to be the trust deed referred to in regulation 3. Such trust deed shall remain in full force and effect, until extinguished. All actions taken by the National Pension System Trust, under the trust deed dated 27th February, 2008, alongwith amendments thereto, shall remain valid and binding.

CHAPTER IX

OTHER PENSION SCHEMES

43. The provisions of this Chapter shall apply to the pension schemes other than National Pension System and, any other pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act.

44. The pension schemes referred to in regulation 43 shall be constituted in the form of a trust and the instrument of trust shall be in the form of a deed, executed by the sponsor in favour of the trustees and duly registered under the provisions of the Registration Act, 1908 (16 of 1908).

45. The qualifications and the disabilities of the trustees shall be as specified in the case of Board of Trustees under the National Pension System under regulation 5. The trustees shall cease to be trustees as specified under regulation 6.

46. The Trust Deed shall contain at least the indicative contents of the Trust deed provided in regulation 4 of this regulation and applicable for the National Pension System Trust and the trustees shall at all times adhere to the code of conduct set out in Schedule III.

47. The trustees shall have the same powers, duties, functions and responsibilities as are applicable in the case of Board of Trustees under the National Pension System, provided in these regulations, excepting that any reference to the words National Pension System Trust as appearing in these regulations shall be substituted with the words "pension scheme" and shall mean as such. Any reference to intermediaries generally or specifically by name under the National Pension System, shall be substituted with such intermediaries or entities as are or shall be rendering services to the pension schemes other than National Pension System.

48. No such pension scheme shall commence its activities unless registered with the Authority and the existing pension schemes shall conform to these regulations and operational guidelines that may be issued by the Authority, on the date to be notified by the Authority.

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SCHEDULE I**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(NATIONAL PENSION SYSTEM TRUST) REGULATIONS, 2015**

[See regulation 5 (2) (g)]

Information to be furnished by the Trustees to the Authority:

- (a) Name:
- (b) Age:
- (c) Date of Birth:
- (d) Qualification and Experience:
- (e) Profession:
- (f) Relationship with any sponsor or associate of the sponsor, if any:

SCHEDULE II**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(NATIONAL PENSION SYSTEM TRUST) REGULATIONS, 2015**

[See regulation 12 (n)]

CODE OF CONDUCT FOR TRUSTEES UNDER NATIONAL PENSION SYSTEM

1. The trustees shall act in good faith and in the best interest of the beneficiaries of the trust.
2. Trustees shall act with prudence and reasonable care.
3. Trustees shall act with skill, competence and diligence.
4. Trustees shall maintain independence and objectivity by, among other actions, avoiding conflict of interest, and refraining from self dealing.
5. Trustees shall abide by all applicable laws and rules and the regulations including the guidelines, circulars, notifications issued by the Authority from time to time and the terms of the National Pension System schemes.
6. Trustees shall deal fairly and objectively with all beneficiaries of the National Pension System Trust.
7. Trustees shall maintain high standards of integrity and fairness in all their dealings and in the conduct of their business.
8. Trustees shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
9. The trustees or any of the employees of the trust shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, unless a disclosure of his interest including long or short position in the said security has been made, while rendering such advice.
10. Trustees shall maintain confidentiality of information under the control of the National Pension System Trust.
11. Trustees shall communicate with the Authority and others, as per the role of the National Pension System Trust, in a timely, accurate and transparent manner.

SCHEDULE III**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(NATIONAL PENSION SYSTEM TRUST) REGULATIONS, 2015**

[See regulation 46]

CODE OF CONDUCT FOR TRUSTEES UNDER OTHER PENSION SCHEME

1. The trustees shall act in good faith and in the best interest of the beneficiaries of the trust.
2. Trustees shall act with prudence and reasonable care.
3. Trustees shall act with skill, competence and diligence.
4. Trustees shall maintain independence and objectivity, among other actions, avoiding conflict of interest, and refraining from self dealing.

5. Trustees shall abide by all applicable laws and rules and, the regulations including the guidelines, circulars and notifications issued by the Authority from time to time, and the terms of the pension schemes.
6. Trustees shall deal fairly and objectively with all beneficiaries of the trust.
7. Trustees shall maintain high standards of integrity and fairness in all their dealings and in the conduct of their business.
8. The trustees shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.
9. The trustees or any of the employees of the trust shall not render, directly or indirectly, any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, unless a disclosure of his interest including long or short position in the said security has been made, while rendering such advice.
10. Trustees shall maintain confidentiality of information of the subscribers under the pension scheme.
11. Trustees shall communicate with the Authority and other intermediaries or entities of such pension scheme, in a timely, accurate and transparent manner.

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/14]

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अधिसूचना

नई दिल्ली, 14 मई, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (प्रतिभूतियों का अभिरक्षक) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/10.—(अ)-पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उप-धारा (2) के खंड (ड), खंड (डू), खंड (ण), खंड (त) और खंड (ब) के साथ पठित उसकी उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात्:—

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (प्रतिभूतियों का अभिरक्षक) विनियम, 2015 है।

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

इन विनियमों का उद्देश्य एनपीएस आस्तियों की सुरक्षा और युक्तियुक्त जोखिम प्रबंधन को सुनिश्चित करने के साथ-साथ आंतरिक नियंत्रण और परिचालन के उच्च मानकों की स्थापना करने के लिए प्रतिभूति अभिरक्षक को मानीटर, पर्यवेक्षण करना और आंतरिक नियंत्रण की संरचना को मानकीकृत करना है।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

- क. "अधिनियम" में पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है;
- ख. 'खाता' से राष्ट्रीय पेंशन प्रणाली न्यास का अभिरक्षा खाता और अभिरक्षक द्वारा संधृत और अधिनियम के अनुच्छेद 12 के उप खंड 1 के खंड ख में उल्लेखित अन्य पेंशन स्कीम का खाता अभिप्रेत है।
- ग. 'कोई अन्य पेंशन योजना' अधिनियम के अनुच्छेद 12 के उप खंड 1 के खंड ख में उल्लेखित पेंशन योजना अभिप्रेत है।
- घ. 'आस्तियां' अधिनियम के अनुच्छेद 12 की उप-धारा के खंड (ख) में वर्णित और अभिदाताओं की ओर से राष्ट्रीय पेंशन प्रणाली के अंतर्गत धारित आस्तियां अभिप्रेत है;
- ड. 'अभिरक्षक सेवाएं' राष्ट्रीय पेंशन प्रणाली और किसी अन्य पेंशन स्कीम के अधीन आस्तियों और प्रतिभूतियों को सुरक्षित रखना तथा उससे अनुषांगिक सेवाएं प्रदान करना अभिप्रेत है और इसमें सम्मिलित हैं:-
- (i) आस्तियों और प्रतिभूतियों के खातों को संधृत करना;
 - (ii) डिपोजिटरी अधिनियम, 1996 (1996 का 22) के निबंधनों और भारतीय प्रतिभूति और विनियम बोर्ड द्वारा अनुज्ञात घरेलू निक्षेपागार के रूप में कार्य करना;
 - (iii) आस्तियों और प्रतिभूतियों पर उद्भूत हकदारी और लाभों का संग्रहण करना;
 - (iv) प्रतिभूतियों के निगमकर्ता द्वारा की गई या की जाने वाली कार्रवाई के बारे में संसूचित करना जो प्रोद्भूत होने वाले लाभों या हकदारी से संबंध हो;
 - (v) उपखंड (i) से (iv) में संदर्भित सेवाओं के अभिलेखों को बनाये रखना और समाधान करना;
- च. 'प्रतिभूतियों का अभिरक्षक' प्राधिकरण द्वारा विनियमित पेंशन स्कीमों के लिए अभिरक्षक और निक्षेपागार प्रतिभागी सेवाएं प्रदान करने के लिए अधिनियम की धारा 27 की उप-धारा (3) के अंतर्गत प्राधिकरण द्वारा अनुदत्त रजिस्ट्रीकरण प्रमाण पत्र प्राप्त संस्था अभिप्रेत है;
- छ. 'प्रपत्र' अनुसूची 1 में निर्दिष्ट प्रपत्र अभिप्रेत है;
- ज. 'अनुसूची' इन विनियमों के साथ अनुलग्नित अनुसूची अभिप्रेत है;
- झ. 'प्रतिभूतियां' का वही अर्थ होगा जो प्रतिभूतियां अनुबंध (विनियम) अधिनियम, 1956 (1956 का 42) और प्राधिकरण द्वारा समय-समय पर विनिधान के लिए आजा प्राप्त लिखतों में अभिप्रेत है;
- (2) उन शब्दों और पदों के, जो इन विनियमों में प्रयुक्त हैं और परिभाषित नहीं हैं, किंतु अधिनियम में परिभाषित हैं, वे वही अर्थ होंगे, जो क्रमशः उनका अधिनियम में है।

अध्याय 2

अभिरक्षक का पंजीकरण

रजिस्ट्रीकरण का प्रमाण पत्र.—(1) प्राधिकरण किसी संस्था को प्रतिभूतियों के अभिरक्षक रूप में पंजीकृत करेगा और पंजीकरण का प्रमाण पत्र अनुदत्त करेगा।

(2) प्राधिकरण यदि अभिदाताओं के हित में आवश्यक समझे तो वह एक या अधिक प्रतिभूतियों के अभिरक्षक का चयन कर सकता है।

- (3) कोई भी प्रतिभूतियों का अभिरक्षक अधिनियम के अधीन राष्ट्रीय पेंशन प्रणाली अथवा किसी अन्य पेंशन योजना के संबंधित किसी भी कार्य की शुरुआत नहीं करेगा सिवाय कि उसे प्राधिकरण द्वारा अधिनियम, नियमों और इन विनियमों के प्रावधानों के अनुरूप रजिस्ट्रीकरण प्रमाणपत्र अनुदत्त नहीं किया जाता।
- (4) ऐसा प्रतिभूतियों का अभिरक्षक, जिसे अधिनियम के अधीन प्राधिकरण की स्थापना के ठीक पूर्व अंतर्गम पेंशन निधि विनियामक और विकास प्राधिकरण द्वारा उम रूप में कृत्य करने की अनुज्ञा प्रदान की गई थी, इन विनियमों के अधिमूचित किए जाने से नव्वे दिन की अवधि तक या यदि वह इन विनियमों को अधिमूचित किए जाने के नव्वे दिन के भीतर रजिस्ट्रीकरण दिए जाने का आवेदन करता है तो वह विनियम 15 में यथाविनिर्दिष्ट प्राधिकरण द्वारा उसको आवेदन का निपटारा किए जाने तक, उम रूप में कृत्य करना जारी रख सकेगा।
- (5) जहां विद्यमान प्रतिभूतियों का अभिरक्षक उप विनियम 3 में यथाविनिर्दिष्ट कालअवधि के भीतर पंजीकरण प्रमाण पत्र अनुदत्त किये जाने के लिए आवेदन करने में असफल रहता है अथवा इन विनियमों के अनुपालन में असफल रहता है। प्रतिभूतियों के अभिरक्षक के रूप में कार्य करने से प्रविरत होगा और प्राधिकरण के निदेशानुसार अपने कार्य से संबंधित अभिलेखों, दस्तावेजों और प्रतिभूतियों को अंतरित करेगा।

4. रजिस्ट्रीकृत प्रमाण पत्र अनुदत्त किये जाने के लिए आवेदन और आवेदन फीस.—(1) प्राधिकरण जब वह उचित समझे, एक या अधिक प्रतिभूतियों के अभिरक्षक के चयन के लिए आवेदन आमंत्रित करेगा।

- (2) चयन प्रक्रिया की सूचना के समाचार पत्र में प्रकाशित होने और प्राधिकरण की वेबसाइट पर प्रदर्शित होने की तिथि से, वे संस्थाएं जो विनियम 8 में निर्दिष्ट पात्रता संबंधी मानदंडों को पूरा करती हैं और प्रतिभूतियों के अभिरक्षक के रूप में कार्य करने की इच्छुक हैं अनुसूची 2 के भाग (क) में विनिर्दिष्ट अप्रतिदेय आवेदन फीस के साथ भाग (ख) में यथाविनिर्दिष्ट रीति में आवेदन कर सकती हैं।

5. आवेदक द्वारा अपेक्षाओं की पूर्ति.—(1) रजिस्ट्रीकरण प्रमाण पत्र अनुदत्त किये जाने वाले किसी ऐसे आवेदन को निम्न आधारों पर नामंजूर किया जा सकेगा अर्थात्:—(क) जो सभी प्रकार से पूर्ण नहीं है तथा इस विनियमों में विनिर्दिष्ट सुसंगत अपेक्षाओं के अनुरूप नहीं है ;

- (ख) जिसमें प्राधिकरण द्वारा यथा अपेक्षित अतिरिक्त जानकारी नहीं है ;
- (ग) जो अशुद्ध, मिथ्या या भ्रामक प्रकृति का है ;
- (घ) जहां आवेदक ने इन विनियमों के अधीन विनिर्दिष्ट पात्रता की न्यूनतम अपेक्षाओं का अनुपालन नहीं किया है ;
- (ङ) जो प्राधिकरण की राय में अभिदाताओं के हित में नहीं है या पेंशन सेक्टर तथा राष्ट्रीय पेंशन प्रणाली के क्रमिक विकास के उद्देश्यपरक हत अथवा राष्ट्रीय पेंशन प्रणाली के हित में नहीं है ;

(2) उप विनियम 1 के अंतर्गत विनिर्दिष्ट आधारों के आधार पर आवेदन नामंजूर किए जाने के पूर्व, आवेदक को उन कमियों को, जिन्हें दूर किया जा सकता है, तत्प्रयोजनार्थ प्राधिकरण द्वारा विनिर्दिष्ट समय के भीतर दूर करने के लिए लिखित में अवसर दिया जाएगा :

परंतु जहां आवेदन इस कारण से नामंजूर किया जाता है कि इसमें मिथ्या या भ्रामक जानकारी अंतर्विष्ट है, वहां ऐसा अवसर प्रदान नहीं किया जा सकेगा और आवेदक इन विनियमों के अधीन या किन्हीं अन्य विनियमों के अधीन रजिस्ट्रीकरण प्रमाणपत्र अनुदत्त किए जाने के लिए ऐसी नामंजूरी की तारीख से 6 वर्ष की अवधि तक कोई आवेदन नहीं करेगा।

6. सूचना और स्पष्टीकरण का दिया जाना—(1) प्राधिकरण आवेदक से आवेदन के निपटारे के प्रयोजन के लिए कोई अतिरिक्त सूचना या स्पष्टीकरण देने की अपेक्षा कर सकेगा और तत्पश्चात्, ऐसे किसी अन्य विषय के बारे में, जो प्राधिकरण द्वारा आवश्यक समझा जाए, (2) आवेदक ऐसी सूचना और स्पष्टीकरण, प्राधिकरण के समाधानप्रद रूप में प्राधिकरण द्वारा

7. सूचना का सत्यापन—(1) आवेदक द्वारा प्रस्तुत किए गए आवेदन, दी गई सूचना और उसकी पात्रता पर विचार करते समय, प्राधिकरण, यदि वह ऐसी वांछा करे, दस्तावेजों, कार्यालय स्थल का भौतिक सत्यापन कराकर सूचना को सत्यापित कर सकेगा और कार्यालय स्थल की उपलब्धता, अवसंरचना और तकनीकी अवलंब, जिसका आवेदक के पास होना अपेक्षित है, का निरीक्षण कर सकेगा।

(2) प्राधिकरण, सूचना के सत्यापन के प्रयोजन के लिए, किसी व्यक्ति को, जिसके अंतर्गत उसका कोई अधिकारी या कोई बाहरी संपरीक्षक भी है, नियुक्त कर सकेगा।

8. पात्रता मानदण्ड.—(i) पंजीकरण प्रमाण पत्र अनुदत्त करने के प्रयोजनार्थ निम्न न्यूनतम पात्रता मानदण्डों का समाधान करता कोई आवेदक पंजीकरण प्रमाण पत्र अभिप्राप्त करने के लिए आवेदन कर सकता है:-

- क. आवेदक आवेदन की तिथि को पिछले पांच वर्ष से भारतीय प्रतिभूति और विनिमय बोर्ड के पास प्रतिभूतियों के अभिरक्षक के रूप में पंजीकृत हो।
- ख. किसी भी पेंशन निधि अथवा उसके प्रायोजक, न्यायी बैंक अथवा केन्द्रीय अभिलेखापाल अभिकरण का एक दूसरे में प्रत्यक्ष और अप्रत्यक्ष निवेश प्रतिभूतियों के अभिरक्षक में 50 प्रतिशत से अधिक नहीं होना चाहिए।
- ग. आवेदन की तिथि को आवेदक के कब्जे की आस्तियां पिछले वित्तीय वर्ष के 31 मार्च को राष्ट्रीय पेंशन प्रणाली के प्रबंधन के अंतर्गत कुल आस्तियों के समान होनी चाहिए।

(2) पंजीकरण प्रमाण पत्र अनुदत्त किये जाने के प्रयोजनार्थ प्राधिकरण उन सभी विषयों को ध्यान में रखेगा, जो वह पेंशन सेक्टर और राष्ट्रीय पेंशन प्रणाली अथवा किसी अन्य पेंशन योजना में सुसंगत समझे जिसके अंतर्गत निम्नलिखित है, किंतु जो निम्नलिखित तक सीमित नहीं है। क्या -

- क. आवेदक के पास आवश्यक अवसंरचना, जिसमें पर्याप्त कार्यालय स्थल, अपेक्षित सूचना तकनीक और प्रतिभूतियों के अभिरक्षक के रूप में अपने कार्यों के प्रभावी निष्पादन के लिए आवश्यक सूचना सुरक्षा प्रणालियों के साथ अंतर्निहित लचीलापन और प्रवर्धित योग्यता है।
- ख. आवेदक के पास राष्ट्रीय पेंशन प्रणाली अथवा किसी अन्य पेंशन योजना की गतिविधियों को अन्य अभिरक्षक ग्राहकों से पृथक करने और फायरफाल बनाये रखने की क्षमता है।
- ग. आवेदक के पास राष्ट्रीय पेंशन प्रणाली अथवा अन्य पेंशन योजना के संदर्भ में अभिरक्षक सेवाएं प्रदान करने के संबंध में किसी अन्य लागू विधि के अंतर्गत अपेक्षित अनुमोदन अभिप्राप्त है।
- घ. आवेदक के पास पर्याप्त कर्मचारीवृन्द और सक्षम व्यक्ति जिनके पास प्रतिभूतियों के अभिरक्षक के कारवार के प्रबंधन की योग्यता, सामर्थ्य और अनुभव है।
- ड. आवेदक ने एक पूर्ण नियमावली और अपने कार्यकलापों के निष्पादन के प्रभावी और सक्षम निर्वहन के लिए प्रणालियों और प्रक्रियाओं का निर्माण कर लिया है और अन्य कारवारों के साथ पर्याप्त संबंध बनाये हुए हैं यदि कोई हो।
- च. आवेदक अथवा उसके किसी संबद्ध संस्था को किसी वित्तीय सेक्टर विनियामक जैसे - भारतीय रिजर्व बैंक, भारतीय प्रतिभूति विनिमय बोर्ड, बीमा विनियामक और विकास प्राधिकरण और प्राधिकरण द्वारा भारत में ऐसे आधारों पर रजिस्ट्रीकरण प्रमाणपत्र अनुदत्त किये जाने या नवीनीकरण के लिए इंकार किया गया है, यदि कोई हो।

सुनिश्चित करने के लिए कि प्रतिभूतियों के अभिरक्षक के रूप में और अन्य अनुज्ञाप्राप्त गतिविधियों के मध्य जनशक्ति और अवसंरचना के आधार पर दीर्घकालिक संबंध स्थापित रहा है प्रतिभूतियों का अभिरक्षक प्राधिकरण के पास किसी अन्य क्षमता अथवा वर्ग में पंजीकृत होना चाहिए।

6-3 प्रतिभूतियों के अभिरक्षक के रूप में अपने कर्तव्यों के निर्वहन में अपने आप को समर्थ बनाने के लिए प्रतिभूतियों का अभिरक्षक प्राधिकरण और राष्ट्रीय पेंशन प्रणाली न्यास के समाधान के लिए पर्याप्त असंरचनात्मक सुविधाएं स्थापित करेगा और उसका अनुरक्षण करेगा और मध्यवर्तियों/प्रतिभूतियों के अभिरक्षक की प्रणालियां और कार्यपालन प्रक्रियाएं सुदस्तावेजी और परिचालन नियमावली से समर्थ होगा। 6-4 प्रतिभूतियों का अभिरक्षक उसके अभिरक्षा में सभी दस्तावेजों और डाटा का अभिलेख इस रीति में तैयार करेगा और बनाये रखेगा कि किसी कारणवश मूल अभिलेखों अथवा दस्तावेजों की हानि की स्थिति में डाटा अथवा दस्तावेज के अनुरेखन की सुविधा उपलब्ध हो। 6-5

(क) अभिरक्षक का कोई भी कर्मचारी जो उससे प्रत्यक्ष अथवा अप्रत्यक्ष रूप से जुड़ा है सार्वजनिक अभिगम्य मीडिया में प्रत्यक्ष अथवा अप्रत्यक्ष रूप से किसी प्रतिभूति के बारे में विनिधान संबंधी सलाह नहीं देगा, वास्तविक अथवा अवास्तविक समय पर, ऐसी सलाह प्रस्तुत करते समय;

(ख) प्रतिभूतियों के अभिरक्षक का कोई भी कर्मचारी ऐसा परामर्श प्रतिपादित करता है तो ऐसा परामर्श प्रतिपादित करते समय वह अपने आश्रित परिवार के सदस्यों के हितों और उस प्रतिभूति में अपने नियोक्ता के लघु और दीर्घ दर्जे का प्रकटीकरण करेगा।

हेमंत जी, कांट्रेक्टर, अध्यक्ष

[विज्ञापन-III/4/असा./203/15 (53)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 14th May, 2015

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015

No. PFRDA/12/RGL/10.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clauses (e), (n), (o), (p) and (w) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Custodian of Securities) Regulations, 2015.

(2) They shall come into force on the date of their publication in the Official Gazette.

The objective of the Regulations is to standardize the framework for monitoring, supervision and internal control for Custodian of Securities to enable them to establish high standards for internal control and operational conduct, with the aim of protecting the NPS assets and ensuring proper management of risk.

2. Definitions.—(1) In these regulations, unless the context otherwise requires,—

(a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

सुनिश्चित करने के लिए कि प्रतिभूतियों के अभिरक्षक के रूप में और अन्य अनुज्ञाप्राप्त गतिविधियों के मध्य जनशक्ति और अवसरचना के आधार पर दीर्घकालिक संबंध स्थापित रहा है प्रतिभूतियों का अभिरक्षक प्राधिकरण के पास किसी अन्य क्षमता अथवा वर्ग में पंजीकृत होना चाहिए।

6-3 प्रतिभूतियों के अभिरक्षक के रूप में अपने कर्तव्यों के निर्वहन में अपने आप को समर्थ बनाने के लिए प्रतिभूतियों का अभिरक्षक प्राधिकरण और राष्ट्रीय पेंशन प्रणाली न्यास के समाधान के लिए पर्याप्त असंरचनात्मक सुविधाएं स्थापित करेगा और उसका अनुरक्षण करेगा और मध्यवर्तियों/प्रतिभूतियों के अभिरक्षक की प्रणालियां और कार्यपालन प्रक्रियाएं सुदस्तावेजी और परिचालन नियमावली से समर्थ होगा। 6-4 प्रतिभूतियों का अभिरक्षक उसके अभिरक्षा में सभी दस्तावेजों और डाटा का अभिलेख इस रीति में तैयार करेगा और बनाये रखेगा कि किसी कारणवश मूल अभिलेखों अथवा दस्तावेजों की हानि की स्थिति में डाटा अथवा दस्तावेज के अनुरेखन की सुविधा उपलब्ध हो। 6-5

(क) अभिरक्षक का कोई भी कर्मचारी जो उससे प्रत्यक्ष अथवा अप्रत्यक्ष रूप से जुड़ा है सार्वजनिक अभिगम्य मीडिया में प्रत्यक्ष अथवा अप्रत्यक्ष रूप से किसी प्रतिभूति के बारे में विनिधान संबंधी सलाह नहीं देगा, वास्तविक अथवा अवास्तविक समय पर, ऐसी सलाह प्रस्तुत करते समय;

(ख) प्रतिभूतियों के अभिरक्षक का कोई भी कर्मचारी ऐसा परामर्श प्रतिपादित करता है तो ऐसा परामर्श प्रतिपादित करते समय वह अपने आश्रित परिवार के सदस्यों के हितों और उस प्रतिभूति में अपने नियोक्ता के लघु और दीर्घ दर्जे का प्रकटीकरण करेगा।

हेमंत जी, कांटेक्टर, अध्यक्ष

[विज्ञापन-III/4/असा./203/15 (53)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 14th May, 2015

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015

No. PFRDA/12/RGL/10.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clauses (c), (n), (o), (p) and (w) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I

PRELIMINARY

1. **Short title and commencement.**—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Custodian of Securities) Regulations, 2015.

(2) They shall come into force on the date of their publication in the Official Gazette.

The objective of the Regulations is to standardize the framework for monitoring, supervision and internal control for Custodian of Securities to enable them to establish high standards for internal control and operational conduct, with the aim of protecting the NPS assets and ensuring proper management of risk.

2. **Definitions.**—(1) In these regulations, unless the context otherwise requires,—

(a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

- (b) "account" means the custody accounts of the National Pension System Trust and that of any other pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act and are maintained by the custodian;
- (c) "any other pension scheme" means a pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act;
- (d) "assets" means the securities held under the National Pension System on behalf of the subscribers and that of any other pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act;
- (e) "custodial services" means safekeeping of securities or assets held under the National Pension System or any other pension scheme and providing services incidental thereto and includes-
- (i) maintaining accounts of securities or assets held;
 - (ii) undertaking activities as a Domestic Depository in terms of the Depositories Act, 1996 (22 of 1996) or as permitted by the Securities and Exchange Board of India;
 - (iii) collecting the benefits or rights accruing on the securities or assets;
 - (iv) informing about the actions taken or to be taken by the issuer of the securities, having a bearing on the benefits or rights accruing on the securities or assets held; and
 - (v) maintaining and reconciling records of the services referred to in sub-clauses (i) to (iv);
- (f) "Custodian of Securities" means an entity which has been granted a certificate of registration under sub-section (3) of section 27 of the Act by the Authority as a custodian of securities for the purpose of providing custodial and depository participant services for the pension schemes regulated by the Authority;
- (g) "Form" means any of the forms set out in the First Schedule;
- (h) "Schedule" means a schedule annexed to these regulations;
- (i) "securities" shall have the same meaning as assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and includes such other instruments, permitted for investment by the Authority from time to time.
- (2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II

REGISTRATION OF CUSTODIAN

3. Certificate of Registration.- (1) The Authority shall register and grant an entity a certificate of registration as a custodian of securities.

(2) The Authority may, if deemed necessary in the interest of the subscribers, select one or more custodian of securities.

(3) No custodian of securities shall commence any activity relating to a National Pension System or any other pension scheme under the Act except under and in accordance with the conditions of a certificate of registration granted by the Authority in conformity with the provisions of the Act, rules and these regulations.

(4) Any custodian of securities, which had been associated with a pension scheme and appointed to act as such by the Interim Pension Fund Regulatory and Development Authority prior to the establishment of the Authority under the Act may continue to so act for a period of ninety days from the date of notification of these regulations, if it has made an application for grant of certificate of registration within the said period of ninety days, till the disposal of such application in the manner specified in regulation 15:

the period specified in sub-regulation (3) or fails to comply with these regulations, shall cease to carry on an activity as custodian of securities and shall be subject to the directions of the Authority with regard to the transfer of records, documents or securities relating to its activities.

4. Application for grant of certificate of registrations and application fee.- (1) The Authority may, as and when deemed fit, invite applications, for the selection of one or more custodians of securities

(2) On and from the date of publication of notice of the selection process in a newspaper and on the website of the Authority, any entity which fulfils the eligibility conditions specified in regulation 8 and desirous to undertake the business of custodian of securities may make an application accompanied by non-refundable application fee as specified in Part A of the Second Schedule and to be paid in the manner specified in Part B thereof.

5. Application to conform to requirements.- (1) Any application for grant of certificate of registration is liable to be rejected, inter alia on the following grounds, namely:—

(a) it is not complete in all respects and does not conform to the requirements specified in these regulations;

(b) it does not contain such additional information as required by the Authority;

(c) it is incorrect, false or misleading;

(d) the applicant is not in compliance with the minimum eligibility requirements as specified in these regulations;

(e) it, in the opinion of the Authority, is not in the interest of subscribers or the objective of orderly development of pension sector or both, or is not in the interest of the National Pension System or any other pension scheme.

(2) Before rejecting an application on the grounds under sub-regulation (1), the applicant shall be given an opportunity to remove the objection, within time as may be specified by the Authority:

Provided that where an application is rejected for the reason that it contains false or misleading information, no such opportunity shall be given and the applicant shall not make any application for grant of certificate of registration under these regulations or any other regulations for a period of six years from the date of such rejection.

6. Furnishing of information and clarification.- (1) The Authority may require the applicant to furnish any further information or clarification, for the purpose of disposal of the application, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority

(2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.

7. Verification of information.- (1) While considering the application, the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information in any manner it deems necessary, which may include physical verification of documents, office space, and inspect the availability of office space, infrastructure, and technological support which the applicant is required to have.

(2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an external auditor.

8. Eligibility criteria.- (1) For the purpose of grant of a certificate of registration, an applicant satisfying the following minimum eligibility criteria may submit its application for grant of certificate of registration:-

(a) the applicant must be registered with the Securities and Exchange Board of India as a custodian of securities for the past five years on the date of application;

(b) direct or indirect cross holding by any pension fund or its sponsor, Trustee Bank or central record keeping agency in the custodian of securities should be less than fifty per cent.;

(c) the applicant's holding of assets under custody on the date of application must be at least equal to the total assets under management of the National Pension System as on 31st March of the preceding financial year.

(2) For the purpose of grant of a certificate of registration, the Authority shall take into account any or all matters which are relevant to the activities of a custodian of securities as also all matters which it deems relevant to the pension sector and National Pension System or any other pension scheme, including but not limited to the following particulars, whether-

(a) the applicant has the necessary infrastructure, including adequate office space, requisite information technology and information security systems with inbuilt flexibility and scaling up capability, required to effectively discharge its activities as custodian of securities;

(b) the applicant has the ability to segregate activities of the National Pension System or any other pension schemes from its other custodial clients and maintain firewall;

(c) the applicant has the requisite approvals under any applicable law in force in connection with providing custodial services in respect of permissible securities under National Pension System or any other pension scheme;

(d) the applicant has in its employment adequate and competent persons who have the experience, capacity and ability of managing the business of the custodian of securities;

(e) the applicant has prepared a complete manual, setting out the systems and procedures to be followed by it for the effective and efficient discharge of its functions and the arm's length relationships to be maintained with the other businesses, if any, of the applicant;

(f) the applicant or any of its associates have in the past been refused certificate of registration or renewal of registration certificate by any of the financial sector regulators in India including, the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority and the Authority and if so, the ground for such refusal;

(g) the applicant have in the past five years been imposed with any penalty by any of the financial regulators referred to in clause(f) or by a court of law or tribunal, on the matters concerning violation of regulations, directions, guidelines and circulars of the regulator and if so, the ground for such refusal;

(h) the applicant is or, is not, a 'fit and proper entity', as stated in the Third Schedule;

(i) the grant of certificate of registration is in the interest of subscribers.

(3) Notwithstanding anything contained in sub-regulations (1) and (2), the Authority shall not consider an application made under these regulations unless the applicant is a body corporate.

9. Exemptions in certain cases from eligibility criteria.—(1) Every applicant must mandatorily meet the minimum eligibility criteria specified in sub-regulation(1) of regulation 8.

(2) If any entity does not fulfil some of the other criteria specified in sub-regulation (2) of regulation 8, it may, request the Authority by making an application seeking exemption from such criteria.

(3) Nothing contained in sub-regulation (2), confers the applicant any right to claim exemption.

(4) The Authority, if feels, that the non-fulfilment of the conditions under sub-regulation (2) of regulation 8, of which relaxation is sought would not prejudicially affect the interest of the subscriber, it may grant exemption from some of the criteria to such entity for reasons to be recorded in writing. The Authority may in such circumstances impose such additional conditions as it may deem fit for grant of certificate of registration.

10. Procedure for grant of certificate of registration and payment of registration fee.—(1) Any application received in response to the Authority's invitation under regulation 4, shall be evaluated in accordance with these regulations and the selection process and evaluation under such selection process as may be specified at the time of inviting application.

(2) The best value proposal shall be given an opportunity to accept the asset service charges as determined under regulation 16.

(3) On receipt of an intimation from the Authority under sub-regulation (2), the applicant shall pay to the Authority the non-refundable registration fee specified in Part A of the Second Schedule, in the manner specified in Part B thereof.

(4) Upon acceptance of the registration fee from the Applicant, the Authority may, subject to such terms and conditions as it may specify, grant a certificate of registration in Form A..

(5) No existing custodian of securities shall be entitled to claim any priority or privilege for grant of certificate of registration under the selection process.

11. Terms and conditions of registration.-The certificate of registration granted to the applicant or the custodian of securities shall be subject to the following conditions, namely:-

- (a) it shall pay the registration fees and annual fee as specified in Part A of the Second Schedule, which shall be paid in the manner specified in part B thereof;
- (b) it shall provide all custodial and depository services related to all securities, permitted to be held under pension schemes regulated by the Authority;
- (c) it fulfills and complies with the minimum eligibility conditions as specified by the Authority at all times;
- (d) all representations, warranties, information, disclosures, reports, documents and statements relating to or after registration as custodian are true, complete, accurate and correct in all respects and do not contain any untrue statement of any material fact or omit to state any material fact and shall inform the Authority of any material change in the information or particulars previously furnished, which have a bearing on its registration;
- (e) it has taken all necessary actions and steps to accept the registration as custodian of the assets regulated by the Authority and binds itself for the due performance of its obligations and shall discharge its obligations under them;
- (f) it executes such agreements with the parties as directed by the Authority or as specified under these regulations and shall comply with the terms of the agreements executed;
- (g) it shall maintain confidentiality with respect to all transactions records, data and information received while discharging its obligations and shall not, without the prior permission of the Authority, produce or share such data or information as an evidence or for any other purpose except as required under the process of law;
- (h) it shall comply with the provisions of the Act, rules or the regulations made or, clarifications or directions issued by the Authority;
- (i) it shall submit statements to the Authority or the National Pension System Trust or to such other intermediaries at such intervals as may be specified by the Authority or the National Pension System Trust from time to time or as specified in the agreements;
- (j) it shall comply with the 'code of conduct' as specified in the Fourth Schedule, and it shall not assign or delegate or outsource any part of its functions as a custodian of securities to any other entity without the prior permission of the Authority.

12. Documentation with intermediaries- (1) Before commencement of business, the custodian shall execute the following agreements:-

- (a) tripartite agreement with the pension fund and the National Pension System Trust;
- (b) any other agreement which is required for the efficient and orderly conduct of activities as custodian of pension schemes regulated by the Authority, as may be specified by it from time to time.

(2) Besides the above mentioned agreements, the custodian of securities shall obtain necessary approvals from other sectorial regulators or any other authorities and it shall comply with the requirements of the intermediaries, depositories, clearing houses, exchanges with regards to opening of accounts, authorizing signatories, obtaining digital signatures, providing connectivity and software installation.

13. Commencement of business.- (1) Upon completion of documentation by the custodian of securities and other related formalities for undertaking its operations for which it has been granted registration, the custodian of securities shall seek issuance of "certificate for commencement of business" from the Authority.

(2) The Authority upon being satisfied that the custodian of securities is fully equipped to commence its operations may issue a "certificate for commencement of business for the National Pension System or other pension schemes" to the custodian of securities, in Form B set out in the First Schedule, after which the custodian of securities can undertake the operations and activities envisaged.

14. Period of validity.—(1) Every certificate of registration granted under these regulations shall be valid for a period of five years from the date of grant of certificate of registration.

(2) The Authority may, however extend the tenure of the Certificate of Registration, for such period as it may determine in the interest of the subscribers. Such extension shall be granted for reasons to be recorded in writing. Any extension granted to the Custodian of Securities upon expiry of tenure of registration shall be binding on the custodian of securities and the custodian of securities shall discharge its functions in accordance with the terms and conditions of the certificate of registration during the extension period as well.

(3) During the validity of certificate of registration under sub-regulations (1) and (2), the certificate of registration granted to the custodian of securities shall be reviewed annually or at any other period or point of time as notified by the Authority and its continuity as such custodian of securities shall be decided thereupon by the Authority.

(4) The custodian of securities shall be liable to Annual pay fee as specified in Part A and in the manner specified in Part B of the Second Schedule, on pro rata basis for the extended period.

15. Transitory provisions for registration of existing custodian of securities appointed by Interim PFRDA.—

(1) An existing custodian of securities, after notification of these regulations, shall make an application for continuation of its activities, within ninety days of such notification and the application shall be accompanied by—

(a) the original certificate of registration or letter of appointment;

(b) an undertaking supported by documentary evidence by the principal officer of the applicant certifying that all eligibility criteria as specified under these regulations have been satisfied;

(c) fee as specified in the Second Schedule;

(d) any other information as may be required by the Authority during the processing of the application for registration.

(2) The Authority may, consequent upon its satisfaction that the existing custodian of securities fulfills the conditions specified in these regulations and further that the grant of registration to such existing intermediary is in subscribers interest, register or re-register such intermediary for a period of one year only or till the selection of the custodian of securities is made in accordance with the selection process, whichever is earlier.

(3) Any existing custodian of securities specified under sub-regulation (1) shall not be entitled to claim any priority or privilege for grant of certificate of registration under the selection process which may be undertaken under these regulations.

16. Asset servicing charges.—(1) The asset servicing charges that can be levied by the custodian of securities on the asset held under the pension schemes regulated by the Authority shall be determined as per procedure laid down by the Authority.

(2) The assets servicing charges shall be calculated on the basis of daily closing balance of assets held by the custodian of securities under the pension schemes regulated by the Authority on face value of debt instruments and of purchase price of equity instruments.

17. Annual Fee

Every Custodian of Securities shall deposit with Authority an Annual Fee as detailed in Second Schedule before the 15th of April each year or within 15 days of the issuance or extension of Certificate of registration.

CHAPTER III

GENERAL OBLIGATIONS AND RESPONSIBILITIES OF CUSTODIANS

18. Code of conduct.—Every custodian of securities shall abide by the Code of conduct as stated in the Fourth Schedule.

19. General obligations of custodian of securities.- (1) The custodian of securities shall exercise at all times reasonable care, prudence, professional skill and diligence while discharging its duties in the best interest of the subscribers.

(2) The custodian of securities shall facilitate adequate infrastructure information technology, systems and procedures that are required for enabling it to co-ordinate with other intermediaries and entities and adapt to future changes including changes on account of technology advancements, changes in system specifications and services and undertake functional obligations specified by the Authority.

(3) The custodian of securities shall take all necessary precautions to ensure that continuity of the record keeping is not lost or destroyed and that sufficient back up of records are available.

(4) The custodian of securities shall ensure at all times that transactions in the pension schemes accounts are put through according to the instructions of the pension fund or the National Pension System Trust and the securities held in such accounts are used only for transactions explicitly authorised by the pension fund or the National Pension System Trust.

(5) The custodian of securities shall ensure at all times that, the securities held on behalf of the National Pension System Trust are separate and clearly segregated in its books from its own holdings, other client accounts and separated from all other activities. The custodian of securities shall open a separate custody account for pension schemes regulated by the Authority and in accordance with the manner specified for registration of securities.

(6) The custodian of securities shall ensure that all the rights or entitlements on the securities held in its custody for pension schemes or the National Pension System Trust are received on time and in the manner specified by the Authority or the National Pension System Trust.

(7) The custodian of securities shall ensure that the individual holdings of securities in the pension scheme accounts are reconciled with the depository holdings and Constituents' Subsidiary General Ledger (CSGL) account at the end of the day.

(8) The custodian of securities shall be continuously accountable for the movement of securities in and out of the pension scheme accounts and shall provide complete audit trail whenever called for by the Authority or the National Pension System Trust.

(9) The custodian of securities shall create and maintain the records of securities held in its custody in such manner that the tracing of securities or obtaining duplicate of the documents is facilitated, in the event of loss of original records for any reason.

(10) The custodian of securities shall ensure that the securities handled by it under the National Pension System or any pension scheme regulated by the Authority are adequately insured.

(11) The custodian of securities shall have adequate systems for internal controls to prevent any manipulation of records and documents including audits for securities and rights or entitlements arising from the securities held under this agreement. The custodian of securities shall have appropriate safekeeping measures to ensure that such securities (assets or documents) are protected from theft or natural hazard.

(12) The custodian of securities shall not be entitled to setting off securities held in the pension scheme accounts regulated by the Authority or otherwise deal with them to extinguish partly or fully any amounts due to it from the pension fund or the National Pension System Trust without the prior consent in writing from the Authority or the National Pension System Trust.

(13) The custodian of securities shall not encumber the securities in any manner including by an act of pledging, hypothecating or creating any charge or lien on the said securities. The custodian of securities shall not convert the securities in any manner without the approval of the Authority or the National Pension System Trust.

(14) The custodian of securities shall transmit such reports and statements to the pension fund or the National Pension System Trust or the Authority or to such other intermediaries at such periodic intervals as may be

specified by the Authority from time to time or as specified in the agreements.

(15) The custodian of securities shall maintain proper books of accounts, registers, records, documents and have adequate mechanisms for the purposes of reviewing, monitoring and evaluating the custodian's controls, systems, procedures and safeguards.

(16) The custodian of securities shall have its books of accounts audited quarterly by an internal auditor and submit an extract thereof relating to the assets or business of the pension funds to the Authority or the National Pension System Trust, as specified, within thirty days from the date of audit.

(17) The custodian of securities shall adhere to all applicable rules, regulations, circulars or guidelines framed, recommended, mandated by any regulator, authority, clearing corporation, exchange or depository for various functions or services offerings to the National Pension System Trust.

20. Monitoring, review and evaluating systems and controls.—(1) Every custodian of securities shall have adequate mechanisms for the purposes of reviewing, monitoring and evaluating the custodian's controls, systems, procedures and safeguards.

(2) The custodian of securities shall cause to be audited annually or at any other periodicity as may be specified by the Authority through the mechanism referred to in sub-regulation (1), by an expert appointed in accordance with the Authority's guidelines and forward the audit report to the National Pension System Trust within thirty days from the date of audit.

(3) The National Pension System Trust shall be the nodal agency for monitoring, reviewing and evaluating of the operations of the custodian of securities..

21. Appointment of compliance officer.—(1) Every custodian of securities shall appoint a compliance officer who shall be responsible for monitoring the compliance of provisions of the Act or the rules or the regulations made or notifications, guidelines, instructions, issued by the Authority or National Pension System Trust or the Central Government.

(2) The compliance officer shall immediately and independently report to the Authority and the National Pension System Trust of any non-compliance observed by him or her.

CHAPTER IV

INSPECTION AND AUDIT

22. Inspection and audit.—(1) The Authority may, if it considers necessary at any time, undertake directly or through its authorized representative, or an auditor, an inspection and audit of the books, accounts, records including the telephone records and electronic records and documents of the custodian of securities for any purpose, including the purposes as specified under this regulation.

(2) The purposes referred to in sub-regulation (1) may include,—

(a) to ascertain the infrastructural capabilities, systems and procedures;

(b) to ensure that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;

(c) to ensure that the affairs of the custodian of securities, in relation to the activities entrusted with, are conducted in a manner which is in the interest of the subscriber;

(d) to ascertain whether the provisions of the Act or rules or the regulations made thereunder or circulars, guidelines or notifications issued by the Authority are being complied with;

(e) to inquire into the complaints received from pension fund or any intermediary on any matter having a bearing on the activities entrusted to the custodian of securities by the Authority.;

(f) to inquire suo motu into such matters as may be deemed fit in the interest of subscribers.

(3) The Authority may appoint one or more authorized representatives or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1).

Explanation.- For the purpose of this sub-regulation, the expression “qualified auditor” shall have the meaning derived from section 226 of the Companies Act, 1956 (1 of 1956).

23. Notice before inspection or audit.—(1) Before undertaking an inspection or audit under regulation 22s, the Authority or its authorised representative or the auditor shall give ten working days’ notice to the custodian of securities:

Provided that no notice shall be required if the Authority is satisfied that an inspection or audit is required for immediate safeguarding of the interest of the subscribers.

(2) During the course of an inspection or audit, the custodian of securities against which the inspection or audit is being carried out shall be bound to discharge its obligations as provided in these regulations.

24. Obligations on inspection and audit.— (1) It shall be the duty of the custodian of securities, the affairs of which is being inspected or audited, and of every director, officer and employee thereof, to produce to the Authority, or its authorized representative or auditor, such books, accounts, records and other documents in its custody or control and furnish to the Authority or its authorised representative or auditor with such statements and information relating to the activities entrusted to it by the Authority, as it or he may require, within such reasonable period as may be specified.

(2) The custodian of securities shall allow the Authority or its authorized representative or the auditor to have a reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records, documents and computer data in the possession of the custodian of securities or such other person and also provide copies of documents or other materials which in the opinion of the Authority or its authorized representative or auditor are relevant for the purpose of the inspection or audit.

(3) It shall be the duty of the custodian of securities to give to the Authority, or its authorized representative or audit or all assistance in connection with the inspection and audit which the Authority or its authorized representative, National Pension System Trust or its authorized representative or auditor may reasonably require.

25. Submission of report.—(1) On completion of the inspection or audit, a report shall be submitted to the Authority, which after consideration of the report, may take such action as it may deem fit and appropriate in the interest of the subscribers.

(2) The Authority may *suo motu* or after consideration of the inspection or audit report, as the case may be, order an investigation or inquiry to be conducted in the matter.

26. Payment of inspection and audit fees.—The Authority shall be entitled to recover from the custodian of such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative under sub-regulation (1) of regulation 22.

27. Inspection and audit by National Pension System Trust.— (1) The National Pension System Trust shall undertake directly or through its authorized representative, inspection or audit or both of the custodian of securities, on an annual basis or at such other period as may be specified by the Authority in relation to operational Service Level Agreements in accordance with the provisions of Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015. The custodian of securities shall allow the National Pension System Trust, or its authorized representative to have a reasonable access to the premises occupied by it, books of accounts, records, technology infrastructure, and provide necessary information as may be required by it for the purpose of such inspection or audit, as the case may be.

CHAPTER V

SUSPENSION OR CANCELLATION OF CERTIFICATE AND ACTION IN CASE OF DEFAULT

28. Cancellation or suspension of certificate of registration.— (1) The registration granted by the Authority to act as a custodian of securities is liable to be cancelled, suspended or withdrawn, if the—

- (a) existing custodian of securities fails to apply or obtain afresh the certificate of registration upon expiry of tenure;
- (b) fails to comply with any of the terms and conditions of certificate of registration or Contravenes any of the provisions of the Act or the rules or the regulations made or any guidelines or notifications, directions, instructions or circulars issued thereunder;
- (c) indulges in unfair trade practices or conducts its activities in a manner prejudicial to the interests of the subscribers;
- (d) fails to furnish any information, periodical returns as required under the Act or by the Authority;
- (e) ceases to carry on business or goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Authority) or a receiver, manager, or administrator or similar person is appointed with respect to the assets and undertakings of the custodian of securities;
- (f) in the opinion of the Authority, the custodian of securities has engaged in corrupt or fraudulent practices in obtaining the certificate of registration or has been blacklisted by any regulator or submits to the Authority a false statement or information which has a material effect on the rights, obligations or interests of the Authority or the subscribers;
- (g) any other reason which in the opinion of the Authority warrants for suspension or cancellation of the certificate of registration granted;

(2) The Authority may without prejudice to the powers under sub-regulation (1), instead of cancelling, suspending or withdrawing the certificate of registration, direct for varying or modifying the terms and conditions of the certificate of registration as it may deem fit, or pass any other order, as may be deemed beneficial in the interest of the subscribers, for reason to be recorded in writing.

(3) The custodian of securities once registered shall have to ensure that the eligibility conditions as mentioned in these regulations are strictly adhered to during the entire currency of the registration period and any extension thereto. Certificate evidencing compliance with the eligibility condition shall have to be furnished by the registered custodian of securities to the Authority on annual basis within thirty days of closure of accounts for the financial year.

29. Surrender of any certificate of registration.— (1) Any custodian of securities, which has been granted a certificate of registration under the Act or the regulations made thereunder, desirous of giving up its activity and surrendering the certificate, may make a request for such surrender to the Authority.

(2) While disposing of a request under these regulations, the Authority may require the concerned custodian of securities to satisfy the Authority of the factors as it deems fit, including but not limited to the following: —

- (a) the arrangements made by the custodian of securities at its own costs and expenses for maintenance and preservation of records and other documents required to be maintained under the Act, rules, regulations and guidelines;
- (b) redressal of subscriber grievances as per the provision of Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015;
- (c) transfer of records, regulated assets at its own cost and expense;
- (d) the arrangements made by it for ensuring continuity of service to the subscribers;
- (e) defaults or pending actions, if any.

(3) While accepting the surrender request, the Authority may impose such conditions upon the custodian of securities as it deems fit for the protection of interest of the subscribers of the National Pension System and the custodian concerned shall comply with such conditions.

30. Effect of suspension, cancellation or withdrawal of certificate of registration.— (1) Any custodian of securities which has not applied for or which has failed to obtain a certificate of registration afresh upon expiry of tenure or certificate of registration, or certificate of registration of which has been cancelled, withdrawn or suspended shall, on and from the date specified by the Authority cease to carry on any activity as custodian of securities.

(2) On and from the date of suspension, cancellation or withdrawal of the certificate of registration, the custodian of securities shall—

(a) take such actions in respect of the assets, records documents or information that are in the custody or control of the custodian of securities, within such time and in the manner, as may be required under the relevant regulations or as may be directed by the Authority, while passing the order under these regulations or otherwise;

(b) not represent itself as a custodian of securities for carrying out the activities for which the certificate of registration had been granted and return the certificate of registration to the Authority if so directed;

(c) transfer the assets, records, documents or information that are in its control to another custodian of securities, if so directed by the Authority, at its own cost;

(d) be subject to the direction of the Authority till all such transfers or actions are completed or till the time the certificate of registration remains suspended.

31. Appointment of designated authority.— (1) Where it appears to the designated member that any custodian of securities which has been granted certificate of registration under the Act, these regulations or any other concerned person has committed any default of the nature specified in regulation 28, he may appoint an officer not below the rank of a Chief General Manager, or any other officer of an equivalent rank, as a designated authority.

(2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.

32. Issuance of notice.— (1) The designated authority shall, if it finds reasonable grounds to do so, issue a notice to the custodian of securities or any other concerned person requiring it to show cause as to why the certificate of registration granted to it, should not be suspended or cancelled or why any other action provided herein should not be taken.

(2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, rules, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.

(3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection carried out, if any.

(4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.

33. Reply by noticee.—(1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof.

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

(2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter exparte recording the reasons for doing so and make recommendation as the case may be on the basis of material facts available before him.

34. Action in case of default.—After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,—

(a) suspension of certificate of registration for a specified period;

(b) cancellation of certificate of registration;

(c) prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;

(d) debarring a principal officer of the noticee from being employed or associated with any registered intermediary or other registered person for the period specified in the order;

(e) debarring a branch or an office of the noticee from carrying out activities for the specified period;

(f) warning the noticee.

35. Procedure for action on recommendation.—(1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show-cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.

(2) The noticee may, within twenty-one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.

(3) The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.

36. Intimation of order.—(1) Every report made by a designated authority and every order passed by the designated member under these regulations shall be dated and signed.

(2) A copy of the order passed under these regulations shall be sent to the custodian of securities or any person concerned and also placed on the website of the Authority.

37. Penalty and adjudication.—The imposition of penalty, if any, on the custodian of securities or any person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.

38. Appeal to Securities Appellate Tribunal.—The custodian of securities or any person concerned, aggrieved by an order under these regulations may, prefer an appeal to the Securities Appellate Tribunal against such order in accordance with the provisions of sub-section (1) of section 36 of the Act.

Explanation.—For the purposes of this Chapter,—

“designated authority” means an officer of the Authority appointed under sub-regulation (1) of regulation 30;

“designated member” means the Chairperson or a whole-time member of the Authority designated for the purpose;

“noticee” means the person to whom a notice has been issued under this Chapter.

CHAPTER VI

MISCELLANEOUS

39. Power of Authority to issue clarifications.—In order to remove any difficulties in the application or interpretation of these regulations, the Authority may issue clarifications and guidelines in the form of notes or circulars which shall be binding on the custodian of securities.

40. Directions.—Without prejudice to any order under the Act, the regulations and directions, guidelines, and circulars as may be issued by the Authority, including order under Chapter V, may, in the interest of the subscribers or for the purpose of securing the proper management of custodian of securities, issue, necessary direction:

Provided that before issuing any directions, the Authority shall give a reasonable opportunity of being heard to the persons concerned:

Provided further that if the circumstances warrant any interim direction is required to be passed immediately, the Authority may give a reasonable opportunity of hearing to the persons concerned after passing the direction, without any undue delay.

FIRST SCHEDULE**FORMS**

[See regulation 2 (1) (g)]

FORM A**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES)****REGULATIONS, 2015**

[See regulation 10 (4)]

CERTIFICATE OF REGISTRATION AS CUSTODIAN OF SECURITIES**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****CERTIFICATE OF REGISTRATION AS CUSTODIAN OF SECURITIES**

In exercise of powers conferred by sub-section (3) of section 27 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), read with regulations made thereunder, the Authority hereby grants this certificate of registration to _____ as a custodian of securities for the pension Schemes (indicate name of Schemes) regulated by the Pension Fund Regulatory and Development Authority, until..... subject to the terms and conditions specified in the Act and regulations made thereunder.

The Registration Code for the Custodian is _____.

Date : _____

Place : _____

By order

For and on behalf of the Pension Fund Regulatory and Development Authority

FORM B**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015**

[See regulation 13 (2)]

CERTIFICATE FOR COMMENCEMENT OF BUSINESS**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****CERTIFICATE FOR COMMENCEMENT OF BUSINESS AS CUSTODIAN OF SECURITIES**

_____ who has been granted a certificate of registration as custodian of securities vide _____ on _____ is hereby allowed to commence the activities as custodian of securities for the pension Schemes (Name of Scheme) regulated by the Pension Fund Regulatory and Development Authority on this ____ day of ____ 20__

Place : _____

By order

For and on behalf of Pension Fund Regulatory and Development Authority

SECOND SCHEDULE

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (CUSTODIAN OF SECURITIES) REGULATIONS, 2015

[See regulations 4(2), 10 (3), 11(a), 14 (4) 15 (1) (c) and 17]

FEES PAYABLE UNDER THE REGULATIONS

PART A

AMOUNT TO BE PAID AS FEES

1	Application fee	Rs 5.00,000	Non Refundable	At the time of submission of application for grant of Certificate of Registration
2	Registration fee	Rs 25,00, 000	Non Refundable	At the time of grant of registration certificate for the tenor of appointment
3	Annual fee	0.0005% of Assets under custody or Rs 10.00, 000, Whichever is higher	Assets under custody shall be considered as on 31st March of preceding financial year.	Payable by 15th of April of every financial year or within fifteen days of grant of certificate of registration.

PART B

For the purpose of this Part,-

- I. The fees specified above shall be payable by demand draft or bankers cheque in favour of "The Pension Fund Regulatory and Development Authority" at New Delhi.
- II. The expression "assets under custody" shall mean the value of the assets calculated on face value of debt instruments and of purchase value of equity instruments held by the custodian of securities as disclosed by him under sub-paragraph VI of Part B below: The payment of annual fee shall be accompanied by a statement of assets under custody which shall be in such format as may be specified by the Authority and shall be certified to be true and complete by the functional head of the custody services of the custodian of securities.
- III. It is clarified that no registration fee or application fee (as shown against item 2 above) shall be payable in case of extension of the Certificate of registration A custodian of securities shall pay pro rata annual fee on quarterly basis, if the extension of certificate of registration is granted - Ref Regulation 14 (4)
- IV. No registration fee shall be payable by the custodian of securities who is granted certificate of registration under regulation 15.
- V. A custodian of securities which has been granted registration under regulations 15 shall pay proportionate annual fee for the period of transition under regulation 15
- VI. The Authority reserves the right to amend all or any of the fees from time to time.

THIRD SCHEDULE

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(CUSTODIAN OF SECURITIES) REGULATIONS, 2015

[See regulation 8 (2) (h)]

Criteria for determining a 'fit and proper person'

(1) For the purpose of determining as to whether an applicant is a 'fit and proper person', the Authority may take into account of any consideration as it deems fit, including but not limited to the following criteria in relation to it or him:-

- (i) financial integrity;
- (ii) absence of convictions or civil liabilities;
- (iii) competence;
- (iv) good reputation and character;
- (v) efficiency and honesty; and

An applicant shall not be considered as a 'fit and proper person' for the purpose of grant of certificate of registration under these regulations, if it or he incurs any of the following disqualifications, namely:-

- (a) the applicant or custodian of securities or its whole time director or principal officer or managing partner has been convicted by a court for any offence involving moral turpitude, economic offence, violation of any securities law or fraud;
- (b) an order for winding up has been passed against the applicant;
- (c) the applicant or its whole time director, or managing partner has been declared insolvent and has not been discharged;
- (d) an order, other than an order of suspension of appointment as an intermediary, restraining, prohibiting or debaring the applicant or its whole time director or principal officer or managing partner from dealing in securities in the capital market or from accessing the capital market has been passed by any regulatory authority or court, and a period of three years from the date of the expiry of the period specified in the order has not elapsed;
- (e) an order cancelling the appointment of the applicant has been passed by the Authority or other concerned financial sector regulator on the ground of its indulging in insider trading, fraudulent and unfair trade practices or market manipulation and a period of three years from the date of the order has not elapsed;
- (f) an order withdrawing or refusing to grant any license or approval to the applicant or its whole time director or managing partner which has a bearing on the capital market, has been passed by concerned financial sector regulator or any other regulatory authority and a period of three years from the date of the order has not elapsed;

Provided that the Authority may for reasons to be recorded in writing, allow the applicant to seek appointment before the lapse of three Years referred to in clauses (d), (e) and (f) above;

- (g) the applicant is financially not sound;
- (h) there is a notice of any action or investigation or other proceedings of any nature whatsoever, against the applicant, or its chief executive officer, any of its directors or employees, or a related group concern, by any governmental or statutory authority which would restrain, prohibit or otherwise challenge or impede the performance of obligations as custodian of the assets regulated by the Authority, and that there is adverse proceedings against it from any financial sector regulator including the Reserve Bank of India, Insurance Regulatory and Development Authority or the Securities and Exchange Board of India, of a nature that could adversely affect the ability to provide the services as custodian for the assets regulated by the Authority;
- (i) any other reason, to be recorded in writing by the Authority, which in its opinion renders such applicant custodian of securities or its whole time director, principal officer or managing partner unfit to operate in the capital market.

Explanation.-For the purpose of clause (g), the Authority may take into consideration the capital adequacy or net worth of the applicant, wherever it has been so specified in the relevant application for certificate of registration.

FOURTH SCHEDULE**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****(CUSTODIAN OF SECURITIES) REGULATIONS, 2015**

[See regulations 11 (j) and 18]

CODE OF CONDUCT**I. SUBSCRIBER PROTECTION****1.1 Subscribers or Authority or National Pension System Trusts-**

A custodian of securities shall make all efforts to protect the interests of subscribers and shall render the best possible service to the Authority or National Pension System Trusts having regard to the subscriber's needs and the environments and his own professional skills.

1.2 High standards of service.- A custodian of securities shall ensure that it and its key management personnel, employees, contractors and agents, shall in the conduct of their business, observe high standards of integrity, dignity, fairness, ethics and professionalism and all professional dealings shall be affected in a prompt, effective and efficient manner. A custodian of securities shall be responsible for the acts or omissions of its employees and agents in respect to the conduct of its business.

1.3 Exercise of due diligence and no collusion.- A custodian of securities shall at all times render high standards of service, exercise due skill and diligence over persons employed or appointed by it, ensure proper care and exercise independent professional judgment and shall not at any time act in collusion with other custodians of securities or other intermediaries in a manner that is detrimental to the subscribers.

1.4 Fees. -A custodian of securities shall levy charges or fees for the services rendered as determined by the Authority

II DISBURSAL OF AMOUNTS

2.1 Disbursal of Amounts.- A custodian of securities shall be prompt in disbursing dividends, interests or any such accrual income received or collected by it on behalf of the Authority or National Pension System Trusts or subscribers.

III DISCLOSURE OF INFORMATION

3.1 A custodian of securities shall ensure that adequate disclosures are made to the Authority, National Pension System Trust or pension fund in a comprehensible and timely manner so as to enable them to make a balanced and informed decision.

3.2 A custodian of securities shall not make any misrepresentation and ensure that the information provided to the Authority, National Pension System Trust or pension fund is not misleading.

3.3 A custodian of securities shall not make any exaggerated statement whether oral or written to the Authority, National Pension System Trust or subscribers, either about its qualification or capability to render certain services or its achievements in regard to services rendered to other Authority, National Pension System Trusts or subscribers.

3.4 A custodian of securities shall not divulge to anybody, either orally or in writing, directly or indirectly, any confidential information about the Authority, National Pension System Trusts or subscribers, which has come to its knowledge, without taking prior permission of the Authority or National Pension System Trusts except where such disclosures are required to be made in compliance with any law for the time being in force.

IV. CONFLICT OF INTEREST

4.1 A custodian of securities shall avoid conflict of interest and make adequate disclosure of its interest and shall put in place a mechanism to resolve any conflict of interest situation that may arise in the conduct of its

business or where any conflict of interest arises, shall take reasonable steps to resolve the same in an equitable manner. A custodian of securities shall make appropriate disclosure to the Authority or National Pension System Trust of its possible source or potential areas of conflict of duties and interest while acting as a custodian of securities which would impair its ability to render fair, objective and unbiased services.

4.2 A custodian of securities or any of its directors, or employee having the management of the whole or substantially the whole of affairs of the business, or an associate of the custodian of securities shall not, either through its account or their respective accounts or through their family members, relatives or friends indulge in any insider trading.

V. COMPLIANCE AND CORPORATE GOVERNANCE

5.1 A custodian of securities shall ensure that good corporate policies and corporate governance is in place. It shall not engage in fraudulent and manipulative transactions in the securities listed on any stock exchange in India and shall not indulge in any unfair competition (including resorting to unfair means for inducing other intermediaries, Authority or National Pension System Trust) which is likely to harm the interests of other custodians of securities or subscribers or is likely to place such other intermediaries in a disadvantageous position while competing for or executing any assignment.

5.2 A custodian of securities shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. It shall also ensure that for electronic records and data, up-to-date back up is always available with it. In case of physical securities, the records to be maintained to facilitate obtaining duplicate title deeds.

5.3 A custodian of securities shall co-operate with the Authority, or any intermediary designated by the Authority, as and when required and shall not make any untrue statement or suppress any material fact in any documents, reports, papers or information furnished to the Authority or neglect or fail or refuse to submit to the Authority or other agencies with which it is registered, such books, documents, correspondence and papers or any part thereof as may be demanded or requested from time to time.

5.4 A custodian of securities shall ensure that any change in registration status, any penal action taken by any Authority or any material change in financials which may adversely affect the interests of the Authority or National Pension System Trust or subscribers is promptly informed to the Authority or National Pension System Trust

5.5 A custodian of securities shall maintain an appropriate level of knowledge and competency and abide by the provisions of any Act, regulations, circulars and guidelines of the Central Government, the Reserve Bank of India, the Securities and Exchange Board of India, the Authority, the stock exchange or any other applicable statutory or self regulatory or other body, as the case may be, and as may be applicable to the custodian of securities in respect of the business carried on by such custodian of securities. A custodian of securities shall also comply with the award of the Ombudsman passed under the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015.

5.6 A custodian of securities shall ensure that the Authority is promptly informed about any action or legal proceedings, initiated against it in respect of any material breach or non-compliance by it, of any law, rules, regulations, and directions of the Authority or of any other regulatory body.

VI. CUSTODIAN OF SECURITIES INFRASTRUCTURE REQUIREMENTS

6.1 A custodian of securities shall have internal control procedures and financial and operational capabilities which can be reasonably expected to protect its operations, the Authority, National Pension System Trust, subscribers and other registered entities from financial loss arising from theft, fraud, and other dishonest acts, professional misconduct or omissions.

6.2 A custodian of securities also registered with the Authority in any other capacity or category shall endeavour to ensure that arms length relationship is maintained in terms of both manpower and infrastructure between the activities carried out as a custodian of securities and other permitted activities.

6.3 A custodian of securities shall establish and maintain adequate infrastructural facility to be able to

discharge its services as such custodian of securities to the satisfaction of the Authority or National Pension System Trusts, and the operating procedures and systems of the intermediaries/custodians of securities shall be well documented and backed by operations manuals.

6.4 A custodian of securities shall create and maintain the records of all documents and data in their in custody in such manner that the tracing of such document or data is facilitated in the event of loss of original records or documents for any reason.

6.5 (a) any of the employees of Custodian who are involved directly or indirectly shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, while rendering such advice;

(b) in case an employee of the custodian of securities is rendering such advice, he shall also disclose the interest of his dependent family members and employer including their long or short position in the said security, while rendering such advice.

HEMANT G. CONTRACTOR, Chairperson

[ADVT.-III/4/Exty./203/15(53)]

NEW



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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पेंशन निधि विनियामक और विकास प्राधिकरण

(न्याय निर्णायक अधिकारी द्वारा जांच की प्रक्रिया) विनियम, 2015

अधिसूचना

नई दिल्ली, 6 जनवरी, 2015

सं. पीएफआरडीए/12/आरजीएल/139/1.—पेंशन निधि विनियामक विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 के साथ पठित उप-धारा (1) और उप-धारा (2) उसके और धारा 30 के द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए निम्नलिखित विनियम बनाता है, अर्थात् :—

1. संक्षिप्त नाम और प्रारम्भ.—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक प्राधिकरण (न्याय निर्णायक अधिकारी द्वारा जांच की प्रक्रिया) विनियम, 2015 है।
(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

उद्देश्य वाक्य: विनियम का उद्देश्य पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) के अनुच्छेद 28 में प्रदत्त शास्ति अधिरोपण से पूर्व जांच प्रक्रिया की पारदर्शी प्रणाली उपलब्ध कराना है।

2. परिभाषाएं.—(1) इन विनियमों में, जब तक कि संदर्भ में अन्यथा अपेक्षित न हो, —
(क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है;
(ख) "न्यायनिर्णायक अधिकारी" से प्राधिकरण द्वारा अधिनियम की धारा 30 की उप-धारा (1) के अधीन न्यायनिर्णायक अधिकारी के रूप में नियुक्त अधिकारी अभिप्रेत है;
(ग) "पदाभिहित सदस्य" से प्राधिकरण का ऐसा सदस्य अभिप्रेत है जिसे अन्वेषण और निगरानी के भारसाधक रूप में पदाभिहित किया जाए;
(घ) "जांच" से अधिनियम की धारा 30 में निर्दिष्ट जांच अभिप्रेत है;
(ङ) "व्यक्ति" के अंतर्गत, अधिनियम के उपबंधों द्वारा शासित राष्ट्रीय पेंशन प्रणाली या किसी अन्य पेंशन स्कीम के अधीन कोई प्राधिकृत या विधिक व्यक्ति या मध्यवर्ती भी आता है;
(च) "पेशकर्ता अधिकारी" से कोई वृत्तिक या प्राधिकरण की ओर से न्यायनिर्णायक अधिकारी या सदस्य के समक्ष कोई मामला पेश करने के लिए अध्यक्ष द्वारा नियुक्त प्राधिकरण का कोई अधिकारी अभिप्रेत है।
(2) उन शब्दों और पदों के, जो इन विनियमों में प्रयुक्त हैं किन्तु परिभाषित नहीं हैं, किन्तु अधिनियम में परिभाषित हैं, वही अर्थ होंगे जो उनके क्रमशः अधिनियम में हैं।

3. जांच करने के लिए न्यायनिर्णायक अधिकारी की नियुक्ति:—जब कभी प्राधिकरण की यह राय है कि अधिनियम की धारा 28 से संबंधित जांच करने, न्यायनिर्णयन करने तथा शास्ति की सिफारिश करने के आधार विद्यमान हैं, तो उक्त प्रयोजन के लिए जांच करने के लिए मुख्य महाप्रबंधक की पंक्ति से अनिम्न पंक्ति के अपने अधिकारियों में से किसी को न्यायनिर्णायक अधिकारी नियुक्त कर सकेगा।
4. सूचना का जारी किया जाना और जांच की कार्यवाहियां किया जाना:—(1) अधिनियम की धारा 28 के न्यायनिर्णयन के प्रयोजन के लिए जांच करने में, चाहे किसी व्यक्ति ने उक्त धारा के उपबंधों में से किसी उपबंध का उल्लंघन किया है, न्यायनिर्णायक अधिकारी, प्रथमतः, ऐसे व्यक्ति को एक सूचना जारी करेगा, जिसमें उससे ऐसी अवधि के भीतर (जो सूचना में विनिर्दिष्ट की जाए), से संबंधित इस बात का कारण बताने की अपेक्षा की जाएगी कि उसके विरुद्ध जांच क्यों नहीं की जानी चाहिए।
(2) उप-विनियम (1) के अधीन ऐसे किसी व्यक्ति को जारी की गई प्रत्येक सूचना में उस अपराध या उल्लंघन की, जिसका कि उसके द्वारा किए जाने का अभिकथन किया गया है, प्रकृति उपदर्शित की जाएगी।
(3) न्याय निर्णायक अधिकारी ऐसे किसी पक्षकार या व्यक्ति को सूचना जारी कर सकेगा जिसकी उपस्थिति, उसकी राय में, जांच में प्रभावी न्यायनिर्णयन के लिए अपेक्षित हो।
(4) यदि ऐसे व्यक्ति द्वारा दर्शित कारण, यदि कोई हो, पर विचार करने के पश्चात् न्यायनिर्णायक अधिकारी की यह राय है कि जांच की जानी चाहिए, तो वह उस व्यक्ति को व्यक्तिगत रूप से या अपने प्राधिकृत प्रतिनिधि के माध्यम से उपस्थित होने की तारीख नियत करते हुए एक सूचना जारी करेगा।
(5) न्यायनिर्णायक अधिकारी, तारीख नियत किए जाने पर, उस व्यक्ति को, जिसके विरुद्ध कार्यवाही की गई है, या उसके प्राधिकृत प्रतिनिधि को, ऐसे उल्लंघन या अपराध को, जिसका कि उस व्यक्ति द्वारा किए जाने का अभिकथन किया गया है अधिनियम, नियम या विनियम के उन उपबंधों को, जिनके संबंध में उल्लंघन किए जाने का अभिकथन किया गया है, उपदर्शित करते हुए स्पष्ट करेगा।
(6) न्यायनिर्णायक अधिकारी, तब उस व्यक्ति को ऐसे दस्तावेज या साक्ष्य, जो वह जांच के लिए सुसंगत समझे, पेश करने का अवसर देगा और यदि आवश्यक हो तो सुनवाई को किसी भावी तारीख तक आस्थगित किया जा सकेगा और ऐसा साक्ष्य ग्रहण करने में न्यायनिर्णायक अधिकारी साक्ष्य अधिनियम, 1872 (1872 का 1) के उपबंधों का पालन करने के लिए आबद्ध नहीं होगा।
परन्तु उप-विनियम (4) में निर्दिष्ट सूचना और उप-विनियम (4), उप-विनियम (5) और उप-विनियम (6) में निर्दिष्ट व्यक्तिगत सुनवाई का संबंधित व्यक्ति के अनुरोध पर, अधिव्यजन किया जा सकेगा।
(7) न्यायनिर्णायक अधिकारी को, इन विनियमों के अधीन जांच करते समय, ऐसे किसी व्यक्ति को, जिसे मामले के तथ्यों और परिस्थितियों की जानकारी है, ऐसा साक्ष्य देने या कोई दस्तावेज प्रस्तुत करने के लिए, जो न्यायनिर्णायक अधिकारी की राय में जांच की विषय-वस्तु के लिए उपयोगी या सुसंगत हो सकता है, समन करने और उसे हाजिर कराने की शक्ति होगी।
(8) यदि कोई व्यक्ति उप-विनियम (4) की अपेक्षानुसार न्यायनिर्णायक अधिकारी के समक्ष उपस्थित होने में असफल रहता है या उसमें उपेक्षा करता है या उससे इंकार करता है, तो न्यायनिर्णायक अधिकारी ऐसे व्यक्ति की अनुपस्थिति में जांच कराने के लिए, ऐसा करने के कारणों को लेखबद्ध करने के पश्चात्, अग्रसर हो सकेगा।
(9) प्राधिकरण द्वारा न्यायनिर्णायक अधिकारी को जांच करने के लिए किसी निर्देश को और उसके अनुसरण में किसी व्यक्ति को जांच की सूचना जारी किए जाने को अधिनियम की धारा 30 के अधीन जांच का आरंभ किया जाना समझा जाएगा।
5. जांच का स्थान:—(1) न्यायनिर्णायक अधिकारी जांच की कार्यवाहियां प्राधिकरण के मुख्यालय में या भारत में स्थित प्राधिकरण के किन्हीं अन्य कार्यालयों में करेगा।
परन्तु न्यायनिर्णायक अधिकारी प्राधिकरण के एक से अधिक अन्य कार्यालयों में भी, जो वह ऐसी जांच करने के लिए समीचीन और सुविधापूर्ण समझे, जांच की कार्यवाहियां कर सकेगा।
(2) सदस्य के समक्ष की कार्यवाहियां प्राधिकरण के मुख्यालय में या ऐसे अन्य स्थान पर, जैसा सदस्य द्वारा विनिश्चय किया जाए, की जाएगी।
6. अधिनियम की धारा 30 के अधीन जांच के लिए सूचना या दस्तावेज जारी करने की रीति:—(1) इन विनियमों के अधीन, किसी व्यक्ति पर तामील की जाने वाली प्रत्येक सूचना या उसे परिदत्त किए जाने वाले अन्य दस्तावेज की तामील व्यक्तिगत रूप से की जा सकेगी या उसे रसीद रजिस्ट्री डाक द्वारा या स्पीड पोस्ट द्वारा या कुरियर सेवा द्वारा उसके निवास-स्थान के पते पर या उसके निवास के अंतिम ज्ञात पते पर या उस स्थान पर, जहां वह कारोबार करता है या अंतिम बार कारोबार करता था या अभिलाभ के लिए वैयक्तिक तौर पर कार्य करता है या अंतिम बार कार्य करता था, भेज सकेगा।
(2) इसके अतिरिक्त, इसे प्रतिरूप पारेषण के माध्यम से या इलैक्ट्रॉनिक मेल द्वारा भी भेजा जा सकेगा। प्रतिरूप पारेषण में एक आवरण पृष्ठ होगा जिसपर प्रेषक के ब्यौरे, विषय, पारेषण की तारीख तथा प्राप्तकर्ता का नाम तथा टेलिफोन नम्बर होगा।

18. अननुपालन का प्रभाव—इन विनियमों की किसी अपेक्षा का पालन करने में असफल रहने से कोई कार्यवाही केवल ऐसी असफलता के कारण अविधिमान्य नहीं होगी जब तक कि पदाभिहित सदस्य का मत यह न हो कि ऐसी असफलता के परिणामस्वरूप घोर अन्याय हुआ है।

हेमंत जी. कान्देक्टर, अध्यक्ष

[विज्ञापन—III/4/असा./203/14]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(Procedure for Inquiry By Adjudicating Officer) Regulations, 2015

NOTIFICATION

New Delhi, the 6th January, 2015

No: PFRDA/12/RGL/139/1.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clause (q) of sub-section (2) thereof and section 30 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

1. **Short title and commencement.**—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Procedure for inquiry by adjudicating officer) Regulations, 2015.

(2) They shall come into force on the date of their publication in the Official Gazette.

The regulation aims to provide for a transparent mechanism of conducting an inquiry, prior to imposition of penalty, as provided under Section 28 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013).

2. **Definitions.**— (1) In these regulations, unless the context otherwise requires,—

(a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

(b) "adjudicating officer" means the officer appointed by the Authority as adjudicating officer under sub-section (1) of section 30 of the Act;

(c) "designated member" means a member of the Authority, who is designated as incharge of investigation and surveillance;

(d) "inquiry" means the inquiry referred in section 30 of the Act;

(e) "person" shall include any natural or juristic person or intermediary under the National Pension system or any other pension scheme, governed by the provisions of the Act;

(f) "presenting officer" means a professional or an officer of the Authority appointed by the Chairperson to present a case on behalf of the Authority before the adjudicating officer or the member.

(2) Words and expressions used and not defined in these regulations but defined in the Act shall have the same meanings respectively assigned to them in the Act.

3. **Appointment of adjudicating officer for holding inquiry.**— Whenever the Authority is of the opinion that there are grounds for holding an inquiry, adjudging and recommending penalty under section 28 of the Act, it may appoint any of its officers not below the rank of Chief General Manager to be an adjudicating officer for holding an inquiry for the said purpose.

4. **Issuance of notice and holding of inquiry proceedings.**—(1) In holding an inquiry for the purpose of adjudging under Section 28 of the Act as to whether any person has contravened any of the provisions of that section, the adjudicating officer shall, in the first instance, issue a notice to such person requiring him to show cause within such period as may be specified in the notice (being not less than fourteen days from the date of service thereof) as to why an inquiry should not be held against him.

(2) Every notice under sub-regulation (1) to any such person shall indicate the nature of offence or contravention alleged to have been committed by him.

(3) The Adjudicating Officer may issue notice to any other party or person whose presence may in his opinion be required for an effective adjudication in the inquiry.

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(4) If after considering the cause, if any, shown by such person, the adjudicating officer is of the opinion that an inquiry should be held, he shall issue a notice fixing a date for the appearance of that person either personally or through his authorised representative.

(5) On the date fixed, the adjudicating officer shall explain to the person proceeded against or his authorised representative, the contravention or offence, alleged to have been committed by such person indicating the provisions of the Act, rules or regulations in respect of which contravention is alleged to have taken place.

(6) The adjudicating officer shall then give an opportunity to such person to produce such documents or evidence as he may consider relevant to the inquiry and if necessary the hearing may be adjourned to a future date and in taking such evidence the adjudicating officer shall not be bound to observe the provisions of the Evidence Act, 1872 (11 of 1872):

Provided that notice referred to in sub-regulation (4), and the personal hearing referred to in sub-regulations (4), (5), and (6) may, at the request of the person concerned, be waived.

(7) While holding an inquiry under this regulation, the adjudicating officer shall have the power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document, which in the opinion of the adjudicating officer may be useful for or relevant to the subject matter of the inquiry.

(8) If any person fails, neglects or refuses to appear, as required by sub-regulation (4), before the adjudicating officer, the adjudicating officer may proceed with the inquiry in the absence of such person after recording the reasons for doing so.

(9) A direction for inquiry to the adjudicating officer by the Authority, and issuance of notice of inquiry proceedings pursuant thereto to any person, shall be deemed to be the commencement of an inquiry under section 30 of the Act.

5. Place of inquiry.- (1) The adjudicating officer shall hold the inquiry proceedings at the head office of the Authority or any other offices of the Authority in India:

Provided that the adjudicating officer may also hold the inquiry proceedings at more than one of other offices of the Authority as may be deemed to be expedient and convenient for conducting such inquiry.

(2) The proceedings before the member shall be held at the head office of the Authority or such other place as may be decided by the member.

6. Manner of issuance of notice or documents for inquiry under section 30 of the Act.- (1) Every notice or other document required to be served on or delivered to any person, under these regulations, may be served personally or sent by registered post with acknowledgment due, or by speed post or by courier service at the address of his place of residence or his last known place of residence or the place where he carried on, or last carried on, business or personally works or last worked for gain.

(2) Additionally, this may also be sent through facsimile transmission or by electronic mail. The facsimile transmission shall contain a cover page giving details of the sender, the subject, date of transmission, and the recipient's name and telephone number.

(3) Where the service of notice is not possible under the above referred modes and where the addressee cannot be found or is not traceable, the service may be effected by any of the means specified under Rule 20 of Order V of the Code of Civil Procedure, 1908 (5 of 1908).

7. Right of legal representation.- The aggrieved persons may either appear in person or authorise one or more chartered accountants or company secretaries or cost accountants or legal practitioners or any of its officers to present his or its case before the adjudicating officer or the member. The Authority may appoint a presenting officer or any other suitable professional mentioned in this regulation, to present its case.

8. Proceedings before adjudicating officer not to be open to public.- Except where the adjudicating officer may so direct, for reasons to be recorded, the inquiry proceedings shall not be open to public. In taking the decision to open the proceedings to public, the adjudicating officer may take into account all or any of the following matters namely: -

- (a) whether disclosure to public does not cause significant harm to a party;
- (b) degree of inhibition or encouragement in providing information in public;
- (c) efficient and proper conduct of proceeding;
- (d) resources of the Authority.

9. Filing of written arguments.- The adjudicating officer may direct the parties to file written note of arguments or submissions in the matter within such time as may be specified by the adjudicating officer.

10. Submission of report by adjudicating officer.- (1) The adjudicating officer shall after hearing the person and the presenting officer or upon examining any person at his discretion or after considering any expert opinion on the subject-

matter, if so required, and upon consideration of the documents and evidences submitted by the parties, submit his inquiry report to the designated member together with his recommendations on imposition of the penalty on the delinquent person in accordance with the provisions of section 30 of the Act.

(2) While recommending the quantum of penalty under section 28 of the Act, the adjudicating officer shall have due regard to the following factors, namely:-

- (a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;
- (b) the amount of loss caused to a subscriber or group of subscribers; and
- (c) the repetitive nature of any default.

(3) Every inquiry report of the adjudicating officer along with the recommendation made under sub-regulation (1) shall specify the provisions of the Act in respect of which default has taken place and shall contain brief reasons for such recommendation.

(4) Every inquiry report and recommendation shall be dated and signed by the adjudicating officer.

(5) The report alongwith the recommendation of imposition of penalty shall be submitted to the designated member within twenty-one days of the conclusion of the final hearing by the adjudicating officer.

(6) The adjudicating officer shall hold the inquiry proceedings expeditiously and shall conclude the proceedings before him preferably within a period of ninety days from the initiation of inquiry proceedings excepting where designated member has directed to submit a supplementary report.

11. Procedure for imposition of penalty.- (1) The inquiry report alongwith supplementary report, if any, and the recommendation for imposition of penalty, if any, of the adjudicating officer shall be placed before the designated member, who shall forward it to any other member for his consideration and passing the order of imposition of penalty in accordance with sub-section (3) of section 30 of the Act preferably within twenty-one days of the receipt of such inquiry report and recommendation from the designated member.

(2) No order imposing the penalty shall be passed by the member, without giving an opportunity of hearing to the affected person alongwith a copy of the inquiry report. Where, the affected person fails to appear before the member, the order imposing penalty may be passed *ex parte*.

(3) The member may pass an order imposing the penalty as he may deem fit having regard to the provisions of sub-section (2) of section 30 of the Act:

Provided that the member may pass any other order confirming, varying or modifying the findings in the inquiry report or the recommendations made by the adjudicating officer or may recommend to the Authority for a fresh inquiry in the matter, for reasons to be recorded in such order:

Provided further that the member shall not review any facts or evidence, forming part of the inquiry report submitted by the adjudicating officer, except where the member finds that the adjudicating officer has failed to appreciate any relevant facts or evidence placed before him while formulating the inquiry report.

12. Communication of the inquiry report and order imposing penalty.- (1) An officer of the Authority authorized by it, shall communicate by registered post or by other modes of dispatch as specified in sub-regulation (1) of regulation 6, a certified copy of the inquiry report of the adjudicating officer together with the order passed by the member, within fifteen days of passing of such order by the member. The report and the order or its excerpts may be displayed on the web site of the Authority or the Authority may cause publication of the same in the media if it so desires in the interest of public, but shall have regard to the business secrets of the persons concerned and may direct deletion of such portions of the orders or decisions from the display on the website or publication thereof in the media, as it deems fit.

(2) Further, certified copies of the inquiry report and the order thereon shall be made available to the parties upon payment of such fees as may be specified.

13. Provision for appeal.- Any appeal against the inquiry report of the adjudicating officer and the order imposing penalty passed by the member may be made in accordance with section 36 of the Act.

14. Power of adjudicating officer to call for information.- (1) The adjudicating officer may, at any time before submitting his inquiry report in a proceeding, require any of the parties or any other person whom the adjudicating officer considers appropriate, to produce such documents or other material objects as may be deemed necessary for the purpose of adjudication.

(2) The adjudicating officer may direct the summoning of the witnesses, discovery and production of any document or other material objects producible in evidence, requisition of any public record from any office, examination by an officer of the Authority the books, accounts or other documents or information in the custody or control of any person, which the adjudicating officer considers relevant for the purpose.

(3) The adjudicating officer, may at any time, summon and enforce the attendance of any person and examine him, or cause him to be examined on oath.

(4) The adjudicating officer may also issue commissions for examination of witnesses or documents where, deemed necessary.

(5) All the powers exercised by the adjudicating officer, under these regulations may without prejudice to any other powers of the Authority or the member, as the case may be, may also be exercised by such member, in the proceedings before him.

15. Powers to determine procedure in certain circumstances.—In a situation not provided for in these regulations, the Authority may, for reasons to be recorded in writing, determine the procedure in a particular case.

16. Language of the inquiry proceedings.—The language used in the inquiry proceedings shall be English, excepting in some special cases where the aggrieved party or witnesses, or any person connected with the inquiry proceedings shall be permitted to address in Hindi.

17. Computation of time.—(1) Where a period of time dates from a given day, any act or event specified by or allowed under these regulations to be done, the time for doing the same shall be reckoned exclusive of the said day, or of the day of the act or event, from which the time runs.

(2) Where the time specified by or allowed under these regulations for doing an act or taking a proceeding expires on a day on which the office of the Authority is closed, the act may be done or the proceeding may be taken on the first day following the day on which that office is closed.

18. Effect of non-compliance.—Failure to comply with any requirement of these regulations shall not invalidate any proceeding, merely by reason of such failure, unless the designated member is of the view that such failure has resulted in the miscarriage of justice.

HEMANT G. CONTRACTOR, Chairman

[ADVT-III/4/Exty./203/14]

NEW

Pension Fund Regulatory

रजिस्ट्री सं० डी० एल०-33004/99

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 4 मार्च, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (उपस्थिति अस्तित्व) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/3.—पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उपधारा (2) के खंड (ड), खंड (ठ), खंड (ढ), खंड (ण) और खंड (त) के साथ पठित उसकी उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात् :—

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (उपस्थिति अस्तित्व) विनियम, 2015 है।

विनियम का उद्देश्य राष्ट्रीय पेंशन प्रणाली के लिए एक स्वतंत्र, सुदृढ़ और प्रभावी वितरण तंत्र को प्रोत्साहित करने और यह सुनिश्चित करने का है कि उपस्थिति अस्तित्व की विपणन पद्धतियां अभिदाताओं के हितों के संवर्धन और संरक्षा के लिए ऋजु, दक्ष और पारदर्शी हों।

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

- (क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है ;
- (ख) "संपरीक्षक" से ऐसा व्यक्ति अभिप्रेत है, जो कंपनी अधिनियम, 1956 (1956 का 1) की धारा 224 के अधीन किसी कंपनी के लेखाओं की संपरीक्षा के लिए अर्हित है ;
- (ग) "भारत का नागरिक" से ऐसा व्यक्ति अभिप्रेत है, जो नागरिकता अधिनियम, 1955 (1955 का 57) के अधीन भारत का नागरिक होने के लिए अर्हक है ;
- (घ) "कंपनी" से कंपनी अधिनियम, 1956 (1956 का 1) के अधीन विरचित और रजिस्ट्रीकृत कोई कंपनी अभिप्रेत है ;
- (ङ) "अनुपालन अधिकारी" से उपस्थिति अस्तित्व से उत्तरदायी ऐसा कोई व्यक्ति अभिप्रेत है, जिसे उस रूप में पदाभिहित और अधिनियम या उसके अधीन प्राधिकरण द्वारा बनाए गए नियमों या विनियमों के उपबंधों या जारी की गई अधिसूचनाओं, मार्गदर्शक सिद्धांतों, परिपत्रों या अनुदेशों का उपस्थिति अस्तित्व द्वारा अनुपालन किए जाने को मानीटर करने के उत्तरदायित्व का भार सौंपा गया है ;
- (च) "आई. पिन" से केंद्रीय अभिलेखापाल अभिकरण या राष्ट्रीय पेंशन प्रणाली अभिदाय लेखांकन नेटवर्क प्रणाली की वेबसाइट को इंटरनेट के माध्यम से लॉगिन करने के लिए अभिदाता को अधिप्रमाणित करने हेतु प्रयुक्त पहचान अभिप्रेत है ;
- (छ) "टी. पिन" से अंतरक्रियागत ध्वनि प्रतिक्रिया प्रणाली में अभिदाता को अधिप्रमाणित करने के लिए प्रयुक्त पहचान का संख्यांक अभिप्रेत है ;
- (ज) "उपस्थिति अस्तित्व-कारपोरेट" से ऐसा अस्तित्व (इकाई) अभिप्रेत है, जो प्राधिकरण द्वारा केवल अपने कर्मचारियों और निदेशकों के संबंध में उपस्थिति अस्तित्व के रूप में कार्य करने के लिए रजिस्ट्रीकृत है ;
- (झ) "उपस्थिति अस्तित्व-उप इकाई" से ऐसा अस्तित्व (इकाई) अभिप्रेत है, जिसे किसी रजिस्ट्रीकृत अस्तित्व द्वारा इन विनियमों के अधीन विनिर्दिष्ट किसी उपस्थिति अस्तित्व का कोई भी कृत्य या बाध्यता सौंपी गई है और जिसे प्राधिकरण द्वारा स्वीकार किया गया है ;

(2) उन शब्दों और पदों के, जो इन विनियमों में प्रयुक्त हैं और परिभाषित नहीं हैं, किंतु अधिनियम में परिभाषित हैं, वे ही अर्थ होंगे, जो संबंधित अधिनियमों में उनके हैं ।

अध्याय 2

उपस्थिति अस्तित्वों का रजिस्ट्रीकरण

3. रजिस्ट्रीकरण प्रमाणपत्र दिए जाने के लिए आवेदन—(1) ऐसा कोई आवेदक, जो इन विनियमों में विनिर्दिष्ट पात्रता मानदंड को पूरा करता है, उपस्थिति अस्तित्व के रूप में रजिस्ट्रीकरण प्रमाणपत्र दिए जाने के लिए ऐसे आवेदन प्ररूप में, जो प्राधिकरण द्वारा विनिर्दिष्ट किया जाए और उसके द्वारा आवेदक प्रदाय किया जाए, आवेदन कर सकेगा । आवेदक, आवेदन प्रपत्र में विनिर्दिष्ट रीति में आवेदन पर कार्रवाई करने के लिए आवेदन तथा प्रशासनिक फीस के मद्दे 10,000 रुपये की अप्रतिदेय फीस का संदाय करेगा। प्राधिकरण आवेदक से ऐसा आवेदन प्राप्त होने के सात दिन के भीतर उस आवेदन प्ररूप के प्राप्त होने की अभिस्वीकृति रसीद देगा ।

(2) आवेदक प्राधिकरण से उपस्थिति अस्तित्व के रूप में रजिस्ट्रीकरण दिए जाने के उसके आवेदन को स्वीकार किए जाने के बारे में संसूचना प्राप्त होने की तारीख से पन्द्रह दिन के भीतर पच्चीस हजार रुपए की आरंभिक रजिस्ट्रीकरण फीस का संदाय करेगा ।

अनुसूची - II**पेंशन निधि विनियामक और विकास प्राधिकरण (उपस्थिति अस्तित्व) विनियम, 2015**

(विनियम 21 देखिए)

आचार संहिता

(1) उपस्थिति अस्तित्व राष्ट्रीय पेंशन प्रणाली के अभिदाताओं के सभी मामलों में का प्रबंध करने में उनके हितों में कोई परस्पर विरोध नहीं होने देगा और सभी अभिदाताओं के हितों को सर्वोपरि रखेगा। यदि अभिदाता और उपस्थिति अस्तित्व या उसके प्रतिनिधि के हितों में कोई परस्पर विरोध होता है तो अग्रता अभिदाताओं के हितों को दिया जा सकेगा।

(2) अभिदाताओं को राष्ट्रीय पेंशन प्रणाली पर ऐसे उचित प्रकटन तंत्र के माध्यम से, जो प्राधिकरण द्वारा समय-समय पर यथाविहित किया जाए, अद्यतन जानकारी, जिससे कि अभिदाता अभिज्ञात विनिश्चित करने में समर्थ हो सके,—

(क) अभिदाता द्वारा कोई वित्तीय संविदा करने के पर्याप्त समय पूर्व, जिससे कि अभिदाता को उस जानकारी को समझने में पर्याप्त समय मिल सके;

(ख) किसी तात्त्विक परिवर्तन के होने पर अपनी वेबसाइट पर सतत् आधार पर और युक्तियुक्त समय के भीतर या युक्तियुक्त आवधिक अंतरालों पर, जैसे लागू हों; और

(ग) लिखित रूप में और ऐसी रीति में, जिससे अभिदाता उसे समझ सकता हो, उपलब्ध कराई जाएगी।

(3) उपस्थिति अस्तित्व यह सुनिश्चित करेगा कि उसके द्वारा किसी सहयुक्त को कोई असम्यक् या अनुचित लाभ नहीं दिया गया है या उसके कारबार के सहयुक्तों में से किसी से ऐसी रीति में बर्ताव नहीं किया गया है जो अभिदाताओं के हितों के प्रतिकूल हो।

(4) उपस्थिति अस्तित्व अपने सभी व्यौहारों में और अपने कारबार के संचालन में सत्यनिष्ठा और ऋजुता के उच्च मानक बनाए रखेगा। वे सभी समयों पर सेवा के उच्च मानक पूरे करेगा, ऐसी सम्यक् तत्परता बरतेगा जिसमें कार्यकुशल और देखरेख के ऐसे मानक विवक्षित हैं जो शुद्ध विपणन पद्धति, सदभाव, ग्राहक की रूपरेखा (प्रोफाइल), अभिदाता की उपस्थिति अस्तित्व पर निर्भरता की सीमा के अनुरूप हो और स्वतंत्र वृत्तिक विवेकबुद्धि का प्रयोग करेगा।

(5) उपस्थिति अस्तित्व, उनकी अर्हताओं या सेवा प्रदान करने की उनकी क्षमता के बारे में या उनकी उपलब्धियों के बारे में मौखिक या लिखित कोई अतिशयोक्तिपूर्ण कथन नहीं करेगा।

(6) उपस्थिति अस्तित्व, अभिदाताओं के साथ व्यवहार करते समय किसी अनुचित आचरण में अर्थात् ऐसे किसी कार्य या लोप में लिप्त होने से प्रतिषिद्ध है, जो किसी अभिदाता की कोई ज्ञात संव्यवहारिक विनिश्चय को करने के सामर्थ्य को पर्याप्त रूप से कम करता है से जिससे उसके पर्याप्त रूप से कम होने की संभावना है और इसके अंतर्गत अभिदाताओं के साथ ऐसा आचरण भी है, जो भ्रामक या अपमानजनक है।

अनुसूची-III**पेंशन निधि विनियामक और विकास प्राधिकरण (उपस्थिति अस्तित्व) विनियम, 2015**

(विनियम 42 देखिए)

उपस्थिति अस्तित्व द्वारा व्यक्तिगत सूचना का संरक्षण

1. व्यक्तिगत सूचना अर्थात् ऐसी कोई सूचना जो अभिदाता से संबंधित है या जो अभिदाता की पहचान को, प्रत्यक्ष रूप से या अप्रत्यक्ष रूप से, उपलब्ध करने को अनुज्ञात करती है और इसके अंतर्गत निम्नलिखित है:

-- नाम और संपर्क सूचना;

-- बायोमीट्रिक सूचना, व्यष्टिक की दशा में;

1057 55/15-6

- वित्तीय उत्पादों में के संव्यवहारों या उनकी अभिवृद्धि से संबंधित सूचना;
- वित्तीय सेवाओं के प्रयोग से संबंधित सूचना; या
- ऐसी अन्य सूचना, जो विनियमों द्वारा विनिर्दिष्ट की जाए।

2. उपस्थिति अस्तित्व -

- (क) किसी अभिदाता से संबंधित व्यक्तिगत सूचना, उस सीमा से अधिक, जो राष्ट्रीय पेंशन प्रणाली के उपबंधों के लिए अपेक्षित है; संगृहीत नहीं करेगा;
- (ख) अभिदाता से संबंधित व्यक्तिगत सूचना की गोपनीयता को बनाए रखेगा और उसके सिवाय जहां विधि के अधीन अपेक्षित हो उसे किसी अन्य व्यक्ति को प्रकट नहीं करेगा ;
- (ग) यह सुनिश्चित करने के लिए पूरा प्रयास करेगा कि उसके पास किसी अभिदाता से संबंधित कोई व्यक्तिगत सूचना सही, अद्यतन और पूरी है;
- (घ) यह सुनिश्चित करेगा कि अभिदाता, किन्हीं ऐसे अपवादों के अधीन रहते हुए, जो प्राधिकरण द्वारा विनिर्दिष्ट किए जाएं, अपनी व्यक्तिगत सूचना के बारे में युक्तियुक्त पहुंच बना सकता है;
- (ङ.) यह सुनिश्चित करने के लिए कि उपस्थिति अस्तित्व द्वारा निजी व्यक्तिगत सूचना सही, अद्यतन और पूरी हो, अभिदाताओं को उनकी व्यक्तिगत सूचना में परिवर्तन करने का प्रभावी अवसर प्रदान करेगा।

3. उपस्थिति अस्तित्व प्रदाता किसी अभिदाता की व्यक्तिगत सूचना, किसी अन्य व्यक्ति को केवल तभी प्रकट कर सकेगा यदि--

- (क) उसने प्रकटन के लिए, अभिदाता को सहमति देने से इंकार करने का प्रभावी अवसर देने के पश्चात्, अभिदाता की अनुप्रमाणित लिखित पूर्व ज्ञात सहमति अभिप्राप्त कर ली हो;
- (ख) अभिदाता ने प्रकटन का निदेश दे दिया हो;
- (ग) प्राधिकरण ने प्रकटन का अनुमोदन कर दिया हो या आदेश दे दिया हो और जब तक यह सुसंगत विधि या विनियमों द्वारा प्रतिषिद्ध न हो अभिदाता को ऐसी विधि या विनियमों के अधीन ऐसे प्रकटन के विरुद्ध अभ्यावेदन करने का अवसर दिया जाएगा;
- (घ) यदि उपस्थिति अस्तित्व, अन्य व्यक्ति से, इस विनियम के अधीन अपेक्षित रीति में व्यक्तिगत सूचना की गोपनीयता को बनाए रखने के लिए कोई ठहराव कर लेता है तो ऐसा प्रकटन वास्तविक या संभावनी कपट, अप्राधिकृत संव्यवहार या दावों के विरुद्ध संरक्षण के लिए या उसे निवारित करने के लिए किया जाता है।

हेमंत जी. कांटेक्टर, अध्यक्ष
[विज्ञापन-III/4/ असा./203/14]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 4th March, 2015

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(POINT OF PRESENCE) REGULATIONS, 2015

No. PFRDA/12/RGL/139/3.—In exercise of the powers conferred by sub-section (1) read with clauses (e), (l), (n), (o) and (p) of sub-section (2) of Section 52 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I PRELIMINARY

1. **Short title and commencement—**(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2015.
The regulation aims at encouraging an independent, strong and effective distribution channel for National Pension System and ensuring that market practices of the points of presence are fair, efficient and transparent for the promotion and protection of interest of the subscribers.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. **Definitions—**(1) In these regulations, unless the context otherwise requires—
 - (a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
 - (b) "auditor" means a person who is qualified to audit the accounts of a company under section 224 of the Companies Act, 1956 (1 of 1956);
 - (c) "Citizen of India" means any person qualifying to be a citizen of India under the Citizenship Act, 1955 (57 of 1955);
 - (d) "Company" means any company formed and registered under the Companies Act, 1956 (1 of 1956);
 - (e) "compliance officer" means a person of responsibility from the point of presence; designated as such and charged with the responsibility of monitoring compliance by the point of presence of the provisions of the Act or the rules or the regulations made or notifications, guidelines, circulars or instructions issued by the Authority thereunder;
 - (f) "I-Pin" means an identification number used to authenticate the subscriber to login website of the central recordkeeping agency or the National Pension System Contribution Accounting Network through internet.
 - (g) "T-Pin" means an identification number used to authenticate the subscriber in the Interactive Voice Response system.
 - (h) "Point of Presence- corporate" means an entity which is registered by the Authority to act as a point of presence in respect of its employees and directors only.
 - (i) "Point of Presence- sub-entity" means an entity which has been assigned any of the functions or obligations of a point of presence specified under these regulations, by a registered point of presence and which has been accepted by the Authority.
- (2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings assigned to them in the Act.

CHAPTER II REGISTRATION OF POINTS OF PRESENCE

3. **Application for grant of certificate of registration—**(1) Any applicant meeting the eligibility criteria specified in this regulation, may apply for grant of a certificate of registration as a point of presence, in such application form as may be specified by the Authority and supplied by it to the applicant. Applicant shall submit a non-refundable fee of Rupees Ten thousand towards for application and administrative fee for processing of the application along with the application form in the manner specified in the application form. The Authority shall acknowledge receipt of the application form within seven days of receipt of such application from the applicant.
(2) The applicant shall pay an initial registration fee of Rupees twenty-five thousand within fifteen days from the date of receipt of intimation from the Authority about acceptance of its application for grant of certificate of registration as point of presence.
(3) An application, not complete in all respects and not conforming to the instructions as specified in the application form and these regulations shall be rejected:
Provided that, before rejecting any such application, the applicant shall be given a reasonable opportunity to withdraw or to complete the application in all respects and rectify the errors, if any, within such time as the Authority may specify.
(4) The Authority may seek additional information from the applicant for processing the application:
Provided that the Authority shall record the reasons in writing about the relevance of such additional information in processing of the application.
(5) Any point of presence, which was granted a permission to function as such by the Interim Pension Fund Regulatory and Development Authority immediately prior to establishment of the Authority under the Act and such permission continues to be valid as on or after the date of notification of these regulations may continue to act as such for a period of ninety days from the notification of these regulations or, if it makes an application for grant of registration within ninety days of notification of these regulations till the disposal of its application by the Authority.
4. **Fit and proper person-criteria or eligibility—**(1) The following shall be the eligibility criteria for any applicant intending to obtain a certificate of registration as a point of presence and the date, on which the application has been received for the first time by the Authority, shall be construed as the date for satisfying the following eligibility conditions by the applicant, namely:-
 - (a) registered and regulated by any financial regulator including the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority, the Pension Fund Regulatory and Development Authority and the National Housing Bank;

(b) having a minimum of fifteen branches in India with each branch having the necessary Information Technology infrastructure and capacity to electronically link to the central recordkeeping agency approved by the Authority. Each of these branches of the point of presence should have demonstrated capability to electronically transmit the subscriber's contribution and information not later than "T+1" basis where T stands for the day on which clear funds are available with the Point of Presence;

(c) minimum net worth (paid-up capital plus free reserves) of rupees two crores which shall include a minimum paid up capital of rupees fifty lakhs as on the last day of the immediately preceding financial year;

(d) shall possess a three year track record of profitability (Profit after tax) out of the last five financial years as on the last day of the immediately preceding financial year and not having any cash losses in the last two financial years;

(e) shall be in the business of marketing or selling of retail financial services or products;

(f) absence of convictions and restraint orders by any financial sector regulator or by a court of law in any of the preceding five years for any offence involving moral turpitude, economic offences, violation of any securities or banking law or fraud;

(g) conforming to any other criteria as may be specified by the Authority from time to time in the form of resolutions, notifications, circulars, guidelines, having regard to the interest of the subscribers and for orderly growth of the pension industry:

provided that,-

- (i) a Central or State Public Sector Undertaking ; or
- (ii) a Public sector undertaking registered under any of the Central or State Acts; or
- (iii) any other entity, organization or company not falling either under (i) or (ii) mentioned above with a minimum employee strength of three hundred as on the date of making application to the Authority and which is desirous of offering National Pension System account to its employees may either join the National Pension System through a point of presence or may opt to be registered as a point of presence— corporate by applying to the Authority in the application form so specified along with a registration fee of Rupees ten thousand only. The Authority may having regard to the interest of the employees exempt the applicant at the time of making an application as point of presence- corporate, from fulfilling any or all of the eligibility criteria as mentioned in this regulation. Those employers desirous of offering National Pension System to their employees and who do not fall under any of the above shall join the National Pension System through the medium of Point of Presence only. This dispensation shall be provided to the applicant to offer National Pension System account in respect of his employees and directors only and not to others.

5. **Disclosure of information**—(1) The Authority having regard to the interest of the subscribers, may make disclosure to the public of the information on such application made by the applicant by placing such information on a website as specified by the Authority including a website maintained by the applicant:

Provided that the other relevant information furnished by the applicant and which relates to commercial confidence and private information of the applicant, which it may state as confidential, may not be disclosed by the Authority, subject to the provisions of any law or rules or regulations or any order or decision pronounced by a court of law or tribunal, as the case may be, mandating such disclosure.

(2) Any material change in the information furnished or placed on a website under these regulations shall be intimated to the Authority by the applicant promptly but not later than fifteen days of the occurrence of such change.

6. **Furnishing of information and clarification**—(1) Subject to sub-regulation (4) of regulation 3, the Authority may require an applicant to furnish any further information or clarification for the purpose of disposal of the application, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority. The applicant or its principal officer shall, if so required, appear before the Authority for a personal representation in connection with an application.

(2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.

7. **Verification of information**—(1) While considering the application, the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information by physical verification of documents, office space, and inspect the availability of office space, infrastructure, and technological support which the applicant is required to have.

(2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an external auditor or agency.

8. **Consideration of application**—(1) For considering the eligibility of the applicant and grant of certificate to such applicant, the Authority shall take into account all such matters which it deems relevant to the pension sector and the National Pension System, including but not limited to the following :-

(a) whether the applicant or any of its associates have in the past been refused certificate of registration by any of the regulators including, Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority, Pension Fund Regulatory and Development Authority and National Housing Bank and if so, the ground for such refusal;

(b) whether the applicant have in the past five years been imposed with penalties by any of the regulators referred to in clause (a) or by a court of law or tribunal, on the matters concerning violation of regulations,

directions, guidelines and circulars of the regulators and if so, the ground for such refusal or have been convicted for any offence involving moral turpitude, economic offence, violation of any securities or banking law or fraud;

- (c) whether the applicant satisfies the eligibility criteria and other requirements specified in these regulations;
 - (d) whether the grant of a certificate to the applicant is in the interest of the subscribers or the objective of orderly development of pension sector or of the National Pension System.
- (2) The Authority may invite the applicant to make a presentation to the Authority at a date, time and locations determined by the Authority. The purpose of such presentations would be to allow the applicants to present their proposal to the Authority and the key strengths in their proposals.
- (3) Any application for grant of certificate of registration,-
- (a) which is not complete in all respects and does not conform to the requirements and the relevant requirements specified in these regulations; or
 - (b) which does not contain such additional information as required by the Authority; or
 - (c) which is incorrect, false or misleading in nature; or
 - (d) where the applicant is not in compliance with the eligibility requirements as set out under these regulations or the relevant regulations; or
 - (e) which in the opinion of the Authority is not in the interest of subscribers and or the objective of orderly development of pension sector and the National Pension System; or
 - (f) where the applicant is not a 'fit and proper person' or not complying with the requirements as provided in these regulations;

shall be rejected by the Authority for reasons to be recorded in writing by the Authority.

- (4) Before rejecting an application, the applicant shall be given an opportunity in writing to make good such deficiencies which can be removed, within the time specified by the Authority, for the purpose:
Provided that where an application is rejected for the reason that it contains false or misleading information, no such opportunity may be given and the applicant shall not make any application for grant of certificate of registration under these regulations or any other regulations for a period of one year from the date of such rejection.

- (5) An application for grant of certificate of registration, under regulation 3, which is complete in all respects, shall be disposed of by the Authority, normally within a period of sixty days from the date of receipt of such request.

9. **Procedure for grant of certificate of registration—**(1) The Authority on being satisfied that the applicant is eligible, shall grant a certificate of registration in the form specified in Schedule-I and send intimation to the applicant in this regard:

Provided that where any pending proceeding is before the Authority or any court or tribunal which may result in the suspension or cancellation of the certificate of registration, the Authority may grant a conditional registration.

(2) The successful applicant who has been given the certificate required to submit a security deposit equivalent to one percent of its net worth or rupees five lakh, whichever is higher. The maximum security deposit shall not exceed rupees twenty lakhs. The stipulated deposit has to be deposited with any scheduled commercial bank which will not be released to the applicant unless the prior permission of the Authority is obtained or a Bank guarantee to the same extent is furnished. Such deposit certificate duly marking the lien of the Authority shall be retained by the point of presence after producing the same to Authority for verification.

(3) Every point of presence shall furnish to the Authority, as and when called upon to do so, a statement certified by the Bank in which such fixed deposit is kept.

(4) If the Authority is *prima facie* of the opinion that any point of presence or point of presence sub-entity working under the point of presence and registered with Authority has violated the terms and conditions of registration or has contravened any provisions of the Act, rules or regulations, the Authority may pass orders for attachment of the security deposit, pending the inquiry or investigation against such point of presence.

(5) Upon the request of the point of presence to waive this requirement of security deposit, the Authority may consider waiving the requirement of the security deposit for reasons to be recorded in writing, having regard to the interest of the subscribers.

(6) Within thirty working days of the date of receipt of certificate of registration, the point of presence shall enter into separate agreement with the National Pension System Trust and the central recordkeeping agency for operationalisation of National Pension System, besides any other intermediary, as may be directed by the Authority.

10. **Conditions of certificate of registration—**Any certificate of registration granted by the Authority to point of presence shall be subject to the following conditions, namely:—

- (a) where the point of presence proposes to change its status or constitution, it shall obtain prior approval of the Authority for continuing to act as a point of presence after such change in its status or constitution;
- (b) it pays the applicable fees and levies in accordance with the relevant regulations;
- (c) it abides by the provisions of the Act, regulations, directions, guidelines and circulars as may be issued by the Authority from time to time;
- (d) it meets the eligibility criteria and other requirements specified in these regulations throughout the tenure of such certificate of registration so granted:

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Provided that the Authority may impose such other and further conditions as it may deem fit in the interest of subscribers and or for the orderly development of the National Pension System or the pension sector.

11. **Effect of refusal to grant certificate of registration**—(1) Where an existing point of presence has been refused grant of certificate of registration under these regulations, or has surrendered its certificate of registration, or has been directed by the Authority to cease to act as a point of presence due to non-payment of renewal fee as required by the regulations or has been directed to be wound up by an order of a court, such point of presence shall,—
 - (a) forthwith cease to act as such point of presence;
 - (b) transfer its activities to another point of presence which has been granted a certificate of registration for carrying on such activity and allow the subscribers to move to another point of presence as directed by the Authority and inform all the underlying subscribers of such a change in Point of Presence along with the reasons;
 - (c) make provisions as regards liability incurred or assumed by the point of presence, if any;
 - (d) take such other action, within the time limit and in the manner, as may be required under the applicable regulations or as may be directed by the Authority.
 (2) While refusing grant of certificate of registration under these regulations to a point of presence, the Authority may impose such conditions upon the point of presence as it deems fit for protection of the interest of subscribers of the point of presence and such conditions shall be complied with.
12. **Period of validity of certificate of registration**—(1) Subject to compliance with the provisions of the Act, rules and regulations, the certificate of registration granted to a point of presence shall remain valid unless suspended or cancelled by the Authority.
 (2) where a certificate of registration has been granted subject to conditions, the validity of such registration shall be construed as subject to such conditions.
 (3) a point of presence may, within ninety days before the expiry of five years from the date of registration or from the date of payment of renewal fee last accepted by the Authority, make an application in the specified form to the Authority for acceptance of the renewal fee.
 Provided that if the application along with renewal fee reaches the Authority, not later than one year from the date due for payment of renewal fee, an additional fee of rupees one thousand per month for such period of delay shall be payable by the applicant to the Authority:
 (4) the renewal fees shall be a sum calculated at the rate of one-half percent of the charges earned out of National Pension System business in the preceding financial year subject to minimum of rupees twenty five thousand and maximum of rupees one lakh as renewal fee.
13. **Exemptions in certain cases from eligibility criteria**—(1) If any applicant including entities or institutions which propose to do only online subscriber registration, account operation and servicing activities pertaining to National Pension System does not fulfill any of the eligibility criteria as specified in these regulations, may request the Authority by making an application seeking exemption from fulfillment of such of the eligibility criteria with due justification,
 (2) If in the opinion of the Authority, the non-fulfillment of any of the eligibility criteria by the applicant and of which relaxation is sought, would not prejudicially affect the interest of the subscribers, may grant exemption from such criteria by recording the reasons in writing. The Authority may in such circumstances impose such additional conditions as it may deem fit for grant of certificate of registration.

Chapter III

DUTIES AND RESPONSIBILITIES OF POINT OF PRESENCE

14. **Duties and responsibilities of point of presence**—(1) The point of presence shall perform the following duties through their service provider branches, including offices where the entire business operations are carried out totally on online platform in accordance with the provisions of the Act, rules and regulations and any guidelines and directions issued by the Authority and the operational service level agreements executed with the National Pension System Trust as also any standard operating procedure issued by the National Pension System Trust, based on the Authority's guidelines,—
 - (I) Duties in relation to initial customer interaction for National Pension System:
 - (a) addressing queries of potential subscribers regarding National Pension System.
 - (b) providing and displaying information, in accordance with the provisions of the scheme, as approved by the Authority including information relating to , application forms, offer documents or any other publicity material pertaining to National Pension System;
 - (II) Duties in relation to subscriber registration:
 - (a) receive the duly filled application form along with the Know Your Customer documentation as may be applicable from time to time and conduct customer due diligence procedures as required under the Prevention of Money Laundering Act, 2002 (17 of 2003) including the amendments thereof or any other law through effective use of Know Your Customer verification processes laid down by the Authority for all subscribers;
 - (b) the point of presence shall carry out checks, as specified in the service standards as provided in the agreement between the point of presence and National Pension System Trust;

- (c) the point of presence shall ensure maintenance and reporting of all transactions by subscribers in accordance with the provisions of Prevention of Money Laundering Act, 2002 (17 of 2003) including amendments thereof and the rules framed thereunder from time to time, as may be applicable;
 - (d) the point of presence is responsible for collecting and transmitting, the initial contribution at the time of opening of National Pension System account and subsequent contributions of subscribers made by them to the Trustee Bank;
 - (e) the point of presence shall be responsible for delivering the subscriber registration form and supporting documents to the central recordkeeping agency or its representative which is approved by the Authority;
 - (f) the point of presence shall transfer the National Pension System contributions to the National Pension System Trust account maintained with the Trustee Bank and upload the subscriber contribution files with the central recordkeeping agency within the timeframe specified by the service standards for point of presence as provided in the agreement between point of presence and the National Pension System Trust;
- (2) Handling of subscriber requests such as the following:-
- (a) the point of presence is responsible for receiving and processing switching requests from subscribers among schemes and among pension fund;
 - (b) the point of presence shall upload all requests from subscribers into the central recordkeeping agency system within the timeframe specified by the service standards, as provided in the agreement between the point of presence and the National Pension System Trust;
 - (c) In respect of the subscriber withdrawal requests, the point of presence shall be responsible for receiving and processing, from subscribers for withdrawal of funds invested within the timeframe specified by the service level standards and in accordance with Pension Fund Regulatory and Development Authority (Exit and Withdrawal) regulations, 2015 or guidelines issued by the Authority. The point of presence shall not charge any extra charge for the service, other than what is permitted by the Authority;
 - (d) The Point of Presence shall be responsible for attending to subscriber's request for shift from one point of presence to another point of presence or to another point of presence service provider branch;
 - recording the request
 - updating records in central recordkeeping agency system;
 - (e) the point of presence shall be responsible for receiving and processing requests from subscribers for new I-Pin or T-Pin or Permanent Retirement Account Number card and other subscriber details;
 - (f) the point of presence is responsible for any other National Pension System account related service, as may be specified by Authority from time to time;
 - (g) the point of presence shall be responsible for all requests for the National Pension System related services received from the subscribers through online mode wherever the same is made available by the point of presence;
 - (h) the point of presence shall be responsible for receiving grievances from subscribers and uploading the same into centralized grievance management system and following up till their redressal.
- (3) The point of presence shall be responsible for the following in the event of cancellation or suspension of registration by the Authority or where it ceases to be a point of presence:—
- (a) the point of presence shall transfer all the data or records or documents or money (uncleared funds and cleared funds that have not been transferred to the Trustee Bank) of subscribers to any other point of presence as may be authorized or appointed by Authority for providing services, at the time of termination. All such documents and records shall be transferred without any cost to the new point of presence or its successor as may be determined by the Authority;
 - (b) the point of presence, which has been directed to transfer such documents and records, shall extend all necessary cooperation and support to the successor points of presence;
 - (c) on transfer of such documents and records, the transferor point of presence shall confirm to the transferee point of presence whether all such necessary documents and records have been transferred;
 - (d) the point of presence, point of presence - corporate and point of presence - sub entity shall adhere to the service standards as laid down in the agreement between the point of presence and the National Pension System Trust;
 - (e) the point of presence and point of presence - sub entity shall service the requests of the subscribers of any other pension scheme as referred to in clause (b) of sub-section (1) of sec 12 of the Act.
- 15. Charges to be charged to the National Pension System subscribers—**(1) the charges that may be levied on the subscriber by the point of presence shall be subject to the limits and manner of collection as laid down by the Authority from time to time. No point of presence shall collect, in a direct or indirect manner, any charge or other levies in any mode or manner, from the subscriber, unless specified by Authority, from time to time. The charges payable by the subscriber to the points of presence shall comprise the following heads:—
- i. initial subscriber registration and contribution upload charges subject to the limits as may be specified by the Authority from time to time.
 - ii. subsequent transaction charges subject to the limits as may be specified by the Authority from time to time.
- (2) no other charges, other than that specified by the Authority from time to time shall be collected from the subscribers.

16. **Maintenance of books of account and audit of accounts**—(1) The following books of accounts be kept by the point of presence :—
- (a) details of applications received and submitted to the central recordkeeping agency for registration and Permanent Retirement Account Number data generated for all such applicants;
 - (b) details of money received from the subscribers – in cash, by cheque, or any authorized form of remittance;
 - (c) details of cash held on a daily basis;
 - (d) details of subscriber-wise money remitted to the Trustee Bank;
 - (e) details of subscriber-wise instructions sent to the central recordkeeping agency.
- (2) The point of presence shall follow the Segmental Method of Accounting (under the relevant accounting standards) for its National Pension System related activities and the same shall be audited.. The format and scope of such an audit shall be in conformity with the notifications, guidelines, circular etc. issued by Authority from time to time. The Audit certificate shall be submitted to the Authority as soon as practicable upon finalisation of books of point of presence's accounts but not later than ninety days from the date of such finalisation of such accounts.
17. **Separation of National Pension System accounts from other businesses**—Each point of presence shall ensure that all matters related to National Pension System including maintenance of accounts, flow of funds in respect of the National Pension System business are maintained separately or distinctly from its other businesses.
18. **Systems and procedures**—(1) Each point of presence of the National Pension System shall have all the technological capabilities, infrastructures and necessary systems and procedures that may be required to enable it to co-ordinate with other intermediaries.
- (2) Each point of presence shall be responsible for the acts of commissions or omissions by its employees or the persons whose services it has procured.
19. **Redressal of subscriber grievances**—(1) The overall responsibility of the point of presence for redressal of subscriber grievances shall be as provided under the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015. The point of presence shall ensure that an effective mechanism to receive and redress complaints from the subscribers is in place and the grievances are examined and redressed in a prompt and fair manner.
- (2) The point of presence shall inform a subscriber at the commencement of relationship with the subscriber and at such other time when the information is likely to be required by the subscriber of :—
- (i) the subscriber's right to seek redress for any complaints, including through the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievances) Regulations, 2015;
 - (ii) the processes followed by the point of presence to receive and redress complaints from its subscribers.
- (3) The point of presence shall display the grievance redressal mechanism prominently on its website.
20. **Appointment of Compliance officer**—(1) Each point of presence shall appoint a compliance officer who shall be responsible for monitoring compliance by it of the provisions of Act, rules and regulations, notifications, guidelines, instructions issued by the Authority for redressal of subscriber grievances.
- (2) The compliance officer shall immediately and independently report any non-compliance observed by him or her to the Authority.
21. **Code of Conduct**—Every point of presence shall adhere to the code of conduct at all times as specified in Schedule II.

CHAPTER IV INSPECTION AND AUDIT

22. **Inspection and audit**—(1) The Authority may if it considers necessary at any time, undertake directly or through its authorized representative an inspection and audit of the books, accounts, records including the telephone records and electronic records and documents of the point of presence for any purpose, including the purposes as specified under this regulation.
- (2) The purposes referred to in sub-regulation (1) may include :—
- (a) ensuring that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;
 - (b) ascertaining whether adequate internal control systems, procedures and safeguards have been established and are being followed by the point of presence;
 - (c) ascertaining whether the provisions of the Act or the regulations made or circulars, guidelines or notifications issued by the Authority are being complied with;
 - (d) inquiring into the complaints received from subscribers, nodal offices, intermediaries or any other person on any matter having a bearing on the activities assigned by the Authority to the point of presence;
 - (e) inquiring *suo motu* into such matters as may be deemed fit in the interest of subscribers.
- (3) The Authority may, appoint one or more persons as inspecting officer or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1).

Explanation.— For the purposes of this sub-regulation, the expression “qualified auditor” shall have the meaning derived from section 226 of the Companies Act, 1956 (1 of 1956).

23. Notice before inspection and audit—(1) Before undertaking an inspection or audit under regulation 22, the Authority or its authorized representative or auditor shall give ten working days' notice to the point of presence; Provided that no notice shall be required if the Authority is satisfied that an inspection or audit is required for immediate safeguarding of the interest of the subscribers.

(2) During the course of an inspection or audit, the point of presence against which the inspection or audit is being carried out shall be bound to discharge its obligations as provided in these regulations.

24. Obligations on Inspection and Audit—(1) It shall be the duty of the point of presence the affairs of which is being inspected or audited, and of every director, officer and employee thereof, to produce to the Authority, or its authorized representative or auditor, such books, accounts, records, and other documents in its custody or control and furnish it to him with such statements and information relating to the activities entrusted by the Authority, as may be required, within such reasonable period as may be specified.

(2) The point of presence shall allow the Authority or its authorized representative to have a reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records, documents and computer data in the possession of the points of presence or such other person and also provide copies of documents or other materials which in the opinion of the Authority or its authorized representative or auditor are relevant for the purpose of the inspection or audit.

(3) It shall be the duty of the point of presence to give to the Authority or its authorized representative or auditor all assistance in connection with the inspection or audit which the Authority, or its authorized representative may reasonably require.

25. Submission of report—(1) On completion of the inspection or audit, a report shall be submitted to the Authority, who after consideration of the report, may take such action as it may deem fit and appropriate in the interest of the subscribers.

(2) The Authority may *suo motu* or after consideration of the inspection report, as the case may be, order an investigation or inquiry to be conducted in the matter.

26. Payment of inspection or audit fees—The Authority shall be entitled to recover from the point of presence such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative.

27. Inspection and audit by National Pension System Trust—(1) The National Pension System Trust shall undertake directly or through its authorized representative inspection or audit or both of the point of presence, on an annual basis or at such other period as may be specified by the Authority in relation to operational Service Level Agreements in accordance with the provisions of Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015. The point of presence shall allow the National Pension system Trust, or its authorized representative to have a reasonable access to the premises occupied by it, books of accounts, records and provide necessary information as may be required by it for the purpose of such inspection or audit, as the case may be.

CHAPTER-V

SUSPENSION OR CANCELLATION OF CERTIFICATE AND ACTION IN CASE OF DEFAULT.

28. Cancellation or suspension of certificate of registration—(1) where any point of presence which has been granted a certificate of registration under these regulations—

- (a) fails to comply with any conditions subject to which the certificate of registration has been granted to it;
 - (b) contravenes any of the provisions of the Act or the rules or the regulations made or any guidelines, notifications, directions, instructions or circulars issued thereunder;
 - (c) indulges in unfair trade practices or conducts its business in a manner prejudicial to the interests of the subscribers;
 - (d) fails to furnish any information as required by the Authority relating to its area of operations;
 - (e) does not submit periodical returns as required under the Act or by the Authority;
 - (f) does not cooperate in an inquiry conducted by the Authority;
 - (g) fails in the periodic review of its performance in terms of number of new National Pension System subscriber registrations done by the point of presence in relation to the business plan submitted at the time of registration or against any other uniform criteria applicable to all the registered point of presence;
 - (h) commits any acts of defaults as mentioned under section 28 of the Act,
- the Authority may, without prejudice to any other action under the Act, regulations, directions, instructions or circulars issued thereunder, by order take such action in the manner provided under these regulations including cancellation or suspension of the registration of such Point of Presence and such other action, as may be deemed appropriate.

(2) point of presence once registered shall have to ensure that the eligibility conditions as mentioned in these regulations are strictly adhered to during the entire currency of the registration period and any extension thereto, failing which the registration certificate may be cancelled. A certificate evidencing compliance with the eligibility conditions shall have to be furnished by the registered point of presence to the Authority on annual basis within thirty days of closure of accounts for the financial year.

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29. **Surrender of any certificate of registration—**(1) Any point of presence, who has been granted a certificate of registration under the Act or the regulations made thereunder, desirous of giving up its activity and surrendering the certificate, may make a request for such surrender to the Authority.
- (2) While disposing off a request under these regulations, the Authority may require the concerned point of presence to satisfy the Authority of the factors as it deems fit, including but not limited to the following—
- (a) the arrangements made by the intermediary at its own costs and expenses for maintenance and preservation of records and other documents required to be maintained under the relevant Act, regulations and guidelines;
 - (b) redressal of subscriber grievances;
 - (c) transfer of records, funds or securities of the subscribers at its own cost and expense;
 - (d) the arrangements made by it for ensuring continuity of service to the subscribers;
 - (e) defaults or pending actions, if any.
- (3) While accepting the surrender request, the Authority may impose such conditions upon the point of presence as it deems fit for the protection of interest of the subscribers of the National Pension System and the Point of presence concerned shall comply with such conditions.
- (4) No point of presence shall be permitted to surrender its certificate, in respect of which any action for default has been initiated or has been contemplated by the Authority.
30. **Effect of suspension, cancellation or surrender of certificate—**(1) On and from the date of suspension or cancellation of the certificate, the concerned point of presence shall—
- (a) not undertake any additional assignment or collect any new money or information from the subscriber. During the period of such suspension, it shall cease to carry on any activity in respect of which the certificate of registration had been granted;
 - (b) allow its subscribers to transfer, as the case may be, their money or assignments or allow the National Pension System Trust to withdraw any assignment given to it, without any additional cost;
 - (c) make provisions as regards liabilities incurred or assumed by it;
 - (d) take such other action including the action relating to any records or documents and information or money of the subscribers that may be in the custody or control of such point of presence, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority, while passing the order under these guidelines or otherwise.
- (2) On and from the date of surrender or cancellation or suspension of the certificate of registration, the concerned point of presence shall—
- (a) return the certificate of registration so cancelled to the Authority and shall not represent itself to be a holder of the certificate of registration for carrying out the activity for which such certificate had been granted;
 - (b) cease to carry on any activity in respect of which the certificate had been granted;
 - (c) transfer its activities to another point of presence, as directed by the Authority, holding a valid certificate of registration to carry on such activities and allow its subscribers to transfer their funds to the transferee entity, without any additional cost;
 - (d) make provisions as regards liability incurred or assumed by it;
 - (e) take such other action including the action relating to any records or documents and assets of the subscribers that may be in the custody or control of such point of presence, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority while passing order under these guidelines or otherwise.
31. **Appointment of designated authority—**(1) Where it appears to the designated member that any point of presence who has been granted certificate of registration under these regulations or any other concerned person has committed any default of the nature specified in regulation 28, he may appoint an officer not below the rank of a Chief General Manager, or any other officer of an equal rank as a designated authority.
- (2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.
32. **Issuance of notice—**(1) The designated authority shall, if he finds reasonable grounds to do so, issue a notice to the point of presence or any person concerned requiring it to show cause as to why the certificate of registration granted to it, should not be suspended or cancelled or why any other action provided herein should not be taken.
- (2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.
- (3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection, if any, carried out. (4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.
33. **Reply by noticee—**(1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof.

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

- (2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make recommendation as the case may be on the basis of material facts available before it.
34. **Action in case of default**—After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,—
- (a) suspension of certificate of registration for a specified period;
 - (b) cancellation of certificate of registration;
 - (c) prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;
 - (d) debarring a principal officer of the noticee from being employed or associated with any registered intermediary or other registered person for the period specified in the order;
 - (e) debarring a branch or an office of the noticee from carrying out activities for the specified period;
 - (f) warning the noticee.
35. **Procedure for action on recommendation**—(1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.
- (2) The noticee may, within twenty-one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.
36. The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.
37. **Intimation of order**—(1) Every report made by a designated authority and every order passed by the designated member under these regulations shall be dated and signed.
- (2) A copy of the order passed under these regulations shall be sent to the point of presence or other concerned person and also placed on the website of the Authority.
38. **Penalty and adjudication**—The imposition of penalty, if any, on the point of presence or any person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.
39. **Appeals to Securities Appellate Tribunal**—The point of presence or any person concerned may if aggrieved by any order passed by the designated member prefer an appeal before the Securities Appellate Tribunal under sub-section (1) of Section 36 of the Act.
- Explanation.*— For the purposes of this Chapter,—
- (a) “designated authority” means an officer of the Authority appointed under sub-regulation (1) of regulation 31;
 - (b) “designated member” means the Chairperson or a whole-time Member of the Authority designated for the purpose;
- “noticee” means the person to whom a notice has been issued under this Chapter.

CHAPTER VI MISCELLANEOUS OBLIGATIONS

40. **Compensation payable to Subscribers**—In the event of the point of presence or point of presence sub-entity failing to adhere to the Service level standards prescribed in the agreement between the point of presence and National Pension System Trust including the upload of contributions as per the timelines prescribed there under shall compensate the subscriber who is aggrieved by such an act to the tune of bank rate plus two percent for the period of such delay or violation.
41. **Reports and disclosures**—The point of presence shall submit reports on the National Pension System business transacted and related matters to Authority in the prescribed forms and at the defined frequency, as laid down in this regulation, notifications, guidelines and circulars issued by Authority, from time to time.
42. **Confidentiality**—The point of presence shall maintain absolute confidentiality with respect to all records, data and information received by it under the National Pension System. The point of presence shall not, without the prior permission of Authority, produce or share such data or information as evidence, or for any other purpose, except as required by the due process of law. A point of presence shall maintain confidentiality with respect to personal information and data of the subscribers and protect the data as per the stipulations laid down in Schedule-III.
43. **Assignment of functions**—(1) A point of presence shall not transfer or assign any of its functions or obligations specified under these regulations, to any person without the prior written consent of the Authority.

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(2) The point of presence desirous of assigning the functions shall apply to the Authority in the specified application providing complete details including the business plan of the entity to which the point of presence wishes to assign the functions and such form shall be signed by both the point of presence and the proposed assignee of functions. For the purpose of this regulation, such an assignee shall be called as point of presence-sub entity. The Authority may refuse or reject or impose any additional conditions as deemed fit by the Authority at the time of approval of such an application by the point of presence seeking permission for assignment of functions. The Authority may impose or stipulate such terms and conditions, including the instructions on banking operations involving subscriber contributions while accepting such an application.

(3) The eligibility criteria for such point of presence-sub entity for seeking registration from the Authority through the concerned point of presence shall be as given below:

- (i) such an entity shall not be an individual and shall be a registered entity with any of the regulators including the Securities Exchange Board of India, the Reserve Bank of India, the Insurance Regulatory and Development Authority, the Pension Fund Regulatory and Development Authority and the National Housing Bank or a company registered under Companies Act, 1956 or Companies Act, 2013 or a society registered under Societies Registration Act, 1860 or a Trust created under Indian Trusts Act, 1882 and is in the business of dealing with sale, distribution or advisory services of financial services products for commercial gain or working with a social motto of spreading the beneficial services to the citizens;
- (ii) such an entity meeting the criteria as specified in clause (i) would include a special purpose vehicle which may carry out only online sale and distribution of National Pension System product;
- (iii) such entity shall apply to the Authority in the specified application form along with the recommendation and Certification of its intent by a registered point of presence along with a onetime registration fee of rupees five thousand only and if in the opinion of the Authority, the application is in order and serves the interests of the subscribers of National Pension System, it may register such entity as a point of presence-sub entity and allow it to carry on the business of transacting the National Pension System business as per these regulations and any other notifications, guidelines, circulars etc. issued by the Authority from time to time.

(4) The liability of the point of presence for any acts of omission or commission by the point of presence-sub entity in discharge of its functions shall be joint and several in case of any liability arising out of such assignment of functions by point of presence to point of presence-sub entity.

(5) The charges payable to point of presence sub-entity provided under point of presence would be as per the contractual agreement between the point of presence and point of presence sub-entity and subject to the condition that the subscriber should not be charged beyond rates permitted by Authority for the particular service for a point of presence and issued through notifications, guidelines, circulars etc from time to time. All such agreements referred above between the point of presence and point of presence sub-entity shall be filed with National Pension System Trust within fifteen days of entering into such an agreement by the point of presence, along with the approval granted by the Authority for acting as point of presence sub-entity.

(6) The Authority may cancel the approval provided for allowing such point of presence-Sub-entities based upon the review of performance in terms of number of new National Pension System registrations done, services rendered to the subscribers or if in the opinion of the Authority it is not in the interest of subscribers and or the objective of orderly development of Pension Sector and/ or National Pension System.

(7) Such authorized point of presence sub-entity shall not be affiliated to more than one point of presence.

(8) Such entities which are allowed to function as point of presence sub-entity shall get registered with the central recordkeeping agency post approval from Authority for activating their operations.

(9) The approved point of presence-sub entity shall—

- (a) pay the fees as specified by Authority for registering as point of presence sub-entity;
- (b) abide by the Code of Conduct specified in this regulation for the point of Presence;
- (c) enter into an agreement with the point of presence for specifying the scope of his authority, responsibilities and mutual liabilities arising out of National Pension System transactions;
- (d) comply with the rules, regulations and guidelines issued by Authority in relation to National Pension System;
- (e) keep and maintain the books and documents specified under rules, regulations and guidelines issued by Authority in relation to National Pension System;
- (f) comply with the Know Your Customer requirements prescribed by Authority for National Pension System while transacting National Pension System business;
- (g) at all times maintain strict confidentiality with regard to all matters, documents, information or data already exchanged or to be exchanged in relation to any subscriber.

(10) General Obligations: point of presence-sub entity shall—

- (i) provide subscriber registration forms to the applicant or prospective applicant for registration in National Pension System;
- (ii) receive subscriber registration form in Authority's prescribed format duly filled and signed by the subscriber along with the necessary documentation;
- (iii) ensure that prescribed Know Your Customer documents have been attached with the Subscriber registration form;
- (iv) ensure that the subscriber registration form submitted by the applicant is complete in all respects;
- (v) ensure that contribution is collected only by means of cheque/Demand Draft drawn in favour of "Name of the point of presence with whom such point of presence-SE is registered – collection account – National Pension System Trust". As Illustration, if the point of presence sub-entity is registered with State Bank of India then the instrument will be in favour of "SBI collection account – National Pension System Trust". Collection of National Pension System contributions by way of cash is not permitted for point of presence sub-entity;
- (vi) ensure that Service Standards as provided in the agreement between the point of presence and National Pension System Trust are adhered to.

CHAPTER VII

POWER OF AUTHORITY TO ISSUE CLARIFICATION AND DIRECTION

44. **Power of Authority to issue clarifications**—In order to remove any difficulties in the application or interpretation of these regulations, the Authority shall have the power to issue clarifications and guidelines in the form of notes or circulars which shall be binding on the point of presence or any person connected with it.
45. **Power of Authority to issue directions**— (1) Without prejudice to any order under Chapter V of these regulations, the Authority may, in the interest of the subscribers or for the purpose of securing the proper management of point of presence, issue necessary directions,
 - (a) directing the point of presence to refund any contributions or money collected from the subscribers under National Pension System with or without interest;
 - (b) any other direction which the Authority may deem fit and proper in the circumstances of the case:

Provided that before issuing any directions, the Authority shall give to the persons concerned, a reasonable opportunity of being heard:

Provided further that if the circumstances warrant that any interim direction is required to be passed immediately, the Authority may give to the persons concerned, a reasonable opportunity of being heard after passing the direction, without any undue delay.

SCHEDULE-I

Pension Fund Regulatory and Development Authority (Points of Presence) Regulations, 2015

(See Regulation 9)

CERTIFICATE OF REGISTRATION

REGISTRATION No.

Certification of Registration and Commencement of Business as Points of Presence for NPS

a. In exercise of the powers conferred by sub-section 3 of Section 27 of the Pension Fund Regulatory and Development Authority Act, 2013, the Authority hereby grants this Certificate of Registration to M/s , to act as a Point of Presence under National Pension System (NPS).

b. The registration code for Point of Presence (POP) is-----

The Certificate of Registration granted shall remain valid unless suspended or cancelled by the Authority and subject to adherence to the terms and conditions provided under the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013) and Pension Fund Regulatory and Development Authority (point of presence) Regulations, 2015 and shall not be construed to be in compliance with or in conformity to any other Act, rules or regulations.

Date:

Place: New Delhi

By Order

For and on behalf of

Pension Fund Regulatory and Development Authority

SCHEDULE-II**Pension Fund Regulatory and Development Authority (Points of Presence) Regulations, 2015**

(See regulation 21)

CODE OF CONDUCT

- (1) Point of presence shall avoid conflicts of interest in managing the affairs of the National Pension System subscribers and keep the interest of all subscribers paramount in all matters. In case of any conflict between the interests of a subscriber and that of the point of presence or its representative, precedence may be given to the subscribers' interests.
- (2) Subscribers shall be provided with updated information on National Pension System through fair disclosure mechanism as may be prescribed by the Authority from time to time to enable informed decision making by the subscriber:
 - a) Sufficiently before the subscriber enters into a financial contract, so as to allow the subscriber reasonable time to understand the information;
 - (b) on a continuing basis through its website, and within a reasonable time-period from the occurrence of any material change or at reasonable periodic intervals, as applicable; and
 - (c) in writing and in a manner that is likely to be understood by the subscriber
- (3) The point of presence shall ensure that it has not given any undue or unfair advantage to any associates or dealt with any of the associates of its business in any manner detrimental to interest of the subscribers.
- (4) The point of presence shall maintain high standards of integrity and fairness in all their dealings and in the conduct of their business. They shall render at all times high standards of service, exercise due diligence which implies a standard of skill and care that is commensurate with honest market practice, good faith, profile of customer, the extent of dependence of the subscriber on the point of presence and exercise independent professional judgment.
- (5) The point of presence shall not make any exaggerated statement, whether oral or written, either about their qualifications or capability to render services or their achievements.
- (6) point of presence are prohibited from indulging in unfair conduct, i.e. an act or omission that significantly impairs, or is likely to significantly impair, the ability of a subscriber to make an informed transactional decision and includes conduct that is misleading or abusive, while dealing with subscribers.

Schedule III**Pension Fund Regulatory and Development Authority (Points of Presence (POP)) Regulations, 2015**

(See regulation 42)

Protection of personal information by point of presence

1. Personal information as any information that relates to a subscriber or allows a subscriber's identity to be inferred, directly or indirectly, and includes:
 - Name and contact information;
 - Biometric information, in case of individuals;
 - Information relating to transactions in, or holdings of, financial products;
 - Information relating to the use of financial services; or
 - such other information as may be specified by regulations
2. A point of presence shall –
 - (a) not collect personal information relating to a subscriber in excess of what is required for the provision of a National Pension System;
 - (b) maintain the confidentiality of personal information relating to subscribers and not disclose it to a third party, except where required under law;
 - (c) make best efforts to ensure that any personal information relating to a subscriber that it holds is accurate, up to date and complete;
 - (d) ensure that subscribers can obtain reasonable access to their personal information, subject to any exceptions that the Authority may specify; and
 - (e) allow subscribers an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the point of presence is accurate, up to date and complete.
3. A point of presence provider may disclose personal information relating to a subscriber to a third party only if –
 - (a) It has obtained prior written informed consent of the subscriber for the disclosure, after giving the subscriber an effective opportunity to refuse consent;
 - (b) The subscriber has directed the disclosure to be made;
 - (c) The Authority has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the subscriber is given an opportunity to represent under such law or regulations against such disclosure;
 - (d) The disclosure is made to protect against or prevent actual or potential fraud, unauthorised transactions or claims, if the point of presence arranges with the third party to maintain the confidentiality of the personal information in the manner required under this regulation.

HEMANT G. CONTRACTOR, Chairperson

[ADVT.-III/4/Exty./203/14]

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भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

प्राधिकार से प्रकाशित

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 10 मार्च, 2015

सं. पीएफआरडीए/12/आरजीएल/139/4.—पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उपधारा (2) के खंड (ड), खंड (ढ), खंड (ण), खंड (त) और खंड (ब) के साथ पठित उसकी उपधारा(1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात् :--

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम, प्रारंभ और आवेदन.—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (संकलनकर्ता) विनियम, 2015 है।

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

विनियम का उद्देश्य संकलनकर्ता के रजिस्ट्रीकरण और अभिदाताओं के हितों की रक्षा के लिए राष्ट्रीय पेंशन प्रणाली के क्रियान्वयन को मानीटर करने के लिए विनियामक रूपरेखा प्रदान करना है।

(3) ये विनियम राष्ट्रीय पेंशन प्रणाली के अधीन एन.पी.एस.-लाइट (जिसे एनपीएस स्वःचलन प्री कहा गया है) को लागू होंगे, जो कि एक कम लागत का आशावान विशेषक समूह का माडल है, जो समाज के असंगठित और आर्थिक रूप से वंचित वर्गों के लिए लक्षित है। ये विनियम, राष्ट्रीय पेंशन प्रणाली के माध्यम से "भारत सरकार की स्वावलंबन स्कीम" के क्रियान्वय को भी लागू होंगे।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

(क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है;

(ख) "संकलनकर्ता" से राष्ट्रीय पेंशन प्रणाली-स्वावलंबन के अधीन अभिदाता के अंतराणीक कृत्यों को करने के लिए अधिनियम की धारा 27 की उपधारा (3) के अधीन प्राधिकरण द्वारा रजिस्ट्रीकृत ऐसा मध्यवर्ती अभिप्रेत है, जिसका कुछ सामाजिक-आर्थिक वस्तुओं या सेवाओं के लिए ज्ञात ग्राहक आधार के साथ कृत्यकारी संबंध होगा।

(ग) "संपरीक्षक" से ऐसा व्यक्ति अभिप्रेत है, जो कंपनी अधिनियम, 1956 (1956 का 1) की धारा 224 के अधीन कंपनी के लेखाओं की संपरीक्षा करने के लिए अर्हित है;

(घ) "भारत का नागरिक" से ऐसा कोई व्यक्ति अभिप्रेत है, जो नागरिकता अधिनियम, 1955 (1955 का 57) के अधीन भारत का नागरिक होने के लिए अर्हित है;

(ङ.) "कंपनी" से कंपनी अधिनियम, 1956 (1956 का 1) के अधीन बनाई गई और रजिस्ट्रीकृत कोई इकाई अभिप्रेत है;

(च) "अनुपालन अधिकारी" से संकलनकर्ता से उत्तरदायी ऐसा कोई व्यक्ति अभिप्रेत है, जिसे उस रूप में पदाभिहित और अधिनियम के प्रावधानों या उसके अधीन प्राधिकरण द्वारा बनाए गए नियमों या विनियमों या जारी की गई अधिसूचनाओं, मार्गदर्शक सिद्धांतों, परिपत्रों या अनुदेशों का उसके द्वारा अनुपालन किया जाना जिसमें अभिदाताओं की शिकायत का निवारण शामिल है, को मानीटर करने का उत्तरदायित्व सौंपा गया है;

(छ) "विनिधान मार्गदर्शक सिद्धांत" से लागू विनिधान प्रतिमान/तरीका और उसकी सीमाओं को ध्यान में रखते हुए प्राधिकरण द्वारा समय-समय पर जारी किए गए मार्गदर्शक सिद्धांत और परिपत्र अभिप्रेत है;

(ज) "राष्ट्रीय पेंशन प्रणाली - लाइट" से राष्ट्रीय पेंशन प्रणाली के अधीन ऐसी स्कीम अभिप्रेत है जिसमें असंगठित सेक्टर से, जिसकी राष्ट्रीय पेंशन प्रणाली-स्वावलंबन एक ऐसी संघटक है जिसमें भारत सरकार का अभिदाय अनुज्ञेय है, संबंधित व्यक्तियों के लिए राष्ट्रीय पेंशन प्रणाली के आशावान समूह माडल की एक विशेषता का उपबंध किया गया है;

(झ) "प्रधान अधिकारी" से ऐसा कोई व्यक्ति अभिप्रेत है जो संकलनकर्ता के क्रियाकलापों के लिए उत्तरदायी है और इसके अंतर्गत निम्नलिखित भी हैं—

- (i) किसी भागीदारी समुत्थान की दशा में, कोई भागीदार;
- (ii) किसी निगमित निकाय की दशा में, पूर्णकालिक निदेशक, कार्यपालक निदेशक या प्रबंध निदेशक;
- (iii) कोई मुख्य कर्मचारी; और
- (iv) संकलनकर्ता द्वारा प्रधान अधिकारी के रूप में पदाभिहित कोई व्यक्ति;
- (v) "अनुसूची" से इन विनियमों के साथ उपाबद्ध अनुसूची अभिप्रेत है।

(2) इन विनियमों में प्रयुक्त और परिभाषित न किए गए किन्तु अधिनियम में परिभाषित शब्दों और पदों का वही अर्थ होगा जो क्रमशः उनका अधिनियम में है।

अनुसूची 6

पेंशन निधि विनियामक और विकास प्राधिकरण (संकलनकर्ता) विनियम, 2015

[विनियम 20(16) देखिए]

संकलनकर्ता द्वारा व्यक्तिगत सूचना का प्रकटन

1. व्यक्तिगत सूचना से अभिप्रेत है और इसके अंतर्गत है ऐसी कोई सूचना जो किसी अभिदाता से संबंधित है या जिससे अभिदाता की पहचान प्रत्यक्ष रूप से या अप्रत्यक्ष रूप से किया जाना अनुज्ञात है और इसके अंतर्गत निम्नलिखित है :

- क. नाम और संपर्क सूचना ;
- ख. व्यष्टियों की दशा में बायोमीट्रिक सूचना ;
- ग. वित्तीय उत्पादों में या उनकी अभिवृत्तियों के संव्यवहारों से संबंधित सूचना ;
- घ. वित्तीय सेवाएं उपयोग में लाने से संबंधित सूचना ; या
- ङ. ऐसी अन्य सूचना, जो विनियमों द्वारा विनिर्दिष्ट की जाए ।

2. संकलनकर्ता -

- (क) किसी अभिदाता से संबंधित व्यक्तिगत सूचना राष्ट्रीय पेंशन प्रणाली के उपबंधों के लिए अपेक्षित सीमा से अधिक संगृहीत नहीं करेगा ;
- (ख) अभिदाताओं से संबंधित व्यक्तिगत सूचना और राष्ट्रीय पेंशन प्रणाली के अधीन किसी संव्यवहार से संबंधित सूचना की गोपनीयता बनाए रखेगा ;
- (ग) यह सुनिश्चित करने के सर्वोत्तम प्रयास करेगा कि किसी अभिदाता से संबंधित कोई व्यक्तिगत सूचना, जो उसके पास है, अद्यतन और पूर्ण है ;
- (घ) यह सुनिश्चित करेगा कि अभिदाता अपनी व्यक्तिगत सूचना तक, ऐसे किन्हीं अपवादों के अधीन रहते हुए, जो पेंशन निधि विनियामक और विकास प्राधिकरण द्वारा विनिर्दिष्ट किए जाएं, युक्तियुक्त पहुंच बना सकेगा ;
- (ङ) यह सुनिश्चित करने के लिए कि संकलनकर्ता द्वारा धारित व्यक्तिगत सूचना सही, अद्यतन और पूर्ण है,

अभिदाताओं को अपनी व्यक्तिगत सूचना में उपांतरण करने का प्रभावी अवसर प्रदान करेगा ।

3. कोई वित्तीय सेवा प्रदाता किसी अभिदाता की व्यक्तिगत सूचना अन्य पक्षकार को केवल तभी प्रकट कर सकता है यदि-

- (क) उसके ऐसे प्रकटन के लिए अभिदाता से, अभिदाता को ऐसे प्रकटन से इंकार करने का प्रभावी अवसर देने के पश्चात्, लिखितपूर्व ज्ञात सहमति अभिप्राप्त कर ली हो ;
- (ख) अभिदाता द्वारा ऐसा प्रकटन किए जाने का निदेश दिया गया है ;
- (ग) पेंशन निधि विनियामक और विकास प्राधिकरण ने ऐसे प्रकटन का अनुमोदन कर दिया हो या आदेश किया हो और जब तक सुसंगत विधि या विनियमों द्वारा प्रतिषिद्ध न हो, अभिदाता को ऐसे प्रकटन के विरुद्ध ऐसी विधि या विनियमों के अधीन प्रतिनिधित्व करने का अवसर प्रदान किया गया है ;
- (घ) ऐसा प्रकटन किसी विधि या विनियमों के अधीन अपेक्षित हो और जब तक सुसंगत विधि या विनियमों द्वारा प्रतिषिद्ध न हो, अभिदाता को ऐसे प्रकटन के विरुद्ध ऐसी विधि या विनियमों के अधीन प्रतिनिधित्व करने का अवसर प्रदान किया गया है ।

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**NOTIFICATION**

New Delhi, the 10th March, 2015

**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (AGGREGATOR)
REGULATIONS 2015**

No. PFRDA/12/RGL/139/4.—In exercise of the powers conferred by sub-section (1) of section 52 read with clauses (e), (n), (o), (p) and (w) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I**PRELIMINARY**

1. Short title, commencement and application.— (1) These regulations may be called the Pension Fund Regulatory and Development Authority (aggregator) Regulations, 2015.

The Regulation aims to provide regulatory framework for registration of Aggregators and monitor implementation of National Pension System for the best interest of the target subscribers.

- (2) They shall come into force on the date of their publication in the Official Gazette.

- (3) These regulations shall be applicable to the NPS-Lite under National Pension System, (also referred to as NPS-Swavalamban), which is a low-cost, feature optimized group model, aimed at unorganised and economically disadvantaged sections of the society. These regulations shall also be applicable for implementation of Government of India "Swavalamban Scheme" through National Pension System.

2. Definitions.— (1) In these regulations, unless the context otherwise requires,—

- (a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
- (b) "aggregator" means an intermediary registered by the Authority under sub-section (3) of section 27 of the Act, to perform subscriber interface functions under the National Pension System-Swavalamban, which shall have functional relationship with a known customer base for delivery of some socio-economic goods or services;
- (c) "auditor" means a person who is qualified to audit the accounts of a company under section 224 of the Companies Act, 1956 (1 of 1956);
- (d) "citizen of India" means any person qualified to be a citizen of India under the Citizenship Act, 1955 (57 of 1955);
- (e) "company" means any entity formed and registered under the Companies Act, 1956 (1 of 1956)
- (f) "compliance officer" means a person of responsibility from an aggregator: designated as such and charged with the responsibility of monitoring compliance by it of the provisions of the Act or the rules or the regulations made or notifications, guidelines, circulars or instructions issued by the Authority, including monitoring of redressal of subscriber grievances;
- (g) "investment guidelines" mean guidelines and circulars issued by the Authority from time to time having regard to applicable investment pattern and limits thereof;
- (h) "National Pension System-Lite" means the scheme under National Pension System providing a feature of optimized group model of National Pension System for persons belonging to unorganized sector of which National Pension System-Swavalamban is a component where Government of India co-contribution is admissible.
- (i) "principal officer" means any person who is responsible for the activities of the aggregator and includes—

- (i) any partner in case of a partnership concern;

- (ii) whole-time director, executive director or managing director, in the case of a body corporate;
 - (iii) any key employee; and
 - (iv) any person designated as a principal officer by the aggregator;
 - (j) "Schedule" means schedule annexed to these regulations.
- (2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II

REGISTRATION OF AGGREGATOR

3. Eligibility criteria for grant of certificate of registration as aggregator.- (1) Subject to the fulfillment of conditions specified under these regulations for grant of certificate of registration, the following entities shall be eligible to be enlisted as an aggregator under the National Pension System:-
- (a) Nodal offices or entities managing the pension schemes for identified beneficiary groups under the Central and State Governments;
 - (b) scheduled banks, Regional Rural Banks and other Financial Institutions;
 - (c) India Post;
 - (d) Insurance companies;
 - (e) Micro-Finance Institutions (MFIs);
 - (f) Non Banking Finance Companies (NBFCs);
 - (g) Non Government Organizations (NGOs);
 - (h) Entities running common service centers under the National E-Governance plan;
 - (i) Housing Finance Institutions;
 - (j) Any other category as may be specified by the Authority from time to time.
- (2) Apart from the Central and State Government entities mentioned at clauses (a) and (c) of sub-regulation (1) the entities desirous of taking on the role of an aggregator shall be required to be registered under a Central or State enactment, namely:-
- (a) Societies Registration Act, 1860 (21 of 1860) (including with States amendments of this Act);
 - (b) Indian Trusts Act, 1882 (2 of 1882);
 - (c) Charitable and Religious Trusts Act, 1920 (14 of 1920);
 - (d) Companies Act, 1956 (1 of 1956) (Section 25, for registration of charitable or other company);
 - (e) Companies Act, 1956 (1 of 1956) [with necessary certification from the Reserve Bank of India (for Non Banking Finance Companies (NBFCs), Micro-Finance Institutions (MFIs))];
 - (f) Companies Act, 1956 (1 of 1956) (1 of 1956) or Companies Act, 2013 for any other Company;
 - (g) Banking Regulation Act, 1949 (10 of 1949);
 - (h) entities created by State or Central Government for any specified group of beneficiaries;
 - (i) entities regulated by National Housing Bank;
 - (j) any other Act or rule as may be specified by the Authority from time to time.
- (3) Any other entity or class of entities, not covered under the provisions of sub-regulation (2), may be registered, if in the opinion of the Authority such entity or class of entities facilitates inclusion of their subscriber base under the National Pension System-Swavalamban and which have established capability with proven track record in the area of their operation.

(4) The entity shall have been in business of financial services or financial products for at least five years as on date of application with a proven track record. The entity shall be financially viable and shall not have incurred loss in at least three years of the past five years immediately preceding the date of application, and shall not have also incurred cash losses in the immediately preceding two years on the date of application.

(5) The entity shall have formal governance structure (board, managing committee or equivalent) with members on board having adequate experience in financial services or social development. The board, managing committee or equivalent shall adhere to the provisions contained under the respective Acts, rules or regulations governing such entities as mentioned against them in sub-regulation (2).

(6) The entity shall be required to have an audit committee or equivalent mechanism under the rules or regulations made under the enactment under which it is functioning.

(7) The entity shall meet the following net worth criteria:-

- (a) rupees One Crore for those having been in business for more than five years;
- (b) for entities having exceptional track record and more than ten years of experience, the net worth criteria may be relaxed to rupees. Fifty Lakh in deserving cases, as may be deemed fit by the Authority.

(8) The entity shall have capability to manage large customer data base suitable to their organization and meet other technology parameters as may be specified by the Authority from time to time.

(9) The entity shall have trained staff with sufficient capability as may be specified by the Authority from time to time.

(10) The entity shall have cash pooling and remittance capabilities as may be specified by the Authority from time to time.

(11) There shall be no convictions and restraint orders passed by any financial sector regulator or by the court of law in any of the preceding five years. In case of any doubt or conflict on this count and pertaining to the application of registration, the decision of the Authority shall be binding.

(12) The entity shall provide the business plan to extend the scheme to their underlying subscribers

(13) The Authority may, as it may deem fit, relax some, or all of the eligibility criteria in case of entities which are fully or partly controlled by either the Central or any State Government or have been created under any specific arrangement of the Central or State Government or any other entity with proven track record, on a case to case basis, as may be considered necessary in subscribers' interest or for the development of the National Pension System or the pension sector in the country.

(14) The entity shall have to meet any other criteria as may be specified by the Central Government or the Authority from time to time in the form of resolutions, notifications, circulars, guidelines or memoranda.

4. Application for registration. — (1) On and from the date of commencement of these regulations, an applicant meeting the eligibility criteria as specified in these regulations for grant of a certificate of registration as an aggregator shall make an application to the Authority along with a non-refundable application fee in Form A as specified in Schedule I or Form B as specified in Schedule II of these regulations.

(2) An application, not complete in all respects and not conforming to the instructions specified in the Form A as specified in Schedule I or Form B as specified in Schedule II of these regulations shall be liable to be rejected:

Provided that, before rejecting any such application, the applicant shall be given a reasonable opportunity to complete the application in all respects and rectify the errors, if any.

(3) Any Aggregator, which was granted a permission to function as such by the interim Pension Fund Regulatory and Development Authority prior to the establishment of the Authority under the Act may continue to act as such for a period of ninety days from the notification of these regulations or, if it makes an application for grant of registration within ninety days of notification of these regulation, till the disposal of its application by the Authority.

5. Application fee. -The applicant shall submit a non-refundable application fee of rupees ten thousand towards application and administrative fee for processing of application. The application fee shall be paid to the Authority in the manner specified in schedule III. The Authority may, for reasons to be recorded in writing, waive the requirement for payment of application fee in specific and deserving cases.

6. Disclosure of information.- (1)The Authority shall have the right to disclose to the public, the information on such application made by the applicant by placing such information on the website as specified by the Authority:

Provided that the other relevant information furnished by the applicant and which relates to commercial confidence and private information of the applicant, which it may state as confidential, may not be disclosed by the Authority, subject to the provisions of any law or rules or regulations or any order or decision pronounced by a court of law or tribunal, as the case may be, mandating such disclosure.

(2) Any material change in the information furnished or placed on a website under these regulations shall be intimated to the Authority by the applicant promptly but not later than fifteen days of the occurrence of such change.

7. Furnishing of information clarification and verification - (1). The Authority may require an applicant to furnish any further information or clarification for the purpose of disposal of the application for grant of certificate of registration, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority. The applicant or its principal officer shall, if so required, appear before the Authority for a personal representation in connection with such application.

(2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.

(3) While considering the application, the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information by physical verification of documents and office space or inspect the availability of office space.

(4) For the purpose under sub-regulation (3), the Authority may appoint any person including an auditor.

8. Consideration and evaluation of application. -(1) For considering the eligibility of the applicant and grant of certificate of registration to such applicant, the Authority shall take into account all matters which it deems relevant to the pension sector and National Pension System- Swavalamban, including but not limited to the following -

- (a) whether the applicant has in the past five years been subjected to any major inquiry proceedings or investigation under the Acts, rules, regulations and bye-laws of any regulator or other authority, as may be applicable;
- (b) whether the applicant satisfies the eligibility criteria and other requirements specified in these regulations;
- (c) whether the grant of a certificate to the applicant is in the interest of the subscribers.

During the course of considering the application under this sub-regulation, the Authority may, if it deems fit, invite the applicant to make a presentation to it at a date, time and place determined by it. The purpose of such presentations would be to allow the applicant to present its proposal to the Authority and to apprise it the key strengths in its proposal.

(2) Any application for grant of certificate of registration,-

- (a) which is not complete in all respects and does not conform to the eligibility Criteria specified in these regulations;
- (b) which does not contain such additional information as may be required by the Authority;
- (c) which is incorrect, false or misleading in nature;
- (d) where the applicant is not in compliance with the eligibility requirements specified under these regulations;
- (e) which in the opinion of the Authority is not in the interest of subscribers or the objective of orderly development of pension sector or the National Pension System;

- (f) where the applicant is not a fit and proper person as stated in Form A as specified in Schedule I or in Form B as specified in Schedule II of these regulations; shall be rejected by the Authority for reasons to be recorded in writing by the Authority.

(3) Before rejecting an application, the applicant shall be given an opportunity in writing to make good the deficiencies within the time specified for the purpose by the Authority:

Provided that where an application is rejected for the reason that it contains false or misleading information, no such opportunity may be given and the applicant shall not make any application for grant of certificate under these regulations or any other regulations for a period of one year from the date of such rejection.

(4) For the applicant, who satisfies all the eligibility condition after initial evaluation, the Authority shall conduct a due diligence at the applicant's office at such date and time as may be determined by the Authority.

(5) The Authority may, for the purpose of sub-regulation (4), appoint any person to conduct such due diligence, but not limited to its officers.

(6) An application for grant of certificate of registration, under this regulation, which is complete in all respects, shall be disposed of by the Authority, within a period of sixty days from the date of receipt of such application.

9. Grant of certificate of registration (1) The Authority on being satisfied that the applicant is eligible, shall grant a certificate of registration in the form specified in Schedule IV and send intimation to the applicant in this regard:

Provided that the applicant has submitted the one-time registration fee of rupees twenty-five thousand before a certificate of registration is granted. The Authority may, for reasons to be recorded in writing, waive the requirement for payment of registration fee in specific and deserving cases. Further where a proceeding is pending before the Authority or any court or tribunal, and the result of such proceeding may result in suspension or cancellation of the certificate, the Authority may give a conditional registration.

(2) Subject to compliance with the provisions of the Act, rules and regulations, the certificate of registration granted to an aggregator shall remain valid unless suspended or cancelled by the Authority.

10. Grant of certificate of registration subject to conditions.- (1) Any certificate granted by the Authority to an aggregator shall be subject to the following conditions, namely:—

- (a) where the intermediary proposes to change its status or constitution, it shall obtain prior approval of the Authority for continuing to act as an aggregator after such change in status or constitution;
- (b) it shall pay the applicable fees in accordance with the relevant regulations;
- (c) it shall keep a security deposit of such amount with the Authority, as may be specified for due discharge of its obligations;
- (d) it shall abide by the provisions of the Act, rules, regulations, directions, guidelines and circulars as may be issued by the Authority from time to time;
- (e) it shall abide by all the conditions and requirements as may be specified by the Government of India in relation to operation of the National Pension System- Swavalamban scheme;
- (f) it shall meet the eligibility criteria and other requirements specified in the relevant regulations;
- (g) it shall execute such agreements as may be deemed necessary with other intermediaries under the National Pension System or with any other person for effective discharge of its obligations:

Provided that the Authority or the Government of India may impose such other and further conditions as it may deem fit in the interest of subscribers or for orderly growth of the National Pension System.

(2) An aggregator shall, within ninety days before the expiry of five years from the date of registration or date of the payment of renewal fee last accepted by the Authority, make an application in the specified form together with a renewal fee of rupees twenty-five thousand. The Authority may, for reasons to be recorded in writing, permit renewal fee to be paid beyond the specified period, subject to payment of additional fee of rupees one thousand per month. However, no application for extension of time for payment of renewal fee shall be entertained beyond ninety days from the specified date:

Provided that the Authority may, for reasons to be recorded in writing, waive the requirement for payment of renewal fee in specific and deserving cases.

(3) The application to be filed for payment of renewal fee by an aggregator shall be in the form specified in Schedule V of Form C.

11. Effect of refusal to grant of certificate of registration.- (1) Where, on and after the commencement of these regulations, an aggregator referred to in sub-regulation (3) of regulation 4 has failed to obtain registration, or an existing aggregator has not obtained or, has been refused the renewal of certificate (or permission) under these regulations, or has surrendered its certificate or permission or, has been directed to be wound up by an order of a court, such aggregator shall-

- (a) forth with cease to act as an aggregator;
- (b) transfer its activities to another aggregator which has been granted a certificate of registration as an aggregator and allow the subscribers to move to the other aggregator as directed by the Authority;
- (c) make provisions for liability incurred or assumed by the aggregator, if any;
- (d) take such other action, within such time limit and in such manner as may be required under the relevant regulations or as may be directed by the Authority.

(2) while refusing grant or renewal of certificate of registration, as the case may be, under these regulations to an existing aggregator, the Authority may impose such conditions upon such entity as it deems fit for protection of the interest of subscribers of the aggregator and such conditions shall be complied with.

12. Aggregator to submit security deposit.- (1) Each entity registered as an aggregator shall be required to submit a security deposit equivalent to one per cent of its net worth or rupees five lakh, which ever is higher. The maximum security deposit shall not exceed rupees twenty lakhs. The security deposit may be in the form of a demand draft, a bank guarantee from a scheduled commercial bank or in any other form as may be specified by the Authority from time to time.

(2) No aggregator shall commence with the process of subscriber registration until it has deposited the security deposit referred to in sub-regulation (1) with the Authority.

(3) In the event, the Authority is of the prima facie opinion that the aggregator is unable to perform or comply with its obligations under the conditions of certificate of registration or has committed violation of any provisions of the Act, rules or regulations, the Authority may direct the invocation of the security deposit as an interim measure, pending any inquiry or investigation against such aggregator. The proceeds of the security deposit shall be utilized for the protection of interest of the subscribers under the said aggregator in such manner as may be deemed fit by the Authority. This shall be besides any other action which may be taken by the Authority against the aggregator under the provisions of the Act, rules and regulations.

(4) Where the security deposit has been invoked, as provided under sub-regulation (3) the Authority may direct the aggregator to furnish additional security deposit and the aggregator shall provide the same for due performance of its obligations.

13. Revenue model for aggregator.-

(1) The aggregator shall not be authorized to collect any sum from the subscriber towards their own fee or service charges.

(2) The aggregator shall receive a fixed sum after each completed year of business or at any interval as may be specified by the Authority from time to time and the same shall be decided on a "Subscriber Acquisition cum Retention Model" approved by the Authority.

(3) The remuneration shall be based on each individual subscriber who becomes eligible to receive Swavalamban co-contribution under the scheme during the year. The eligibility condition under Swavalamban scheme shall be decided by the Government of India from time to time.

(4) The remuneration shall be paid by the Authority to each aggregator based on claim submitted by them and verified by the Authority. Procedure for preference of claim, its verification and consequent payment shall be as may be specified by the Authority from time to time.

CHAPTER III

DUTIES AND FUNCTION OF AGGREGATOR

14. Role and responsibility of aggregator.- (1) The aggregator shall have the following duties, namely:-

- (a) promotion of National Pension System and awareness about the need for old age income security among its constituent group members;
- (b) compliance with the 'Know Your Customer' requirements in respect of potential subscribers under the National Pension System;
- (c) Know Your Customer requirements in case of National Pension System-Swavalamban subscribers, shall be as may be specified by the Authority from time to time;
- (d) Discharge of responsibilities, relating to transfer of fund and data upload, within such time limit as may be specified from time to time;
- (e) Collection of contributions from subscribers and ensuring its remittance to Trustee Bank;
- (f) aggregator shall issue a receipt to the subscriber at the time of collection of fund and proper reconciliation for the same shall be done by the aggregator;
- (g) ensuring availability of services to its underlying subscribers as mandated under National Pension System-Swavalamban;
- (h) handling grievances received from subscribers and their resolution in accordance with the provisions of the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015;
- (i) dispatch of Permanent Retirement Account Number Card and statement of transaction or any other document to the
- (j) subscribers within the time limits as specified by the authority from time to time;
- (k) any other responsibility as may be assigned to the aggregator, by the Authority to ensure protection of subscribers' interest;
- (l) aggregator shall update its website on periodic basis to provide updated information on National Pension System-Swavalamban to subscribers.

(2) Without prejudice to the provisions of sub-regulation (1), the following fund collection function shall be performed by the aggregator:—

- (a) the aggregator shall ensure that credible collection infrastructure is available for its underlying subscribers;
- (b) each aggregator will open a collection account in the name of "National Pension System – Name of the aggregator –Collection Account – National Pension System Trust" for which the concerned aggregator has to obtain the necessary approval and documentation from National Pension System Trust. Guidelines on mode and method of operation of such account shall be specified by the Authority from time to time;
- (c) the amount collected by the 'National Pension System collection Centers' shall be regularly transferred to the designated account of the aggregator as per turnaround time specified by the Authority;
- (d) the oversight office of the aggregator and its compliance officer shall ensure necessary vigil and due diligence on the entire fund collection process and shall remain responsible for the same;

- (e) all defaults in the cash collection and transfer process causing loss to the subscribers shall be made good by the aggregator in the first instance failing which the same will be made good from the security deposit of the respective aggregator or remuneration due to them, if any.

(3) Each aggregator shall enter into agreement with the National Pension System Trust for all operation and other requirement as may be specified from time to time and submit the compliance certificate to National Pension System Trust at regular intervals.

15. Investment options under National Pension System-Swavalamban.—The following investment options shall be available under the National Pension System-Swavalamban:-

- (a) The Authority may, at its discretion and in the interest of subscribers, specify a pre- defined set of asset classes for investment.
- (b) The subscriber shall have the option to choose the investment mix and Pension Fund through the Aggregator.
- (c) The option to change the Pension Fund shall be available at a defined periodicity and in the manner to be specified by the Authority.

16. Engagement of facilitator.—(1) An aggregator may, at its discretion engage services of another approved aggregator as a 'facilitator' to operationalise National Pension System-Swavalamban for the target groups.

- (2) A facilitator may be any organization or entity engaged in the financial services or financial products sector and shall be registered with any financial sector regulator in India. Nodal offices or entities running certain schemes for identified beneficiary groups under the Central and State Governments may also be engaged as a facilitator.
- (3) No individual shall be registered as a facilitator, except business correspondent whom banks may at their discretion engage as a facilitator.
- (4) The terms and conditions of engagement between the aggregator and facilitator for specifying the scope of its functions, responsibility and mutual liabilities arising out of National Pension System-Swavalamban shall be decided through a formal memorandum of understanding or contract. The aggregator which engages the facilitator shall continue to be responsible to ensure system and operational level discipline by the facilitator.
- (5) An aggregator shall be responsible for all acts of omission and commission by the facilitator.

17. Appointment of Compliance officer.—(1) Every aggregator shall appoint a compliance officer, from amongst its senior management level officers, who shall be responsible for monitoring compliance by the aggregator of the provisions of the Act, rules and regulations, notifications, guidelines or instructions issued by the Authority.

(2) The compliance officer shall immediately and independently report any non-compliance observed by him to the Authority.

18. Maintenance of books and records.—Every aggregator shall keep the following books of accounts:-

- (a) details of subscriber registration forms received and submitted to the central recordkeeping agency for registration and Permanent Retirement Account Number data generated for all such applicants;
- (b) details of money received from the subscribers – in cash, Demand Draft, cheque or in authorised form of remittance;
- (c) details of cash held on a daily basis;
- (d) details of subscriber-wise money remitted to the Trustee Bank,;
- (e) details of subscriber-wise instructions sent to the central recordkeeping agency,;
- (f) detail of grievance received and redressed;
- (g) details of subscriber services requests such as modification or updation of subscriber request i.e. name change request, subscriber claim applications and their onward transmission to the central recordkeeping agency;
- (h) any other details as may be specified by the Authority from time to time.

19. General obligation. —

An aggregator shall provide to the Authority a certificate duly signed by its compliance officer on annual basis within thirty days of closure of accounts for the financial year, certifying-

- (a) the compliance by the aggregator with all the obligations, responsibilities and the fulfillment of the eligibility criteria on a continuous basis under these regulations and the relevant regulations that all disclosures made in form A or form B and under the relevant regulations are true and complete;
- (b) each aggregator prominently displays a copy of the certificate at all its registered offices;
- (c) the aggregator also prominently displays the name and contact details of the compliance officer to whom complaint may be made in the event of any subscriber grievance.

20. Code of conduct.-The aggregator shall continuously abide by the code of conduct specified below:-

- (1) the aggregator shall avoid conflicts of interest in managing the affairs of the National Pension System -- Swavalamban subscribers and keep the interest of all subscribers paramount in all matters. In case of any conflict between the interests of a subscriber and that of the aggregator or its representative, precedence may be given to the subscribers' interests.
- (2) the subscriber shall be provided with updated information on National Pension System-Swavalamban through fair disclosure mechanism as may be prescribed by the Authority from time to time to enable informed decision making by the subscriber. Conditions of such disclosures will be in the form, periodicity and in the manner specified by the Authority from time to time. The aggregator shall ensure that it has not given any undue or unfair advantage to any associates, facilitator or any entities in any manner detrimental to interest of the subscribers;
- (3) the aggregator shall maintain high standards of integrity and fairness in all its dealings and in conduct of their business. It shall render at all times high standards of service, exercise due diligence which implies standard of skill and care that is commensurate with the honest market practice, good faith, profile of subscriber, the extent of dependency of the subscribers on the aggregator and exercise independent professional judgment;
- (4) the aggregator is prohibited from indulging in unfair conduct i.e. an act of omission that significantly impairs or is likely to significantly impair the ability of a subscriber to make an informed transactional decision and shall include conduct that is misleading or abusive while dealing with subscribers in-
 - (a) providing the subscriber with inaccurate information or information in relation to determinative factor that the aggregator doesn't believe to be true : or
 - (b) providing accurate information to the subscriber in a manner that is deceptive;
 - (c) in determining whether the conduct is misleading under this regulation, the following factors shall be considered to be determinative factors:-
 - (i) the aggregator shall not make any exaggerated statement, whether oral or written, either about their qualifications or capability to render services or its achievements;
 - (ii) the aggregator shall ensure dissemination of accurate, explicit and timely information/data fairly presented in a simple language as may be specified by the Authority from time to time;
 - (iii) the aggregator shall follow best practices for maintaining books of accounts and records, systems, procedures, risk management systems and safeguards so as to ensure that the affairs are conducted in a manner which is in the best interest of the subscribers;
 - (d) the main characteristics of National Pension System --Swavalamban including its features, benefit and risk to the subscribers;
 - (e) the subscriber needs for National Pension System-Swavalamban or its suitability for the subscriber;
 - (f) right of the subscribers under any law or regulation

(5) the aggregator shall ensure that—

- (a) systems are in place in all its concerned offices;
- (b) key personnel including operational and compliance officer are in place at all times. The contact details of such persons shall be provided to the Authority within fifteen days of the registration;
- (c) aggregator shall ensure that its employees and key personnel are trained to promote National Pension System-Swavalamban;
- (d) audit of Aggregator related functions are included in the audit protocol of the organization;
- (6) compliance officer is entrusted with a responsibility for monitoring the compliance with rules and regulations, notifications, guidelines or instructions issued by the Authority including for redressal of subscribers grievances;
- (7) a compliance manual and internal control mechanisms including internal audit systems are in place;
- (8) The aggregator shall not be authorized to collect any sum from the subscribers towards their own fee or service charges;
- (9) the aggregator shall ensure a credible system of fund collection from the underlying subscriber;
- (10) the National Pension System- Swavalamban subscriber's complaint reports shall be subject to periodic review or audit to ensure compliance to the Authority's regulations and guidelines;
- (11) the aggregator shall ensure proper and prompt compliance and assistance to the officers of the Authority or the auditors or any persons appointed by Authority for any inspection of the books of account, records, documents and infrastructure, systems and procedures or to investigate the affairs of the scheme;
- (12) the aggregator shall ensure that its authorized branches including but not limited to collection center shall also comply with the provisions of the Prevention of Money Laundering Act, 2002 (17 of 2003) and the rules framed there under, or any other law, as may be specified from time to time;
- (13) the aggregator agrees that in the event of any delay on the part of aggregator in completing different activities as envisaged or stipulated in detail in the service standards for aggregator provided under this regulation, it shall compensate the subscriber, with for such a period of delay., for failure in observance of its duties and responsibility under this regulation;
- (14) the aggregator shall establish adequate procedures and facilities to ensure that its records are protected against loss or destruction and arrangements have been made for maintaining back up facilities;
- (15) the aggregator shall make adequate arrangements for indemnifying the subscribers for any loss that may be caused to such subscribers by the wrongful act, negligence or default of the employees of aggregator;
- (16) aggregator shall follow the regulation on non disclosure of personal information as specified in Schedule VI.

CHAPTER IV

INSPECTION AND AUDIT

21. Inspection and audit.—(1) The Authority may undertake directly or through its authorized representative an inspection and audit of books, accounts, records including the telephone records and electronic records and documents of the aggregator for any purpose, including the purposes as specified under this regulation.

(2) the purposes referred to in sub-regulation (1) may include:—

- (a) to ascertain the infrastructural capabilities, systems and procedures;
- (b) to ensure that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;

(4) No aggregator shall be permitted to surrender its certificate, in respect of which any action for default has been initiated or has been contemplated by the Authority.

29. Effect of suspension, cancellation or surrender of certificate of registration.—(1) On and from the date of suspension or cancellation of the certificate, the concerned aggregator shall—

- (a) not undertake any assignment or collect money or information from the subscriber. During the period of such suspension, it shall cease to carry on any activity in respect of which the certificate of registration had been granted;
- (b) allow its subscribers to transfer, as the case may be, their money or assignments or allow the National Pension System Trust to withdraw any assignment given to it, without any additional cost;
- (c) make provisions as regards liabilities incurred or assumed by it;
- (d) take such other action including the action relating to any records or documents and information or money of the subscribers that may be in the custody or control of such aggregator, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority, while passing the order under these guidelines or otherwise.

(2) On and from the date of surrender or cancellation or suspension of the certificate of registration, the concerned aggregator shall—

- (a) return the certificate of registration so cancelled to the Authority and shall not represent itself to be a holder of the certificate of registration for carrying out the activity for which such certificate had been granted;
- (b) cease to carry on any activity in respect of which the certificate had been granted;
- (c) transfer its activities to another aggregator, as directed by the Authority, holding a valid certificate of registration to carry on such activities and allow its subscribers to transfer their funds to the transferee entity, without any additional cost;
- (d) make provisions as regards liability incurred or assumed by it;
- (e) take such other action including the action relating to any records or documents and assets of the subscribers that may be in the custody or control of such aggregator, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority while passing order under these guidelines or otherwise.

30. Cancellation or suspension of certificate of registration.—Where any aggregator which has been granted a certificate of registration under these regulations—

- (a) fails to comply with any of the conditions subject to which a certificate of registration has been granted to it;
- (b) contravenes any of the provisions of the Act or regulations or direction or circulars issued there under;

the Authority may, without prejudice to any action under the Act or regulations or directions or circulars there under, by order take such action in the manner provided under these regulations.

31. Appointment of designated authority.—(1) Where it appears to the designated member, that the aggregator or any other concerned person has committed any default of the nature specified in regulation 27, he may appoint an officer not below the rank of a Chief General Manager or any other officer of an equivalent rank as a designated authority.

(2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.

32. Issuance of notice.—(1) The designated authority shall, if he finds reasonable grounds to do so, issue a notice to the aggregator or any other concerned person requiring it to show cause as to why the certificate of registration granted to it, shall not be suspended or cancelled or why any other action provided herein shall not be taken.

(2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.

(3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection, if any, carried out.

(4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.

33. Reply by noticee. - (1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof:

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

(2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make his recommendations as the case may be on the basis of material facts available before him.

34. Action in case of default.- After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,—

- (a) suspension of certificate of registration for a specified period;
- (b) cancellation of certificate of registration;
- (c) prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;
- (d) debarring a principal officer of the noticee from being employed or associated with any registered intermediary or other registered person for the period specified in any registered intermediary or other registered person for the period specified in the order;
- (e) debarring a branch or an office of the noticee from carrying out activities for the specified period;
- (f) warning the noticee.

35. Procedure for action on recommendation.- (1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, shall not be taken.

- (2) The noticee may, within twenty-one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.
- (3) The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.

36. Intimation of order.—(1) Every report made by the designated authority and every order passed by the designated member under these regulations shall be dated and signed.

- (2) A copy of the order passed under these regulations shall be sent to the aggregator or other concerned person and also placed on the website of the Authority.

37. Penalty and adjudication.—The imposition of penalty, if any, on the aggregator or person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for inquiry by adjudicating officer) Regulations, 2015.

38. Appeals to Securities Appellate Tribunal.—The aggregator or any person concerned to the proceedings may if aggrieved by any order passed by the designated member prefer an appeal before the Securities Appellate Tribunal under sub-section (1) of section 36 of the Act.

Explanation.— For the purposes of this Chapter, the expression,—

- (a) “designated authority” means an officer of the Authority appointed under sub-regulation (1) of regulation 31;
- (b) “designated member” means the Chairperson or a whole-time Member of the Authority designated for the purpose.
- (c) “noticee” means the person to whom a notice has been issued under this Chapter.

CHAPTER VI

MISCELLANEOUS

39. Reports and disclosures. - The aggregator shall furnish or provide such reports and disclosure to Authority as it may specify or require from time to time.

40. Confidentiality.—The aggregator shall maintain absolute confidentiality with respect to all records, data and information received by it under the National Pension System- Swavalamban. The aggregator shall not, without the prior permission of the Authority, produce or share such data or information as evidence, or for any other purpose, except as required by the due process of law.

41. Directions.—Without prejudice to any order under Chapter V of these regulations, the Authority may, in the interest of the subscribers or for the purpose of securing the proper management of aggregator, issue, necessary direction including but not limited to any or all of the following: -

- (a) directing the aggregator to refund any contributions or money collected from the subscribers under National Pension System-Swavalamban scheme with or without interest;
- (b) any other direction which the Authority may deem fit and proper in the circumstances of the case:

Provided that before issuing any directions the Authority shall give to the persons concerned a reasonable opportunity of being heard:

Provided further that if the circumstances warrant that any interim direction is required to be passed immediately, the Authority shall give to the persons concerned a reasonable opportunity of being heard after passing the direction, without any undue delay.

42. Power of the Authority to issue clarifications.—In order to remove any difficulties in the application or interpretation of these regulations, the Authority may issue clarifications and guidelines in the form of circulars, notifications or guidelines.

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/14]

SCHEDULE I

FORM A

Pension Fund Regulatory and Development

Authority (aggregator) Regulations, 2015

[See regulation 4 (1) & (2)]

**Application form for grant of certificate of registration
for Government entities**

FOR REGISTRATION AS “AGGREGATOR”

UNDER NATIONAL PENSION SYSTEM (NPS) - SWAVALAMBAN

FOR MEMBERS OF

<ORGANIZATION NAME>

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Covering Letter

Aggregator Compliance Sheet for Government or Government Sponsored Agencies

Annexure 1: Details of Customer Base and Services Rendered

Annexure 2: Commercial Undertaking

Annexure-3: Declaration of Details of Consortium Partner

Covering letter

(to be provided on company/official letter head)

Date DDth Month, YYYY

To

XYZ

Executive Director

Pension Fund Regulatory Development Authority

1st Floor, ICADR Building, Plot No 6

Vasant Kunj Institutional Area

Phase-II, New Delhi-110070

Sub:-Application for Registration as aggregator under National Pension System -Swavalamban
for members of <Organization Name>

Dear Sir/Madam,

I/we, the undersigned, have examined and familiarized myself/ourselves with Pension Fund Regulatory and Development Authority (aggregator) Regulations, 2015" and "Operating Guidelines for aggregators" specified by the Authority.

2. We are desirous of being registered as an "aggregator under National Pension System - Swavalamban" for providing specified services to the potential National Pension System-Swavalamban subscribers belonging to <Organization Name>. We hereby agree to perform activities specified in the "Operating Guidelines for aggregator" and other associated rules/guidelines specified by the Authority from time to time.

3. We confirm that we have understood and agree to abide unconditionally by all the requirements as set out in "Pension Fund Regulatory & Development Authority (aggregator) Regulations, 2015".

4. Further, we also undertake to sign separate agreement(s) with other intermediaries or any other person in the format specified by the Authority, if required.

5. Necessary details with supporting documents are attached with this letter in the specified format for consideration of our request.

6. I/we understand that the Authority reserves the right to accept or reject our application.

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this letter as well as other such letters/documents which may be required for registration.

Dated this _____ Day of _____ 20__

(Signature)_____

Name: _____ (In the capacity of)_____

Duly authorized to sign the Consent letter for and on behalf of:

(Name and Address of Organization) _____ (Seal/Stamp of Organization)

Aggregator Compliance Sheet for Government or Government Sponsored Agencies

Name of the entity		
Status of entity (please tick) Ref: sub-regulation (2) of regulation 3	☐ Department of Central Government ☐ Department of State Government ☐ Central Government Autonomous Bodies ☐ State Government Autonomous Bodies ☐ Others, if any (pls. Specify).....	
Registered address		
Existing customer base and Services rendered		Details in Annexure 1 is provided ☐ Yes ☐ No
Commercial Undertaking Ref: regulation 13	Entity is entitled for receiving remuneration as specified by the Authority	Commercial undertaking in Annexure 2 is provided ☐ Yes ☐ No

Dated this _____ Day of _____ 20

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) _____ (Seal/Stamp of Organization) _____

Annexure 1: Details of beneficiary groups and Services Rendered

An entity shall provide details covering:

- ✦ Types of services provided to existing groups
- ✦ Details of potential subscribers/ target groups for National Pension System-Swavalamban
- ✦ National Pension System-Swavalamban subscriber base projections for next five years

Year 1:

Year 2:

Year 3:

Year 4:

Year 5:

Annexure 2: Commercial Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our organization and empowered to provide this undertaking that my institution, if registered as an aggregator under National Pension System-Swavalamban by the Authority, the (entity) shall not charge any fees/service charge from subscribers for providing National Pension System -Swavalamban services.

We also confirm that we would only receive fixed sum towards these services, as specified by the Authority in the Pension Fund Regulatory and Development Authority (aggregator) Regulations, 2015".

This commitment is valid for the entire duration of the registration period and any extension granted thereto.

I/We commit to provide information regarding services provided by my/our organization at such intervals as may be specified by Authority from time to time.

Dated this _____ Day of _____ 20__

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

SCHEDULE II

FORM B

Pension Fund Regulatory and Development

Authority (aggregator) Regulations, 2015

[See regulation 4(1)&(2)]

Application form for grant of certificate of registration

for Non-Government entities

APPLICATION

FOR REGISTRATION AS "AGGREGATOR" UNDER NATIONAL PENSION SYSTEM (NPS) SWAVALAMBAN

FOR MEMBERS OF <ORGANIZATION NAME>

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Annexure 6: Business Plan for National Pension System-Swavalamban

Annexure 7: Format for seeking exemption/relaxation of any eligibility criteria

Covering Letter

(to be provided on company/official letter head)

Date DDth Month, YYYY

To

XYZ

Executive Director

Pension Fund Regulatory Development Authority

1st Floor, ICADR Building, Plot No 6

Vasant Kunj Institutional Area

Phase-II, New Delhi-110070

Sub:-Application for Registration as aggregator under National Pension System-Swavalamban
for members of <Organization Name>

Dear Sir/Madam,

I/we, the undersigned, have examined and familiarised myself/ourselves with "Pension Fund Regulatory & Development Authority (Aggregator) Regulations, 2015" and "Operating Guidelines for Aggregators" specified by the Authority

2. I/We are desirous of being enlisted as an "aggregator under National Pension System-Swavalamban" for providing specified services to the potential National Pension System-Swavalamban subscribers belonging to <Organization Name>. We hereby agree to perform activities specified in "Operating Guidelines for Aggregator" and other associated rules/guidelines specified by Authority from time to time.

3. I/We confirm that we have understood and agree to abide unconditionally by all the requirements as set out in "Pension Fund Regulatory and Development Authority (aggregator) Regulations, 2015.

4. Further, we also undertake to sign separate agreement(s) with other intermediaries or any other person in the format specified by the Authority, as specified by the Authority.

5. Necessary details with supporting documents are attached with this letter in specified format for consideration of our request.

6. I/we understand that the Authority reserves the right to accept or reject our proposal without assigning any reason thereof.

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this letter as well as other such letters/documents which may be required for registration.

Dated this _____ Day of _____ 20__

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign the Consent letter for and on behalf of:

(Name and Address of Organization) _____ (Seal/Stamp of Organization) _____

II. Aggregator Compliance Sheet

Name of the Entity		
Entity is Registered with (please tick) Ref: sub-regulation (2) of regulation 3	☐ Societies Registration Act 1860 (or a State amendment of this Act) ☐ Indian Trusts Act, 1882 ☐ Charitable and Religious Trusts Act, 1920 ☐ Banking Regulations Act, 1941 ☐ Companies Act, 1956 (section 25, for not for profit companies) ☐ Companies Act 1956 with necessary certification from RBI (for NBFCs) ☐ Companies Act, 1956, for any other company ☐ Entities created by State/Central Govt. for any specified group of Beneficiaries. ☐ Entities regulated by NHB.	Attested copy of such certificate is provided ☐ Yes ☐ No

	☐ Others, if any (pls. specify)	
Registered Address		
Entity Background	Dominant promoter group details covering share holding patterns	Organization Brief provided (on a separate sheet) ☐ Yes ☐ No
Entity is in business of financial services Ref: sub-regulation (4) of regulation 3	As on date of application, ☐ Less than 5 Years ☐ 5 to 10 Years ☐ More than 10 Years	Balance Sheet of last 3 years provided ☐ Yes ☐ No
Entity has net-worth of Ref: sub-regulation (7) of regulation 3	As on date of application ☐ Rs. 50 Lakh and above ☐ Equal to or more than Rs. 1 Crore	Net-worth Certificate from Chartered Accountant is provided ☐ Yes ☐ No
Existing customer base and Services Rendered		Statement in Annexure 1 is provided ☐ Yes ☐ No
Entity financial status Ref: sub-regulation (4) of regulation 3	Whether entity has incurred losses in at least 3 years of the past five years. ☐ Yes ☐ No Please specify number of years in which the entity has incurred loss during previous five years,	
Legal Undertaking Ref: sub-regulation (11) of regulation 3	Absence of convictions and restraint orders by any financial sector regulator or by the court of the law in any of the preceding 5 years.	Declaration in Annexure 2 is provided ☐ Yes ☐ No
Commercial Undertaking Ref: regulation 13	Entity is entitled for receiving remuneration as specified by the Authority	Commercial undertaking in Annexure 3 is provided ☐ Yes ☐ No
Governance Structure Ref: sub-regulation (5) of	Entity shall have formal governance structure (Board, Managing Committee or equivalent) with members having adequate experience in financial services / social	Details in Annexure 4 is provided

regulation 3	development and adequate capacity to handle financial activities.	☐ Yes ☐ No
Technical & Manpower Capacity Ref: sub-regulation (8)& (9) of regulation 3	Entity shall have adequate technical infrastructure to perform National Pension System activities and shall have sufficient trained staff with sufficient capability	Undertaking in Annexure 5 is provided ☐ Yes ☐ No
Buisness plan Ref: sub-regulation (12) of regulation 3	Entity shall submit an business plan , Annexure 6 is provided ☐ Yes ☐ No	
Seeking exemption/relaxation of any eligibility criteria Ref: sub-regulation (13) of regulation 3	If entity is seeking relaxation in Eligibility criteria, Annexure 7 is provided ☐ Yes ☐ No	

Dated this _____ Day of _____ 20__

(Signature)_____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 1: Details of Customer Base and Services Rendered

Existing Customer Count across all Services (as on date of application) which would be covered under National Pension System—Swavalamban	
Types of Services Rendered to existing customer base	☐ Financial ☐ Non Financial ☐ Both Financial & Non Financial
List of Services Provided	(pls. use additional sheets if necessary)
Five year projections for Customer base(for its core business) and targets for National Pension System-Swavalamban coverage	Core business National Pension System coverage Year 1: Year 2: Year 3: Year 4 Year 5
Data demonstrating cash handling capacity	Please furnish details to demonstrate existing capability and proposed capacity building(if any) to undertake National Pension System -Swavalamban work
Any other details demonstrating customer/cash handling capacities	

Dated this Day of 20__

(Signature)_____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 2: Legal Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that,

- (i) No penalties have been imposed on our organization/its promoters/directors and no major strictures have been passed by any court of law or by any regulatory body/disciplining authority during the last five years

Dated this Day of 20__

(Signature)_____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 3: Commercial Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that our institution, if registered as an Aggregator under National Pension System-Swavalamban by the Authority, shall not charge any fees/service charge from subscribers for providing National Pension System-Swavalamban services.

We also confirm that we would only receive fixed sum towards these services, as specified by the Authority in these regulations for Aggregators under National Pension System -Swavalamban.

This commitment is valid for the entire duration of the registration period and any extension granted thereto.

I/We commit to provide information regarding services provided by my/our institution at such intervals as may be specified by the Authority from time to time.

Dated this Day of 20__

(Signature)_____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 4: Format for providing Governance Structure

An entity shall provide details of its Governance structure covering:

1. Board structure
2. List of Independent directors (if mandated under the relevant statute governing the entity.)
3. Monitoring mechanism
4. Cash handling/monitoring mechanism

5. Mechanism for detection/control of frauds etc.
6. Customer grievance redressal process
7. Any other relevant matter

Annexure 5: Technical & Manpower Capacity Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that my/our institution, is having necessary technical & manpower capacity for providing National Pension System-Swavalamban services.

We have in every branch, adequate IT Infrastructure for accessing the central recordkeeping agency system. We also have necessary infrastructure and capability to demonstrate and electronically transmit National Pension System subscriber contribution and information as per specified timelines. We also have capability to establish necessary back office systems, procedures and software for receiving transaction requests and upload into the central recordkeeping agency system, issuing of acknowledgment etc. as laid down in operating guidelines.

I/We undertake to facilitate inspection/due diligence by officer authorised by the Authority as specified by the Authority from time to time.

We also declare that all individuals assigned on National Pension System related activities have necessary capability and would be trained on all operational issues to ensure proper discharge of National Pension System related responsibilities before their deployment

Dated this Day of 20__

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 6: Business Plan for National Pension System-Swavalamban

<u>Objective</u>	<u>Description</u>
Target groups	
Promotion Strategy	
Distribution Strategy (Convergence of existing Business and National Pension System- Swavalamban)	
Persistency Maintenance Strategy	
Special activities, if any, that would be undertaken to promote National Pension System—Swavalamban across various target groups/geographical areas	
Any other note	

Dated this Day of 20__

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of: (Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure-7: Format for seeking exemption/relaxation of any eligibility criteria

S.No	Reference in Regulation (Clause No. & Page No.)	Extent of Deviation	Brief Reason
1.			

Dated this Day of 20__

(Signature)_____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)

SCHEDULE III**Pension Fund Regulatory and Development****Authority (aggregator) Regulations, 2015****[See regulation 5]****Fees payable to the Pension Fund Regulatory and Development Authority by the aggregator**

Application Fee of rupee ten thousand only in the form of DD drawn in favour of "The Pension Fund Regulatory and Development Authority" and payable at New Delhi shall be submitted along with the Application

It is hereby confirmed that I/we are submitting rupee ten thousand only in the form of DD drawn in favour of "The Pension Fund Regulatory and Development Authority" and payable at New Delhi

Name of The Organization	DD No	DD date	Bank Name	Amount

I/we understand that the amount paid towards application fee is non-refundable

Dated this Day of 20__

(Signature)_____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)

SCHEDULE IV**Pension Fund Regulatory and Development****Authority (aggregator) Regulations, 2015**

[See regulation 9 (1)]

REG. No. _____

Certification of registration as an aggregator for National Pension System- Swavalamban.

1. In exercise of the powers conferred by sub-section (3) of section 27 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby grants this certificate of registration and commencement of business to M/s. (name of the entity), as an aggregator under the National Pension System.
2. The registration code for the aggregator is _____.
3. This registration shall be valid subject to conditions specified in the certificate of registration under the Pension Fund Regulatory and Development Authority (aggregator) Regulations, 2015.

Date: _____

Place: New Delhi

By Order

For and on behalf of the PFRDA

Authorised Signatory

SCHEDULE V

[See regulation 10(2)&(3)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**(FORM C)****RENEWAL FORM****UNDER NATIONAL PENSION SYSTEM - SWAVALAMBAN****FOR MEMBERS OF <ORGANIZATION NAME>****Table of Contents**

Covering Letter

Aggregator Compliance Sheet

Annexure 1: Legal Undertaking

Annexure 2: Security deposit Undertaking

Annexure 3: National Pension System-Swavalamban Performance

Covering letter

(to be provided on company/official letter head)

Date DDth Month, YYY

To

XYZ

Executive Director

Pension Fund Regulatory Development Authority

1st Floor, ICADR Building, Plot No. 6

Vasant Kunj Institutional Area

Phase-II, New Delhi-110070

Sub:-Renewal of Registration as Aggregator under National Pension System-

Swavalamban for members of <Organization Name>

Dear Sir/Madam,

2. I/We are desirous to continue our registration as an Aggregator under "National Pension System-Swavalamban" for providing prescribed services as specified under the Pension Fund Regulatory and Development Authority (aggregator) Regulations-2015, operational guidelines and other associated rules, guidelines/instructions issued by the Authority.

5. Necessary details with supporting documents, including prescribed fee, are attached with this letter in specified format for consideration of our request.

6. I/we understand that the Authority reserves the right to accept or reject our request.

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this letter as well as other such letters/documents which may be required for registration.

Dated this Day of 20

(Signature)_____

Name:_____

(In the capacity of)_____

Duly authorized to sign the Consent letter for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Aggregator Compliance Sheet

Name of the entity		
Entity has net-worth of Ref: sub-regulation (7) of regulation 3	As on date of application for renewal Rs ☐ Lakh and above ☐ Equal to or more than Rs 1 Crore	Net-worth Certificate from Chartered Accountant is provided ☐ Yes ☐ No
Entity financial status Ref: sub-regulation (4) of regulation 3	Whether entity has incurred losses in at least 3 years of the past five years ☐ Yes ☐ No	

	Number of years for which loss was incurred to be indicated	
Legal Undertaking Ref: sub-regulation (11) of regulation 3	Absence of convictions and restraint orders by any financial sector regulator or by the court of the law in any of the preceding 5 years.	Declaration in Annexure 1 is provided ☐ Yes ☐ No
security deposit in the form of bank guarantee/ fixed deposit/ Demand draft from any scheduled commercial bank in the favour of Pension Fund Regulatory and Development Authority		Undertaking in Annexure 2 is provided ☐ Yes ☐ No
Performance for last 5 years and projected targets for next 3 years		Statement in Annexure 3 is provided ☐ Yes ☐ No

Dated this Day of 20

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 1: Legal Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that no penalties have been imposed on our organisation/its promoters/directors and no major strictures have been passed by any court of law or by any regulatory body/disciplining authority during the last five years.

Dated this Day of 20

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 2: Security deposit Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that my/our institution, will submit a security deposit in the form of a fixed deposit, demand draft or a bank guarantee from any scheduled commercial bank at the time of renewal of the security deposit. I/We undertake to submit a fresh security deposit (if not submitted earlier) w.e.f. date of renewal as an Aggregator or the security deposit already submitted will remain valid for the period, after which fresh security deposit will be submitted to the Authority.

Dated this _____ Day of _____ 20____

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

Annexure 3: National Pension System-Swavalamban Performance

Performance for last five years Targets v/s achievement	Target	Achievement
	Year 1	
	Year 2	
	Year 3	
	Year 4	
	Year 5	
Persistency for last 5 years		
Next five years projections for National Pension System - Swavalamban	Core business Swavalamban coverage	National Pension System-
	Year 1:	
	Year 2:	
	Year 3:	
	Year 4	
	Year 5	

Dated this _____ Day of _____ 20____

(Signature) _____

Name: _____ (In the capacity of) _____

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)

(Seal/Stamp of Organization)

SCHEDULE VI**Pension Fund Regulatory and Development****Authority (aggregator) Regulations, 2015****[See regulation 20(16)]****Disclosure of personal information by Aggregator**

1. Personal information means and includes any information that relates to a subscriber or allows a subscriber's identity to be inferred, directly or indirectly, and includes:
 - a. name and contact information;
 - b. biometric information, in case of individuals;
 - c. information relating to transactions in, or holdings of, financial products;
 - d. information relating to the use of financial services; or
 - e. such other information as may be specified by regulations.
2. An Aggregator shall—
 - (a) not collect personal information relating to a subscriber in excess of what is required for the provision of a National Pension System ;
 - (b) maintain the confidentiality of personal information and information relating to any transaction under National Pension System relating to subscribers
 - (c) make best efforts to ensure that any personal information relating to a subscriber that it holds is accurate, up to date and complete;
 - (d) ensure that subscribers can obtain reasonable access to their personal information, subject to any exceptions that the Pension Fund Regulatory and Development Authority may specify; and
 - (e) allow subscribers an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the Aggregator is accurate, up to date and complete.
3. A financial service provider may disclose personal information relating to a subscriber to a third party only if—
 - (a) it has obtained prior written informed consent of the subscriber for the disclosure, after giving the subscriber an effective opportunity to refuse consent;
 - (b) the subscriber has directed the disclosure to be made;
 - (c) the PFRDA has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the subscriber is given an opportunity to represent under such law or regulations against such disclosure;
 - (d) the disclosure is required under any law or regulations, and unless prohibited by such law or regulations, the subscriber is given an opportunity to represent under such law or regulations against such disclosure.

New

Pension Fund Regulating Authority

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

प्राधिकार से प्रकाशित

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 23 मार्च, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (न्यासी बैंक) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/6.- पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उपधारा (2) के खंड (ड), खंड (ठ), खंड (डू), खंड (ण) और खंड (त) के साथ पठित उसकी उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात् :-

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (न्यासी बैंक) विनियम, 2015 है।

विनियम का उद्देश्य न्यासी बैंक की पात्रता, शासन, संगठन और कार्य संबंधी आचरण के लिए मानकों का उपबंध करना और उसे इसके लिए ऐसी आंतरिक प्रणाली स्थापित करना अपेक्षित है जो अभिदाताओं के हित के संरक्षण के लिए आंतरिक संगठन और कार्य संबंधी आचरण के मानकों का अनुपालन करे।

- (2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,-

(क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है ;

(ख) "न्यासी बोर्ड" से राष्ट्रीय पेंशन प्रणाली न्यास बोर्ड के लिए प्राधिकरण द्वारा नियुक्त न्यासी अभिप्रेत है ;

(ग) "अनुपालन अधिकारी" से न्यासी बैंक से उत्तरदायी ऐसा कोई व्यक्ति अभिप्रेत है जिसे उस रूप में पदाभिहित और अधिनियम या उसके अधीन प्राधिकरण द्वारा बनाए गए नियमों या विनियमों के उपबंधों या जारी की गई अधिसूचनाओं, मार्गदर्शक सिद्धांतों, परिपत्रों या अनुदेशों का उसके द्वारा अनुपालन किए जाने को मानीटर करने के उत्तरदायित्व का भार सौंपा गया है ;

(घ) "आहरण और संपरिवर्तन अधिकारी" से केंद्रीय सरकार के अधीन आहरण और संपरिवर्तन अधिकारी अथवा उसके या किसी राज्य सरकार या किसी स्वायत्त निकाय के अधीन वैसा ही कोई अधिकारी अभिप्रेत है, जो राष्ट्रीय पेंशन प्रणाली के प्रयोजन के लिए अभिदाताओं की ओर से वेतन और लेखा कार्यालय (या समतुल्य कार्यालय) अथवा केंद्रीय अभिलेखापाल अभिकरण के साथ परस्पर क्रियाकलाप अभिप्रेत हैं ;

(ङ.) "फायरवाल" से ऐसी प्रणाली अभिप्रेत है जो भिन्न स्वतंत्र कार्यकलापों की और ऐसे न्यासी बैंक, प्रणालियों, मुख्य कार्यालय, बैंक और प्रतिभूति खातों की, जिसे कार्यकलापवार पृथक्-पृथक् किया जाएगा, आंतरिक सूचना तक पहुंच को रोकती है ;

(च) "नोडल कार्यालय" से ऐसा कार्यालय अभिप्रेत है जो अभिदाताओं और केंद्रीय अभिलेखापाल अभिकरण के मध्य अंतरापृष्ठ के रूप में कार्य करना है और इसके अंतर्गत प्रधान लेखा अधिकारी, खजाना और लेखा निदेशालय, वेतन और लेखा अधिकारी, जिला खजाना कार्यालय और वेतन और आहरण कार्यालय तथा उपस्थिति अस्तित्व और असंगठित सेक्टर के सेवा प्रदाता, राष्ट्रीय पेंशन प्रणाली-लाइट सेक्टर में के राष्ट्रीय पेंशन प्रणाली-लाइट निरीक्षण कार्यालय और राष्ट्रीय पेंशन प्रणाली-लाइट लेखा कार्यालय भी है ;

(छ) "वेतन और लेखा कार्यालय" से केंद्रीय सरकार या राज्य सरकार के अधीन वेतन और लेखा कार्यालय या किसी संघ राज्यक्षेत्र या राष्ट्रीय पेंशन प्रणाली अंतर्गत आने वाले अभिदाताओं के अभिदाय ब्यौरे रखने के लिए जिम्मेदार किसी स्वायत्त निकाय के अधीन वैसा ही कार्यालय अभिप्रेत है ;

(ज) "स्थायी सेवानिवृत्ति खाता संख्या" से राष्ट्रीय पेंशन प्रणाली के अधीन प्रत्येक अभिदाता के लिए केंद्रीय अभिलेखापाल अभिकरण द्वारा आबंटित कोई अद्वितीय संख्या अभिप्रेत है ;

(झ) "प्रधान अधिकारी" से ऐसा व्यक्ति अभिप्रेत है जो न्यासी बैंक के कार्यकलापों के लिए उत्तरदायी है और इसके अंतर्गत,-

(i) किसी निगमित निकाय की दशा में कोई पूर्णकालिक निदेशक, कार्यपालक निदेशक, प्रबंध निदेशक या मुख्य कार्यपालक अधिकारी या मुख्य वित्त अधिकारी ;

(ii) निदेशक बोर्ड द्वारा प्रधान अधिकारी के रूप में पदाभिहित कोई व्यक्ति ; और

(iii) कोई प्रमुख प्रबंधकीय कार्मिक या कोई व्यक्ति, जिसके निदेशों या अनुदेशों के अनुसार निदेशक बोर्ड या कोई एक या अधिक निदेशक उस रूप में कार्य करने के लिए अभ्यस्त है या हैं ;

(ञ) "सेवा स्तरीय मानकों" से ऐसे मानक अभिप्रेत हैं जो न्यासी बैंक के लिए अधिकथित कर्तव्यों और उत्तरदायित्वों को पूरा करने के लिए सेवा गुणवत्ता और प्रतिवर्तन काल समय को परिभाषित करते हैं ;

(2) इन विनियमों में प्रयुक्त और परिभाषित न किए गए किन्तु अधिनियम में परिभाषित शब्दों और पदों का वही अर्थ होगा, जो क्रमशः उनका अधिनियम में है ।

मध्यवर्ती के रूप में कार्य करते समय कर्तव्यों और हितों के टकराव के ऐसे संभाव्य स्रोत या संभावित क्षेत्रों का समुचित प्रकटन करेगा जो उसके ऋजु, यथार्थ और निष्पक्ष सेवाएं देने की उसकी समर्थता को क्षति पहुंचाएंगे।

5. अनुपालन और निगमित शासन

(क) न्यासी बैंक यह सुनिश्चित करेगा कि उत्तम निगमित निधियां और निगमित शासन को स्थान दिया जाए। वह कपटपूर्ण और छलसाधन युक्त संव्यवहारों में आलिप्त नहीं होगा।

(ख) न्यासी बैंक यह सुनिश्चित करने के लिए कि आंकड़ों और लेखा अभिलेखन की निरंतरता को बनाए रखा जाए, पर्याप्त और आवश्यक उपाय करेगा और यह भी कि इसके लिए आंकड़े या अभिलेख लुप्त या नष्ट न हों। यह भी सुनिश्चित किया जाएगा कि इलेक्ट्रॉनिक अभिलेख और आंकड़ों के लिए उसके पास सदैव अद्यतन बैंकअप उपलब्ध हों।

(ग) न्यासी बैंक, प्राधिकरण और राष्ट्रीय पेंशन न्यास के साथ जब कभी अपेक्षित हो, सहयोग करेगा और प्राधिकरण या राष्ट्रीय पेंशन प्रणाली न्यास दिए जाने वाले किन्हीं दस्तावेजों, रिपोर्टों, कागजपत्रों या सूचना में कोई असत्य कथन नहीं करेगा या किसी सारवान् तथ्य को नहीं छिपाएगा, प्राधिकरण या अन्य अभिकरण को, जो उसके साथ रजिस्ट्रीकृत हैं, ऐसी पुस्तकों, दस्तावेजों, पत्राचार और कागजपत्र या उसके किसी भाग को, जिनकी समय-समय पर मांग की जाए/अनुरोध किया जाए, प्रस्तुत करने की उपेक्षा नहीं करेगा या उसमें असफल नहीं रहेगा या प्रस्तुत करने से इंकार नहीं करेगा।

(घ) न्यासी बैंक, यह सुनिश्चित करेगा कि प्राधिकरण द्वारा रजिस्ट्रीकरण प्रास्थिति में परिवर्तन या क गई कोई शास्तिक कार्रवाई, यावित्त में किसी ऐसे सारवान् परिवर्तनों के बारे में, जो अभिदाताओं के हितों को प्रतिकूल रूप से प्रभावित कर सकते हैं, अभिदाताओं को तत्काल सूचित किया जाएगा, कोई शेष अवशिष्ट कारबार, राष्ट्रीय पेंशन प्रणाली न्यास के किसी अनुदेश और सुसंगत विनियमों के उपबंधों के अनुसार किसी अन्य रजिस्ट्रीकृत अस्तित्व को अंतरित हो जाएंगे।

(ङ.) न्यासी बैंक, ज्ञान और क्षमता के स्तर को बनाए रखेगा और अधिनियम प्राधिकरण द्वारा जारी विनियमों और मार्गदर्शक सिद्धांतों का, जो ऐसे न्यासी बैंक द्वारा किए जाने वाले कारबार की बाबत न्यासी बैंक को लागू होते हैं, पालन करेगा।

(च) न्यासी बैंक यह सुनिश्चित करेगा कि प्राधिकरण और राष्ट्रीय पेंशन प्रणाली न्यास को उसके द्वारा किसी विधि, नियम, विनियम और प्राधिकरण के या किसी अन्य विनियामक निकाय के निदेशों के किसी सारवान् भंग या अननुपालन की बाबत उसके विरुद्ध आरंभ की गई किसी कार्रवाई, विधिक कार्यवाहियों आदि के बारे में तत्काल सूचित करेगा।

अनुसूची 2

पेंशन निधि विनियामक और विकास प्राधिकरण (न्यासी बैंक) विनियम, 2015

[विनियम 9 (2) देखिए]

रजिस्ट्रीकरण प्रमाणपत्र

पेंशन निधि विनियामक और विकास प्राधिकरण

रजिस्ट्रीकरण प्रमाणपत्र

पेंशन निधि विनियामक और विकास प्राधिकरण.....को तारीख.....से न्यासी बैंक के रूप में रजिस्ट्रीकरण प्रमाणपत्र अनुदत्त करता है।

यह प्रमाणपत्र जारी की जाने वाली तारीख से.....वर्ष की अवधि के लिए विधिमान्य होगा।

न्यासी बैंक का रजिस्ट्रीकरण कोड.....है।

तारीख :

स्थान :

प्राधिकृत हस्ताक्षर

हेमंत जी. कट्टी, अध्यक्ष

1354 65/15-5

[विज्ञापन-III/4/असा 2015/14(346)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**NOTIFICATION**

New Delhi, the 23rd March, 2015

Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations, 2015

No. PFRDA/12/RGL/139/6.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clauses (e), (l), (n), (o) and (p) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I**PRELIMINARY**

1. **Short title and commencement.**—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations, 2015.
The regulation aims to provide standards for the eligibility, governance, organization and operational conduct of the Trustee Bank and requiring it to establish internal system that delivers compliance with standards for internal organization and operational conduct, for protecting the interest of the subscribers.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. **Definitions.**—(1) In these regulations, unless the context otherwise requires,—
 - (a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
 - (b) “Board of Trustees” means trustees appointed by the Authority to the Board of the National Pension System Trust;
 - (c) “compliance officer” means a person of responsibility from the Trustee Bank; designated as such and charged with the responsibility of monitoring compliance by it of the provisions of the Act, or the rules or the regulations made or notifications, guidelines, circulars or instructions issued by the Authority there under.
 - (d) “Drawing and Disbursing Officer” means a Drawing and Disbursing Officer under the Central Government or a similar office under it or a State Government or an autonomous body which shall interact with the Pay and Accounts Office (or equivalent office) or the central recordkeeping agency on behalf of the subscribers for the purpose of the National Pension System;
 - (e) “firewall” means a system to prevent access to inside information of different segregated activities and resources among the key personnel of the Trustee Bank, the systems, back office, bank and securities accounts which must be segregated activity-wise;
 - (f) “nodal office” means the offices which act as interface between the subscribers and the central recordkeeping agency and includes the Government office like Principal Accounts Officer, Directorate of Treasuries and Accounts, Pay and Accounts Officer, District Treasury Office, Drawing and Disbursing Office as well as point of presence and a service provider in the un-organized sector, National Pension System-Lite oversight office and the National Pension System-Lite Accounting Office in the National Pension System-Lite sector;
 - (g) “Pay and Accounts Office” means a Pay and Accounts Office under the Central Government or a State Government or a similar office under a Union territory or an autonomous body responsible for maintaining the contribution details for subscribers covered under the National Pension System;
 - (h) “Permanent Retirement Account Number” means a unique number allotted by the central recordkeeping agency to each subscriber under the National Pension System;
 - (i) “principal officer” means any person who is responsible for the activities of a Trustee Bank and includes,—
 - (i) any whole-time director, executive director, managing director or Chief Executive Officer or Chief Financial Officer, in the case of a body corporate;
 - (ii) any person designated as a principal officer by the board of directors; and
 - (iii) any key managerial personnel or any person in accordance with whose directions or instructions the board of directors or any one or more of the directors is or are accustomed to act as such;
 - (j) “service-level standards” means standards defining the service quality and turnaround time for fulfilling the duties and responsibilities laid down for the Trustee Bank.
- (2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II**REGISTRATION OF TRUSTEE BANK**

3. **Application for grant of certificate of registration and application fee.**—(1) The Authority may invite applications from the eligible entities for grant of a certificate of registration as Trustee Bank. The entities desirous of obtaining such certificate shall be required to submit applications, accompanied by the application fee specified in sub-regulation (5), to the Authority. The basis of the selection process and evaluation under such selection process shall be as the Authority may specify, on the date of inviting applications for grant of certificate of registration, which shall be published in the newspapers and placed on the website of the Authority.
 - (2) The Trustee Bank, which was appointed to function as such, by the Interim Pension Fund Regulatory and Development Authority, prior to establishment of the Authority under the Act, may continue to act as such for the unexpired period of its tenure of appointment, or any extension granted thereof by the Authority, provided however that such Trustee Bank shall make an application for grant of certificate of registration, within a period of ninety days from the notification of these regulations. The Authority, may subject to the Trustee Bank, fulfilling the eligibility conditions grant a certificate of registration, for the period mentioned in this sub-regulation.
 - (3) The Authority shall examine the eligibility of the applicants in terms of the provisions of the Act, rules and regulations, and any other criteria, so specified in such selection process to be undertaken, as referred to in sub-regulation (1), and any modifications in the criteria as may be specified by it from time to time.
 - (4) The Authority may appoint one or more Trustee Bank under these regulations.
 - (5) Every applicant shall pay a non-refundable application fee of rupees ten lakh, along with the application to the Authority.
4. **Eligibility criteria.**—(1) The entities satisfying the following eligibility criteria and any other criteria or terms and conditions, or any modifications, as may be specified in the selection process referred to in regulation 3, shall be eligible to participate in the selection process for Trustee Bank,-
 - (a) any scheduled commercial bank [registered and regulated by the Reserve Bank of India, under the Banking Regulation Act, 1949 (10 of 1949)] with extensive rural and urban network of branches as may be specified in the selection process;
 - (b) the applicant, on the date of application, should have made net profit at least in the last three consecutive financial years, and shall satisfy the minimum capital adequacy ratio as specified by the Reserve Bank of India from time to time;
 - (c) the applicant has been authorised to undertake Government business on behalf of Ministries or Departments of the Central Government and the State Governments;
 - (d) all branches of applicant shall be networked;
 - (e) commitment of the applicant to establish technological compatibility with the central recordkeeping agency or agencies, if selected as the Trustee Bank, including allowing a unique transaction identity generated by the central recordkeeping agency for every transaction to be validly recognizable throughout the complete transaction trail;
 - (f) the applicant should have Cash Management Services business. The number of Cash Management Services clients and through put shall be as specified by the Authority in the selection process.
 (2) The Authority may change or modify the eligibility criteria as may be specified from time to time in the interest of the subscribers or for the orderly growth of the pension system.
5. **Disclosure of Information.**—(1) The Authority, having regard to the interest of the subscribers, may make disclosure to the public, the information on the application made by the applicant by placing such information on a website as specified by the Authority, including a website maintained by the applicant.
 - (2) Any material change in the information furnished or placed on the website pursuant to these regulations shall be intimated to the Authority by the applicant promptly but not later than fifteen days of the occurrence of such changes.
6. **Furnishing of information and clarification.**—(1) The Authority may require the applicant to furnish any further information or clarification, for the purpose of disposal of the application, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority.
 - (2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.
7. **Verification of information.**—(1) While considering the application, the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information in any manner, as deemed necessary,

which may include physical verification of documents, office space and inspect the availability of office space, infrastructure and technological support which the applicant is required to have.

(2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an external auditor or agency.

8. Consideration of application and rejection.—(1) For the purpose of grant of certificate, the Authority shall take into account all matters which it deems relevant to the activities under the National Pension System, or any other pension scheme referred to in clause(b) of sub-section (1) of Section 12 of the Act, including but not limited to the following, namely:-

- (a) whether the applicant satisfies the eligibility criteria specified in these regulations and also the terms and conditions as may be specified in the selection process referred to in regulation 3;
- (b) whether the grant of certificate is in the interest of subscribers and the objective of orderly development of pension sector and the National Pension System;
- (c) whether the applicant is a person who has been refused a certificate by the Authority or whose certificate has been cancelled by the Authority.
- (d) any other ground that the Authority may specify for consideration and rejection of application.

(2) Any application for grant of certificate may be rejected on any of the following grounds, namely:-

- (a) if the application is not complete in all respects and does not conform to the requirements specified in these regulations or any other selection criteria specified by the Authority on the date of inviting applications for grant of certificate of registration;
- (b) if the application is unaccompanied by the specified application fee or with relevant documents in support or the applicant fails to furnish such additional information as required by the Authority;
- (c) if the application contains incorrect, false or misleading information.

(3) Where an application is rejected under clause (b) of sub-regulation (2), the Authority shall record reasons in writing:

Provided that, before rejecting any such application, the Authority shall give the applicant an opportunity to remove the objection within such time as may be specified by the Authority:

Provided further that where an application is rejected by the Authority for the reason that it contains false or misleading information, no such opportunity may be given and the applicant shall not make any application for grant of certificate under these regulations or any other regulations for a period of one year from the date of such rejection.

9. Procedure for grant of certificate of registration.—(1) The applicant shall submit an application in the format as may be specified by the Authority. In order to be eligible for registration, the applicant shall be required to qualify, on the date of application, all the technical and commercial parameters as specified by the Authority under the selection process.

(2) The Authority on being satisfied that the applicant satisfies the eligibility criteria as specified under the Act, the rules and regulations and also the evaluation criteria specified in the selection process, it shall, grant a certificate of registration in the form specified in Schedule II and send intimation to this effect to the applicant.

(3) Any certificate of registration granted by the Authority to the Trustee Bank shall be subject to the following conditions, namely:-

- (a) where the Trustee Bank proposes to change its status or constitution, it shall obtain prior approval of the Authority for continuing to act as such Trustee Bank after such change in status or constitution;
- (b) it shall pay the applicable fees in accordance with the regulation 11 or 12, as may be applicable;
- (c) it shall at all times abide by the provisions of the Act, rules, regulations, directions, guidelines and circulars as may be issued there under and other relevant laws;
- (d) it shall at all times meet the eligibility criteria and other requirements specified in these regulations;
- (e) it shall comply with the Code of conduct as specified in Schedule I:

Provided that the Authority may impose such other conditions as it may deem fit in the interest of subscribers or orderly development of the pension sector and the Trustee Bank shall be required to comply with such conditions.

(4) A request for prior approval, under clause (a) of sub-regulation (3), which is complete in all respects, shall be disposed off by the Authority within a period of sixty days from the date of receipt of such request and where the decision of the Authority has not been communicated to the Trustee Bank within the said period of sixty days, the prior approval shall be deemed to have been granted.

(5) The request for prior approval under clause (a) of sub-regulation (3) shall contain the information in respect of the Trustee Bank after the proposed change in status or constitution and the information shall be placed on the website as may be specified by the Authority.

10. **Effect of refusal to grant certificate or expiry of certificate.**—(1) Where the Trustee Bank has failed to make an application or where an existing Trustee Bank has been refused grant of certificate under these regulations, the Trustee Bank shall,-

- (a) forthwith cease to act as such Trustee Bank;
- (b) transfer its amounts, records and documents related to its activities with complete reconciliation to another Trustee Bank which has been granted a certificate for carrying on such activity;
- (c) make provisions as regards liability incurred or assumed by the Trustee Bank;
- (d) take such other action, within the time limits and in the manner, as may be required under the relevant regulations or as may be directed by the Authority.

(2) While refusing grant of certificate of registration under these regulations to an existing Trustee Bank, the Authority may impose such conditions upon it as it deems fit for protection of subscribers and such conditions shall be complied with.

11. **Registration fee.**—A non-refundable registration fees of rupees twenty-five lakh shall be paid by the applicant to the Authority.

12. **Annual fee.**—(1) The Trustee Bank shall deposit each year an annual fee before the due date which shall be determined through bid or in such other manner as may be decided by the Authority at the time of selection process.

(2) For the year in which the certificate of registration is granted, annual fee shall be deposited by the Trustee Bank within thirty days from the date of registration in the proportion applicable for each quarter of the financial year regardless of the number of months or days falling short of such quarterly period. In case, the Trustee Bank fails to deposit an annual fees before or on due date, the Authority shall have the right to cancel the certificate of registration of the Trustee Bank.

13. **Period of validity.**—(1) Subject to compliance with the provisions of the Act or these regulations, every certificate of registration granted to a Trustee Bank shall be valid for a period of five years from the date of grant of registration unless suspended or cancelled by the Authority.

(2) The Authority may, extend or reduce the tenure of the registration certificate, for such period as it may determine in the interest of the subscribers. Such extension or reduction shall be granted for reasons to be recorded in writing. Any extension granted to the Trustee Bank upon expiry of tenure of registration shall be binding on the Trustee Bank and the Trustee Bank shall discharge its functions in accordance with the terms of such extension.

(3) During the validity of registration certificate under sub-regulations (1) and (2), the certificate of registration granted to the Trustee Bank shall be reviewed annually or any other period or at any point of time as may be notified by the Authority and its continuity as Trustee Bank shall be decided thereupon by the Authority.

(4) The Trustee Bank shall be liable to pay annual fee as specified under regulation 12.

(5) On extension of the registration certificate for less than one year, pro rata annual fee or renewal fee shall be recovered on quarterly basis.

14. **Extension of registration.**—The Authority shall notify for fresh registration in accordance with these regulations ninety days or such other time as may be specified, prior to the date of expiry of tenure of the registered Trustee Bank or may extend the tenure of certificate of registration of the Trustee Bank, for such period, as it may determine in the interest of the subscribers. Such extension shall be granted for reasons to be recorded in writing. Any extension granted to the Trustee Bank upon expiry of tenure of registration shall be binding on the Trustee Bank and the Trustee Bank shall discharge its functions in accordance with the terms of such extension.

CHAPTER III**ROLES AND RESPONSIBILITIES OF TRUSTEE BANK**

- 15. Authorization.**—(1) The Board of Trustees of National Pension System Trust shall authorize the Trustee Bank to act as its agent for the purpose of banking the funds in accordance with the provisions of the Act, the rules or the regulations made there under and any guidelines or directions issued by the Authority.
- (2) The Board of Trustees shall authorize the Trustee Bank to hold on its behalf the funds in the name of National Pension System Trust and for the beneficial interests of the beneficiaries of the National Pension System. No such authorization shall confer upon the Trustee Bank, any right, title, interest or share in the funds of the subscribers or any other right under the National Pension System.
- (3) The Board of Trustees shall certify to the Trustee Bank the names and signatures, address and scope of authority of all persons authorized to give proper instructions or any other notice, request, directions, circulars, instruction and notification issued by the Authority from time to time and in accordance with the terms of the regulation, certificate or instrument on behalf of the National Pension System Trust. Such certificate may be accepted and relied upon by the Trustee Bank as conclusive evidence of the facts set forth therein and may be considered in full force and effect until receipt of similar certificate to the contrary. Any such certificate may be given by the Chief Executive Officer of the National Pension System Trust or such other person, as may be authorized by the Board of Trustees.
- (4) The Trustee Bank shall certify to the Board of Trustees, the names and signatures, address and scope of authority of all persons authorized to receive proper instructions or any other notice, request, direction, instruction, certificate or instrument on behalf of the Trustee Bank. The service of any notice, request, direction, instruction, certificate or instrument on such authorized persons shall be deemed to be effective notice or service to the Trustee Bank.
- 16. Roles and responsibilities.**—(1) The Trustee Bank shall assume the day to day banking of the funds under the National Pension System and shall provide banking facilities in accordance with the provisions of the directions issued by the Authority in terms of the Act, the rules and the regulations made there under, operational service level agreements executed with the National Pension System Trust and standard operating procedure issued by the National Pension System Trust, based on the Authority's guidelines.
- (2) The Trustee Bank shall exercise all due diligence and vigilance in carrying out its duties and in protecting the rights and interests of the subscribers, the beneficiaries of the schemes under the National Pension System. The Trustee Bank shall be responsible for the acts of omissions or commissions by its employees or the persons whose services have been procured by the Trustee Bank in whatever capacity.
- (3) The account of the National Pension System Trust with the Trustee Bank shall be in the name of National Pension System Trust and the Trustee Bank shall be holding the funds of the National Pension System Trust. However, individual subscribers under the National Pension System shall remain beneficial owners of these funds.
- (4) The Trustee Bank shall maintain all books and records of the National Pension System Trust Account and comply with the disclosure requirements as specified by Authority or National Pension System Trust from time to time and as provided in these regulations. The Trustee Bank shall maintain books and records about the fund flow and information flow between Trustee Bank, central recordkeeping agency, subscribers and pension funds to ensure compliance with the guidelines and submit regular reports at such intervals and in such manner as may be required or called for by Authority or its authorized representative. The books and records related to the National Pension System Trust's accounts shall be available for inspection to the Authority or its authorized officers, and National Pension System Trust and their respective auditors.
- (5) The banking of the funds shall be on account of the National Pension System Trust and the Trustee Bank shall discharge its duties in terms of the regulation with adequate care. The Trustee Bank shall be fully liable for any losses occasioned to the National Pension System Trust on account of any acts of omission or commission in the nature of fraud, negligence, dereliction of duty, misconduct or misdemeanor or any breach of applicable law or of the provisions of these regulations on the part of the Trustee Bank or its employees in which event the Trustee Bank shall be liable to indemnify the National Pension System Trust and the Board of Trustees for any loss occasioned (either directly or indirectly to the National Pension System Trust or Board of Trustees) or any claim raised against the National Pension System Trust or Trustees by any party in accordance with any agreement signed between the Board of Trustees and the Trustee Bank.

(6) The funds shall be credited to separate accounts in the name of the National Pension System Trust maintained with the designated branch of the Trustee Bank. All receipts, payments, income and expenses shall be debited or credited to this account. The Trustee Bank shall be responsible for the day-to-day flow of funds.

(7) (a) Systems and procedures,—

- (i) The Trustee Bank shall have all the necessary systems procedures, infrastructure that may be required to enable it to co-ordinate with other intermediaries;
- (ii) firewall from other businesses: Trustee Bank shall ensure that a firewall is maintained in respect of the business under the National Pension System, both in terms of staff and systems, from its other businesses;

(b) monitoring, review, evaluating and inspecting systems and controls,—

- (i) Trustee Bank must have adequate mechanisms for reviewing, monitoring and evaluating its controls, systems, procedures and safeguards;
- (ii) where the records are kept electronically, it must take precautions necessary to ensure that continuity in recordkeeping is not lost or destroyed and that a sufficient back-up of records is available;
- (iii) Trustee Bank shall have its systems inspected annually at its own cost, under the mechanism referred to in sub-clause (i), by an expert and this expert shall forward the inspection report within one month from the date of inspection to the Authority;
- (iv) Trustee Bank shall establish and maintain adequate infrastructural facilities to be able to discharge its role and responsibilities as per the "service-level agreement" with the National Pension System Trust, and the operating procedures and systems of the Trustee Bank shall be adequately documented and backed by operation manuals.

(8) The Trustee Bank shall be required to ensure access to all records, data or any other relevant material in respect of the Trust Account maintained with the Trustee Bank to the National Pension System Trust for ensuring necessary supervision (both on-site and off-site). The Trustee Bank shall be responsible for transmission of information pertaining to the funds under the National Pension System available with it and instructions to central recordkeeping agency on a regular basis. The Trustee Bank shall provide web based access to the National Pension System Trust, the Authority and other intermediaries as may be specified by the Authority or the National Pension System Trust. The Trustee Bank will be required to be able to adapt to future changes and functional obligations prescribed by the Authority or the National Pension System Trust.

(9) The Trustee Bank shall sign the required Service Level Agreement, where applicable, with the National Pension System Trust and other intermediaries under the National Pension System. The Trustee Bank shall establish an interface and work in total co-operation and co-ordination with the other intermediaries appointed under the National Pension System.

(10) The Trustee Bank shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any of its duties and obligations:

Provided that the Trustee Bank may utilise such services if disclosure to that effect is made to the National Pension System Trust.

(11) The Authority, may in the interest of subscribers add, delete or modify or alter the roles and responsibilities as mentioned in these regulations through circulars, notifications and guidelines from time to time.

17. Linkages of Trustee Bank with central recordkeeping agency and other intermediaries.—The Trustee Bank is required to establish necessary system and procedure, in order to facilitate fund transfers across various intermediaries of the National Pension System Architecture viz. central recordkeeping agency, nodal offices (Pay and Account Office, Drawing and Disbursing Officer, District Treasury Office, Directorate of Treasuries and Accounts), point of presence, aggregators, pension funds and annuity service providers, and others, as may be specified by the Authority.

18. Operational requirements for Trustee Bank.—Based on the level of activity, the Trustee Bank would be required to fulfill certain minimum operational requirements. These requirements may be as specified in the selection process as may be notified by the Authority, service level agreement and standard operating procedure issued by the National Pension System Trust from time to time. This is subject to modification from time to time as may be specified through guidelines issued by the Authority.

19. Reports and audit.—(1) The Trustee Bank shall file the following periodic reports with the Authority and National Pension System Trust —

- (a) extracts of internal audit report from the independent auditors with respect to the National Pension System Trust Accounts, compliance certificates and subscriber complaints reports at regular intervals;
- (b) concurrent audit report to be submitted every quarter;

- (c) external audit report of all the National Pension System accounts maintained with the Trustee Bank to be submitted annually.

The scope of all the above three audits shall be defined by Authority.

(2) At the end of each financial year, the Trustee Bank shall furnish a statement of the income and expenditure account and a balance sheet reflecting the position of the Trustee Bank as on the closing date of the financial year to the National Pension System Trust.

(3) The Trustee Bank shall file with National Pension System Trust-

- (a) Bio-data of all its directors along with their interest in other companies within fifteen days of their appointment; and
- (b) any change in the interests of directors at every six months.

(4) A report on discrepancies, if any, to or from the pension fund regarding fund transfer or receipt of funds based on information flow received from pension fund or central recordkeeping agency and actual fund transfer.

(5) Provide periodic reports as per the parameters and frequency defined by the Authority or the National Pension System Trust. Some of the key parameters on which reports are required includes:

- (a) account wise balances on daily basis;
- (b) fund transfer and receipt status on daily basis;
- (c) report on status of identified and unidentified funds in NPS account;
- (d) sector wise unmatched amount return report – weekly, monthly or as specified by the Authority.

(6) Any other information or report required by Authority from time to time.

CHAPTER V

INSPECTION AND AUDIT

20. **Inspection and audit.**—(1) The Authority may, if it considers necessary at any time, undertake directly or through its authorized representative or auditor, an inspection and audit of the books, accounts, records including the telephone records and electronic records and documents of the Trustee Bank for any purpose, including the purposes as specified under sub-regulation (2).

(2) The purposes referred to in sub-regulation (1) may include,-

- (a) to ascertain the infrastructural capabilities, systems and procedures;
- (b) to ensure that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;
- (c) to ascertain whether adequate internal control systems, procedures and safeguards have been established and are being followed by the Trustee Bank;
- (d) to ascertain whether the provisions of the Act or rules or the regulations made there under or circulars, guidelines or notifications issued by the Authority are being complied with;
- (e) to inquire into the complaints received from subscribers, nodal offices, intermediaries or any other person on any matter having a bearing on the activities assigned by the Authority to the Trustee Bank;
- (f) to inquire suomotu into such matters as may be deemed fit in the interest of subscribers.

(3) The Authority may,-

- (a) appoint one or more authorized representatives or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1);

Explanation.- For the purposes of this sub-regulation, the expression “qualified auditor” shall have the meaning derived from Section 226 of the Companies Act, 1956 (1 of 1956).

21. **Notice before inspection or audit.**—(1) Before undertaking an inspection or audit under regulation 20 the Authority or its authorised representative or the auditor shall give ten working days’ notice to the Trustee Bank:

Provided that no notice shall be required if the Authority is satisfied that an inspection or audit is required for immediate safeguarding of the interest of the subscribers.

(2) During the course of an inspection or audit, the Trustee Bank against whom the inspection or audit is being carried out shall be bound to discharge its obligations as provided in these regulations.

22. **Obligations on inspection and audit**—(1) It shall be the duty of the Trustee Bank, the affairs of which is being inspected or audited, and of every director, officer and employee thereof, to produce to the Authority, or its authorized representative or auditor, such books, accounts, records and other documents in its custody or control and furnish to the Authority or its authorized representative or the auditor with such statements and information relating to the activities entrusted to it by the Authority, as it or he may require, within such reasonable period as may be specified.

(2) The Trustee Bank shall allow the Authority or its authorized representative or the auditor to have a reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records, documents and computer data in the possession of the Trustee Bank or such other person and also provide copies of documents or other materials which in the opinion of the Authority or its authorized representative or auditor are relevant for the purpose of the inspection or audit.

(3) It shall be the duty of the Trustee Bank to give to the Authority, or its authorized representative or auditor all assistance in connection with the inspection and audit which the Authority or its authorized representative, or auditor may reasonably require.

23. **Submission of report.**—(1) On completion of the inspection or audit, a report shall be submitted to the Authority, which after consideration of the report, may take such action as it may deem fit and appropriate in the interest of the subscribers.

(2) The Authority may *suomotu* or after consideration of the inspection or audit report, as the case may be, order an investigation or inquiry to be conducted in the matter.

24. **Payment of inspection and audit fees.**—The Authority shall be entitled to recover from the Trustee Bank such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative or auditor under sub-regulation (1) of regulation 20.

25. **Inspection and audit by National Pension System Trust.**—(1) The National Pension System Trust shall undertake directly or through its authorized representative, inspection or audit or both of the Trustee Bank, on an annual basis or at such other period as may be specified by the Authority in relation to operational Service Level Agreements in accordance with the provisions of Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015. The Trustee Bank shall allow the National Pension System Trust, or its authorized representative to have a reasonable access to the premises occupied by it, books of accounts, records and provide necessary information as may be required by it for the purpose of such inspection or audit, as the case may be.

(2) The National Pension System Trust shall be entitled to recover from the Trustee Bank such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative.

(3) The scope of audit or inspection may be modified by the Authority as may be specified by it from time to time.

CHAPTER VI

SUSPENSION OR CANCELLATION OF CERTIFICATE AND ACTION IN CASE OF DEFAULT

26. **Cancellation or suspension of certificate of registration.**—(1) Where any Trustee Bank which has been granted a certificate of registration under these regulations—

- (a) fails to comply with any conditions subject to which a certificate of registration has been granted to it;
- (b) contravenes any of the provisions of the Act or the rules or the regulations made or guidelines or notifications, directions, instructions or circulars issued by the Authority there under;
- (c) contravenes any of the provisions of the agreements entered into with other intermediaries;
- (d) indulges in unfair trade practices or conducts its business in a manner prejudicial to the interests of the subscribers;
- (e) fails to furnish any information as required by the Authority relating to its area of operations;
- (f) does not submit periodical returns as required under the Act or by the Authority;
- (g) does not co-operate in an inquiry conducted by the Authority;
- (h) commits any acts of defaults as mentioned under Section 28 of the Act;
- (i) any other reason which in the opinion of the Authority warrants for suspension, cancellation or withdrawal of the certificate of registration granted;

The Authority may, without prejudice to any other action under the Act, regulations, directions, instructions or circulars issued there under, by order take such action in the manner provided under these regulations including cancellation or suspension of the registration of such Trustee Bank and such other action, as may be deemed appropriate.

(2) The Authority may without prejudice to the powers under sub-regulation (1) instead of cancelling or suspending the certificate of registration, direct for varying or modifying the terms and conditions of the certificate of registration, as it may deem fit or pass any other order, as may be deemed beneficial in the interest of the subscribers.

(3) Trustee Bank once registered shall have to ensure that the eligibility conditions as mentioned in this regulation are strictly adhered to during the entire currency of the registration period and any extension thereto, failing which the registration certificate may be cancelled. A certificate evidencing compliance with the eligibility conditions shall have to be furnished by the registered Trustee Bank to the Authority on annual basis within thirty days of closure of accounts for the financial year.

27. Surrender of any certificate of registration.—(1) Any Trustee Bank, which has been granted a certificate of registration under the Act or the regulations made there under, desirous of giving up its activity and surrendering the certificate, may make a request for such surrender to the Authority.

(2) While disposing of a request under these regulations, the Authority may require the concerned Trustee Bank to satisfy the Authority of the factors as it deems fit, including but not limited to the following:—

- (a) the arrangements made by the Trustee Bank at its own costs and expenses for maintenance and preservation of records and other documents required to be maintained under the Act, regulations and guidelines;
- (b) redressal of subscriber grievances;
- (c) transfer of records, funds or securities of the subscribers at its own cost and expense;
- (d) the arrangements made by it for ensuring continuity of service to the subscribers;
- (e) defaults or pending actions, if any.

(3) While accepting the surrender request, the Authority may impose such conditions upon the Trustee Bank as it deems fit for the protection of interest of the subscribers of the National Pension System and the Trustee Bank concerned shall comply with such conditions.

(4) No Trustee Bank shall be permitted to surrender its certificate, in respect of which any action for default has been initiated or has been contemplated by the Authority.

28. Effect of suspension, cancellation or surrender of certificate.—(1) On and from the date of suspension or cancellation of the certificate, the concerned Trustee Bank shall—

- (a) not undertake any additional assignment or collect any new money or information from the subscriber. During the period of such suspension, it shall cease to carry on any activity in respect of which the certificate of registration had been granted;
- (b) allow its subscribers to transfer, as the case may be, their money or assignments or allow the National Pension System Trust to withdraw any assignment given to it, without any additional cost;
- (c) make provisions as regards liabilities incurred or assumed by it;
- (d) take such other action including the action relating to any records or documents and information or money of the subscribers that may be in the custody or control of such Trustee Bank, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority, while passing the order under these guidelines or otherwise.

(2) On and from the date of surrender or cancellation or suspension of the certificate of registration, the concerned Trustee Bank shall—

- (a) return the certificate of registration so cancelled to the Authority and shall not represent itself to be a holder of the certificate of registration for carrying out the activity for which such certificate had been granted;
- (b) cease to carry on any activity in respect of which the certificate had been granted;
- (c) transfer funds, records and documents with complete reconciliation related to its activities to another Trustee Bank, as directed by the Authority, holding a valid certificate of registration to carry on such activities and allow its subscribers to transfer their funds to the transferee entity, without any additional cost;
- (d) make provisions as regards liability incurred or assumed by it;
- (e) take such other action including the action relating to any records or documents and assets of the subscribers that may be in the custody or control of such Trustee Bank, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority while passing order under these guidelines or otherwise.

29. Appointment of designated authority.—(1) Where it appears to the designated member that any Trustee Bank which has been granted certificate of registration under these regulations or any other concerned person has committed any default of the nature specified in regulation 26, he may appoint an officer not below the rank of a Chief General Manager, or any other officer of an equivalent rank as a designated authority.

(2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.

30. Issuance of notice.—(1) The designated authority shall, if it finds reasonable grounds to do so, issue a notice to the Trustee Bank or any other concerned person requiring it to show cause as to why the certificate of registration granted to it, should not be suspended or cancelled or why any other action provided herein should not be taken.

(2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.

(3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection, if any, carried out.

(4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.

31. Reply by noticee.—(1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof:

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

(2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make his recommendations as the case may be on the basis of material facts available before him.

32. Action in case of default.—(1) After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,—

- (a) suspension of certificate of registration for a specified period;
- (b) cancellation of certificate of registration;
- (c) prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;
- (d) debaring a principal officer of the noticee from being employed or associated with any registered intermediary or other registered person for the period specified in the order;
- (e) debaring a branch or an office of the noticee from carrying out activities for the specified period;
- (f) warning the noticee.

33. Procedure for action on recommendation.—(1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.

(2) The noticee may, within twenty-one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.

(3) The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.

34. Intimation of order.—(1) Every report made by a designated authority and every order made by the designated member under these regulations shall be dated and signed.

(2) A copy of the order passed under these regulations shall be sent to the Trustee Bank or other concerned person and also placed on the website of the Authority.

35. Penalty and adjudication.—The imposition of penalty, if any, on the Trustee Bank or person shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.

- 36. Appeals to Securities Appellate Tribunal.**—The Trustee Bank or any person concerned aggrieved by any order under these regulations may, prefer an appeal to the Securities Appellate Tribunal against such order in accordance with the provisions of sub-section (1) of Section 36 of the Act.

Explanation—For the purposes of this chapter,—

- (a) “designated authority” means an officer of the Authority appointed under sub-regulation (1) of regulation 29;
- (b) “designated member” means the Chairperson or a whole-time Member of the Authority designated for the purpose.
- (c) “noticee” means the person to whom a notice has been issued under this chapter.

CHAPTER VII

MISCELLANEOUS

- 37. Redressal of grievances.**—The overall responsibility of the redressal of subscriber grievance shall be as per the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015.
- 38. Confidentiality.**—The Trustee Bank shall maintain absolute confidentiality with respect to all records, data and information received or acquired by it during the course of its working. It shall not, without the prior permission of the Authority, produce or share such data or information as evidence, or for any other purpose, except as required by the due process of law.
- 39. Power of Authority to issue clarifications.**—In order to remove any difficulties in the application or interpretation of these regulations, the Authority shall have the power to issue clarifications and guidelines in the form of notes or circulars which shall be binding on the Trustee Bank or any person connected with it.
- 40. Appointment of Compliance Officer.**—(1) The Trustee Bank must appoint a compliance officer who shall be responsible for monitoring compliance by it of the provisions of Act, rules and regulations, notifications, guidelines, instructions issued by the Authority.
- (2) The compliance officer must immediately and independently report any non-compliance observed by him or her to the Authority.

SCHEDULE I

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (Trustee Bank) Regulations, 2015

[See regulation 9 (3) (e)]

Code of Conduct

1. Subscriber Protection

(a) Subscribers

The Trustee Bank shall make all efforts to protect the interests of subscribers and shall render the best possible advice having regard to the subscriber's needs and the environments and his own professional skills.

(b) High Standards of Service

The Trustee Bank shall ensure that it and its key management personnel, employees, shall in the conduct of their business, observe high standards of integrity, dignity, fairness, ethics and professionalism and all professional dealings shall be affected in a prompt, effective and efficient manner. The Trustee Bank shall be responsible for the acts or omissions of its employees in respect to the conduct of its business.

(c) Exercise of Due Diligence and no Collusion

The Trustee Bank shall at all times render high standards of service, exercise due skill and diligence over persons employed or appointed by it, ensure proper care and exercise independent professional judgment and shall not at any time act in collusion with other intermediaries in a manner that is detrimental to the subscriber(s).

2. Disbursal Of Amounts

- (a) Remittance to Pension Funds and Withdrawal of NPS Contribution- The Trustee Bank shall be prompt in executing the instructions issued by the NPS Trust with reference to the remittance of funds to Pension Funds and withdrawals of NPS contributions.

3. Disclosure of Information

- (a) The Trustee Bank shall ensure that adequate disclosures are made to the Nodal Offices, intermediaries and subscribers in a comprehensible and timely manner.
- (b) The Trustee Bank shall not make any misrepresentation and ensure that the information provided to the Nodal Offices, intermediaries and subscribers is not misleading.
- (c) The Trustee Bank shall not make any exaggerated statement whether oral or written to the Nodal Offices, intermediaries and subscribers, either about its qualification or capability to render certain services or its achievements in regard to services rendered to other Nodal Offices and subscribers.
- (d) The Trustee Bank shall not divulge to anybody, either orally or in writing, directly or indirectly, any confidential information about its Nodal Offices and subscribers, which has come to its knowledge, without taking prior permission of the Authority except where such disclosures are required to be made in compliance with any law for the time being in force.

4. Conflict of Interest

The Trustee Bank shall avoid conflict of interest and make adequate disclosure of its interest and shall put in place a mechanism to resolve any conflict of interest situation that may arise in the conduct of its business or where any conflict of interest arises, shall take reasonable steps to resolve the same in an equitable manner. The Trustee Bank shall make appropriate disclosure of the possible source or potential areas of conflict of duties and interest while acting as an intermediary which would impair its ability to render fair, objective and unbiased services.

5. Compliance and Corporate Governance

- (a) The Trustee Bank shall ensure that good corporate policies and corporate governance is in place. It shall not engage in fraudulent and manipulative transactions.
- (b) The Trustee Bank shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. It shall also ensure that for electronic records and data, up-to-date back up is always available with it.
- (c) The Trustee Bank shall co-operate with the Authority and National Pension System Trust, as and when required and shall not make any untrue statement or suppress any material fact in any documents, reports, papers or information furnished to the Authority or National Pension System Trust neglect or fail or refuse to submit to the Authority or other agencies with which it is registered, such books, documents, correspondence and papers or any part thereof as may be demanded/requested from time to time.
- (d) The Trustee Bank shall ensure that any change in registration status /any penal action taken by Authority or any material change in financials which may adversely affect the interests of subscribers is promptly informed to the subscribers and any business remaining outstanding is transferred to another registered entity in accordance with any instructions of National Pension System Trust and the provisions of the relevant regulations.
- (e) The Trustee Bank shall maintain an appropriate level of knowledge and competency and abide by the provisions of any act, regulations, circulars and guidelines issued by the Authority and as may be applicable to the Trustee Bank in respect of the business carried on by such Trustee Bank.
- (f) The Trustee Bank shall ensure that the Authority and National Pension System Trust are promptly informed about any action, legal proceedings, etc., initiated against it in respect of any material breach or non-compliance by it, of any law, rules, regulations, and directions of the Authority or of any other regulatory body.

SCHEDULE II

**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(Trustee Bank) Regulations, 2015**

[See regulation 9 (2)]

CERTIFICATE OF REGISTRATION**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****CERTIFICATE OF REGISTRATION**

Pension Fund Regulatory and Development Authority hereby grants a Certificate of Registration to _____ as a Trustee Bank on this day of _____

This certificate is valid for a period of _____ year from the date of issue.

Registration Code for the Trustee Bank is _____

Date:

Place:

Authorised Signatory

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/14]

भारत का राजपत्र
The Gazette of India

असाधारण

EXTRAORDINARY

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PART III—Section 4

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 27 अप्रैल, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (केंद्रीय अभिलेखापाल अभिकरण) विनियम, 2015

सं. पीएफआरडीए/12/आरजीएल/139/7.—पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उप-धारा (2) के खंड (इ), खंड (ज), खंड (ट), खंड (ठ) खंड (ड) खंड (ण) और खंड (त) के साथ पठित उसकी उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात्:--

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (केंद्रीय अभिलेखापाल अभिकरण) विनियम, 2015 है।

इन विनियमों का उद्देश्य केंद्रीय अभिलेखापाल अभिकरण की पात्रता, शासन, संगठन और प्रचालन आचरण तथा सभी अभिदाताओं को केंद्रीयकृत अभिलेखपालन, प्रशासन और ग्राहक सेवा के कृत्यों का उपबंध करने के लिए मानक नियत करने का है।

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

(क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23), अभिप्रेत है;

- (ख) "संपरीक्षक" से ऐसा व्यक्ति अभिप्रेत है, जो कंपनी अधिनियम, 1956 (1956 का 1) की धारा 247 के अधीन किसी कंपनी के लेखाओं की संपरीक्षा करने के लिए अर्हित है ;
- (ग) "प्रमाणपत्र" से प्राधिकरण द्वारा अधिनियम की धारा 27 की उप-धारा (3) के अधीन अनुदत्त रजिस्ट्रीय प्रमाणपत्र अभिप्रेत है ;
- (घ) "कंपनी" से कंपनी अधिनियम, 1956 (1956 का 1) के अधीन विरचित और रजिस्ट्रीकृत कोई इकाई अभिप्रेत है ;
- (ङ) "अनुपालन अधिकारी" से केन्द्रीय अभिलेखापाल अभिकरण के प्रति उत्तरदायी ऐसा व्यक्ति अभिप्रेत है, जिसे उस रूप में पदाभिहित और अधिनियम या उसके अधीन प्राधिकरण द्वारा बनाए गए नियमों या विनियमों के उपबंधों या जारी की गई अधिसूचनाओं, मार्गदर्शक सिद्धांतों, परिपत्रों या अनुदेशों का उसके द्वारा अनुपालन किए जाने को मानीटर करने के उत्तरदायित्व का सौंपा गया है ;
- (च) "आहरण और संपरिवर्तन अधिकारी" से केन्द्रीय सरकार या उसके अधीन के वैसे ही कार्यालयों या राज्य सरकारों या किसी स्वायत्त निकाय के अधीन आहरण और संवितरण अधिकारी (डीडीओ) अभिप्रेत है, जो राष्ट्रीय पेंशन प्रणाली के प्रयोजन के लिए अभिदाताओं की ओर से वेतन और लेखा कार्यालयों (या समतुल्य कार्यालयों) अथवा केन्द्रीय अभिलेखापाल अभिकरण के साथ पारस्परिक संपर्क करता है ;
- (छ) "आई-पिन" केन्द्रीय अभिलेखापाल अभिकरण या राष्ट्रीय पेंशन प्रणाली अभिदाय लेखांकन नेटवर्क प्रणाली को इंटरनेट के माध्यम से लॉगिन करने के लिए अभिदाता को अधिप्रमाणित करने हेतु प्रयुक्त पहचान संख्यांक अभिप्रेत है ;
- (ज) "मुख्य पणधारी या पणधारी" के अंतर्गत ऐसा कोई व्यक्ति या व्यक्तियों का समूह अभिप्रेत है, जिसका राष्ट्रीय पेंशन प्रणाली या प्राधिकरण द्वारा विनियमित किसी अन्य पेंशन स्कीम में हित है जिसके अंतर्गत अभिदाता, भारत सरकार के मंत्रालय या विभाग, भारत सरकार के अधीन स्वशासी संगठन, राज्य सरकारों, संघ राज्यक्षेत्रों के ऐसे मंत्रालय या विभाग, जिन्होंने राष्ट्रीय पेंशन प्रणाली को अपनाया है, राज्य सरकारों या संघ राज्यक्षेत्रों के स्वशासी संगठन, सरकारी या प्राइवेट सेक्टर में संस्थाएं या निगमित निकाय या ऐसा कोई अन्य अभिकरण, जो राष्ट्रीय पेंशन प्रणाली के विकास या प्राधिकरण द्वारा विनियमित किसी अन्य पेंशन स्कीम के विकास और प्रगति से जुड़ा हुआ है और प्राधिकरण के पास रजिस्ट्रीकृत सभी मध्यवर्ती है ;
- (झ) "राष्ट्रीय पेंशन प्रणाली डाटा" के अंतर्गत ऐसा सभी सांपत्तिक डाटा, जो संक्रियाओं और संव्यवहारों तैयार होता है, दस्तावेज और संबंधित सूचना आगयी और इसके अंतर्गत ऐसा सभी अभिदाता डाटा भी आगया किन्तु उस तक निर्बंधित नहीं होगा जो केन्द्रीय अभिलेखापाल अभिकरण द्वारा विनियमों और सेवा स्तरीय करार में यथाविनिर्दिष्ट अभिदाताओं को सेवाएं उपलब्ध कराने के संदर्भ में अभिप्राप्त किया जाता है, कब्जे में रखा जाता है या तैयार किया जाता है ;
- (ञ) "नोडल कार्यालय" से ऐसे कार्यालय अभिप्रेत हैं जो अभिदाताओं और केन्द्रीय अभिलेखापाल अभिकरण के बीच अंतरापृष्ठ के रूप से कार्य करता है और इसके अंतर्गत सरकारी कार्यालय जैसे कि मुख्य लेखा कार्यालय, खजाना और लेखा महानिदेशालय, वेतन और लेखा कार्यालय, जिला खजाना कार्यालय, आहरण और संवितरण कार्यालय तथा उपस्थिति अस्तित्व और असंगठित क्षेत्र में के सेवा प्रदाता तथा राष्ट्रीय पेंशन प्रणाली की राष्ट्रीय पेंशन प्रणाली-स्वावलंबन के अधीन राष्ट्रीय पेंशन प्रणाली-लाइट अन्वेक्षा कार्यालय और राष्ट्रीय पेंशन प्रणाली-लाइट लेखांकन कार्यालय भी है ;
- (ट) "वेतन और लेखा कार्यालय" से केन्द्रीय सरकार या राज्य सरकार (सरकारों) के अधीन वेतन और लेखा कार्यालय या भारत या राज्य सरकार (सरकारों) या संघ राज्यक्षेत्रों या स्वशासी निकायों के अधीन वैसे ही कार्यालय अभिप्रेत हैं जो राष्ट्रीय पेंशन प्रणाली के अधीन आने वाले अभिदाताओं के अंशदान संबंधी ब्यौरा बनाए रखने के लिए उत्तरदायी हैं ;

- (ग) डी.आर. साइट को संपूर्ण केन्द्रीय अभिलेखापाल अभिकरण साधन का वित्तीय करना चाहिए ;
- (घ) केन्द्रीय अभिलेखापाल अभिकरण को यह सुनिश्चित करने की जरूरत है कि डी.आर. साइट को एप्लीकेशन निर्मितियों के नवीनतम विवरण (वर्जन) और सभी साधन संघटकों के साथ अद्यतन बनाए रखा जाए ;
- (ङ.) केन्द्रीय अभिलेखापाल अभिकरण यह सुनिश्चित करने के लिए कि डी.आर. साइट में किसी खराबी को, कोई तत्समय की सेवा बाधित किए बिना, ठीक की जाए, नियमित अनुरूपता जांच को बढ़ावा देगा । केन्द्रीय अभिलेखापाल अभिकरण डी.आर. साइट से, कम से कम तीन मास में एक बार किसी अव्यस्ततम दिन को सभी चालू सेवाओं और संव्यवहारों को रोकने पर विचार कर सकता है ;
- (च) केन्द्रीय अभिलेखापाल अभिकरण वर्ष में प्रत्येक तिमाही में डी.आर. ड्रिल का पालन करेगा ।

(8) बैंक अप और रिकवरी-

केन्द्रीय अभिलेखापाल अभिकरण द्वारा जिस डाटा को संभाला जा रहा है, उसके प्रचलान के महत्व और गंभीरता पर पैमाने विचार करते हुए, केन्द्रीय अभिलेखापाल अभिकरण को कारबार निरंतरता योजना को यथा स्थान बनाए रखना सुनिश्चित करना होगा । प्रचालनों की निरंतरता के लिए आवेदक को अनुकृति साइट और नियमित जोखिम निर्धारण युक्तियों के लिए समाधान का प्रस्ताव करने की जरूरत है । आवेदक निम्नलिखित को यथा स्थान रखेगा -

- (क) प्रलेखीकृत बैंक अप युक्ति और रिकवरी, जिसमें बैंक अप कार्यक्रमों और उत्तरदायित्वों को संगठनात्मक स्तर पर अधिकथित किया हों ;
- (ख) बैंक अप मीडिया को सुरक्षित स्थान पर स्टोर किया जाना चाहिए और मीडिय के अस्थानापन्न होने की दशा में उसकी रिपोर्ट तत्काल प्राधिकरण को करना चाहिए ;
- (ग) एक अद्यतन और नियमित एंटी वायरस युक्ति होनी चाहिए ;
- (घ) सभी अभिलेखीय मीडिया को उपयुक्त सुविधाओं में स्टोर किया जाना चाहिए और प्रत्येक मीडिया की एक प्रति को परिसर के अग्निरोधक सुविधा में स्टोर किया जाना चाहिए ;
- (ङ) परिसर के बाहर भी मीडिया की एक प्रति को स्टोर किया जाना चाहिए ;
- (च) अभिलेखीय बैंक अप और मीडिया की स्थिति की जांच करने के लिए नियमित रूप से अनुसूचीबद्ध प्रत्यावर्तन सुविधाएं होनी चाहिए ;
- (छ) दो वर्ष की अवधि तक बैंकअप लॉग को बनाए रखा जाना चाहिए ;
- (ज) सभी सिस्टमों एप्लीकेशनों, डाटा आवर्तन सन्नियमों और हार्ड कापी दस्तावेजों का नियमित रूप से बैंकअप लेना चाहिए ;

प्राधिकरण, यदि वह आवश्यक समझे, बैंक अप मीडिया की अपने अधिकारियों के माध्यम से या किसी बाह्य अभिकरण के माध्यम से संपरीक्षा करा सकेगा ।

(9) आपदा रिकवरी योजना-

केन्द्रीय अभिलेखापाल अभिकरण को निम्नलिखित को सुनिश्चित करना चाहिए-

- (क) अपने प्रचालन के बारे में एक प्रलेखीकृत आपदा रिकवरी और कारबार रिकवरी योजना होनी चाहिए;
- (ख) आवेदक के पास उसके अवस्थान पर न कि परिसर के वस्तुतः समीस्थ स्थान पर एक अनुकृति साइट होनी चाहिए;
- (ग) आवेदक को लाइव सर्वर की संव्यवहार डाटा की लगभग वास्तविक समय की अनुकृति रखना सुनिश्चित करना चाहिए ;
- (घ) अनुकृति साइट को मुख्य साइटों की वास्तविक और तकनीकी सुरक्षा अपेक्षाओं के अनुरूप ही होस्ट किया जाना चाहिए ;
- (ङ) इसमें एक प्रलेखीकृत वृद्धिशील प्रक्रिया तथा अभिहित कार्मिक होने चाहिए जो आपदा की दशा में संपर्क और कार्रवाई के लिए उत्तरदायी होगा ;
- (च) इसमें नियमित आपदा अनुक्रिया ड्रिलें की जानी चाहिए, जिसकी रिपोर्ट प्राधिकरण को प्रत्येक तीन मास में दी जानी चाहिए ;

- (छ) सभी सिस्टम का पर्याप्त बीमा कराया गया होना चाहिए ;
प्राधिकरण, यदि वह ठीक समझे, डी.आर. साइट की अपने अधिकारियों के माध्यम से या किसी बाह्य अभिकरण के माध्यम से संपरीक्षा करा सकेगा ।

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 27th April, 2015

Pension Fund Regulatory And Development Authority (Central Recordkeeping Agency) Regulations, 2015

No. PFRDA/12/RGL/139/7.—In exercise of the powers conferred by sub-section (1) of Section 52 read with clauses (e),(j), (k), (l), (n), (o) and (p) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely: —

CHAPTER I

PRELIMINARY

1. **Short title and commencement.**—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (central recordkeeping agency) Regulations, 2015.

The regulations aim to set standards for the eligibility, governance, organization and operational conduct of the Central Recordkeeping Agency and for providing centralized recordkeeping, administration and customer service functions to all subscribers.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. **Definitions.**—(1) In these regulations, unless the context otherwise requires,—

- (a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
- (b) “auditor” means a person who is qualified to audit the accounts of a company under section 224 of the Companies Act, 1956 (1 of 1956);
- (c) “certificate” means a certificate of registration granted by the Authority under sub-section (3) of section 27 of the Act;
- (d) “company” means any entity formed and registered under Companies Act, 1956 (1 of 1956);
- (e) “compliance officer” means a person of responsibility from the central recordkeeping agency; designated as such and charged with the responsibility of monitoring compliance by it of the provisions of the Act or the rules or the regulations made or notifications, guidelines, circulars or instructions issued by the Authority there under;
- (f) “Drawing and Disbursing Officer” means a Drawing and Disbursing Officer (DDO) under Central Government or similar offices under it or the State Governments or an autonomous body which shall interact with the Pay and Accounts offices (or equivalent offices) or the central recordkeeping agency on behalf of the subscribers for the purpose of the National Pension System;
- (g) “I-Pin” means the Personal Identification Number used to authenticate the subscriber to log in central recordkeeping agency, National Pension System Contributions Accounting Network system through internet;
- (h) “Key Stakeholder or Stakeholder” shall include a person or a group of persons who has an interest in National Pension system or any other pension scheme regulated by the Authority, which includes subscribers, Ministries or Departments of Government of India, Autonomous Organizations under Government of India, Ministries or Departments of State Governments/ Union territories who have joined the National Pension System, Autonomous organizations under State Governments or Union territories, Institutions or Body Corporate in the Government or private sector or any other agency connected with development and promotion of National Pension System and or any other pension scheme regulated by the Authority and all intermediaries registered with the Authority;
- (i) “National Pension System data” shall include all proprietary data generated out of operation and transactions, documents and related information including but not restricted to subscriber data which central recordkeeping agency obtains, possesses or processes in the context of providing the services to the subscribers as specified in the regulations and the Service Level Agreement;
- (j) “nodal office” means the offices which act as interface between the subscribers and the central recordkeeping agency and shall include the Government offices like Principal Accounts Officer, Directorate of Treasuries and Accounts, Pay and Accounts Officer, District Treasury Office, Drawing and Disbursing Office as well as point of presences and the service providers in the unorganized sector and the

National Pension System-Lite Oversight Office and the National Pension System-Lite Accounting Office under the National Pension System-Swavalamban of the National Pension System.;

- (k) "Pay and Accounts Office" (P&AO) means the pay and accounts office under the Central and state government(s) or similar offices under the Government of India or State government(s) or Union Territories or Autonomous bodies responsible for maintaining the contribution details for subscribers covered under National Pension System;
- (l) "PRAN" means the Permanent Retirement Account Number allotted as a unique identification number to each subscriber;
- (m) Principal officer means any person who is responsible for the activities of a central recordkeeping agency and shall include:
 - (i) a whole time or executive director or managing director or Chief Executive Officer
 - (ii) any key employee; and
 - (iii) any person designated as a principal officer by central recordkeeping agency ;
- (n) "Service Level Agreement" (SLA) means the agreement inter alia providing for quality and performance parameters, specified by Authority, which the central recordkeeping agency is expected to execute with other intermediaries.
- (o) "Third Party Systems" means the systems (or any part thereof) in which the intellectual property rights are owned by a third party and to which central recordkeeping agency has been granted a license to use and which are used in providing the services;
- (p) "T-Pin" means the number used to authenticate the subscriber in the Interactive Voice Response (IVR) system.

(2) Words and expressions used and not defined in these regulations but defined in the Act, shall have the meanings respectively assigned to them in the Act.

CHAPTER II

REGISTRATION OF CENTRAL RECORDKEEPING AGENCY

3. **Application for grant of certificate of registration and application fee.**—(1) The Authority may, invite applications including proposals from the eligible entities for the grant of a certificate to act as a central recordkeeping agency. The entities, including the existing central recordkeeping agency, desirous of obtaining registration shall be required to submit applications, along with the requisite non-refundable application fee to the Authority, as and when applications for grant of certificate, are invited by it. The basis of the selection process and evaluation under such selection process shall be as the Authority may specify on the date of inviting applications for grant of a certificate, which shall be published in the newspapers and placed on the website of the Authority.

(2) The appointment of the existing central recordkeeping agency which was prior to the commencement of the Act shall be valid and continue to remain in force and such central recordkeeping agency may be granted a certificate for a period equal to the unexpired period of its original appointment:

Provided, however that such existing central recordkeeping agency shall make an application as specified in these regulations and comply with the provisions of the Act and these regulations within six months from the date of commencement of these regulations, failing which the existing appointment granted to it is liable to be cancelled. The existing central recordkeeping agency shall pay all fees including the annual fee as specified under these regulations.

(3) The Authority shall examine the eligibility of the applicants in terms of the provisions of the Act, rules and these regulations and any other criteria, so specified in such selection process to be undertaken, as referred to in sub-regulation (1), or any modification in the criteria as may be specified by the Authority from time to time.

(4) The Authority may appoint one or more central recordkeeping agency under these regulations. The allocation of the subscribers between the existing central recordkeeping agency and the other central recordkeeping agency or agencies, if appointed, shall be based on a transparent criteria and process as may be notified by the Authority from time to time having regard to the subscribers' interest. The central recordkeeping agency shall at all times comply with the provisions of the Act or the rules or the regulations made or directions, circulars or guidelines issued by the Authority there under. The central recordkeeping agency shall also ensure compliance of the quality of subscriber service or services to other intermediaries and ensure that intermediation and other operational costs under the National Pension System or any other pension scheme regulated by the Authority are economical and reasonable.

(5) A non-refundable application fee, of rupees ten lakh shall be paid by an applicant along with its application to the Authority payable at New Delhi.

4. **Eligibility criteria.**—The entities satisfying the following eligibility criteria and any other criteria or terms and conditions, or any modifications, as may be specified in the selection process referred to in regulation 3, shall be eligible to participate in the selection process for central recordkeeping agency :-
- (a) the applicant shall be a company formed and registered under the Companies Act, 1956 (1 of 1956) or under any other central enactment, and registered with the service tax authority and operating for the last five years in the country;
 - (b) the applicant should have made net profit in any three out of the last five financial years and should not have incurred cash loss during the preceding two years;
 - (c) the applicant, its director, principal officer should not have been black listed by any regulatory Authority or Governments (Central and States) or should not have been convicted of any offence involving moral turpitude or of any economic offence;
 - (d) Information technology capabilities and sufficiently qualified and experienced manpower, as specified by the Authority in the selection process.
 - (e) the amounts, numbers or figures, as applicable, in respect of the following criteria shall be specified by the Authority on the date of inviting applications for registration under the selection process,-
 - (i) the applicant should have minimum positive net worth, as on the last day of the preceding financial year, as specified by Authority. the applicant should have demonstrated experience in developing and managing technology based central administration and recordkeeping system;
 - (ii) the applicant should have minimum number of experience, in years, with central recordkeeping and administration functions, as specified by the Authority;
 - (iii) the applicant should have experience in managing over a defined number of individual accounts per year over the last three years, as specified by the Authority;
 - (iv) any other criteria as may be specified by the Authority;
 - (f) a direct or indirect cross holding by any intermediary or its sponsor under the central recordkeeping agency should be less than forty percent of the paid up capital.
5. **Disclosure of information.**—(1) The Authority, having regard to the interest of the subscribers may make disclosure to the public, the information on the application made by the applicant by placing such information on a website as specified by the Authority, including a website maintained by the applicant.
- (2) Any material change in the information furnished or placed on the website pursuant to these regulations shall be intimated to the Authority by the applicant promptly but not later than fifteen days of the occurrence of such change.
6. **Furnishing of information and clarification.**—(1) The Authority may require the applicant to furnish any further information or clarification, for the purpose of disposal of the application, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority.
- (2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.
7. **Verification of information.**—(1) While considering the application, the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information in any manner it deems necessary, which may include physical verification of documents, office space and inspect the availability of office space, infrastructure and technological support which the applicant is required to have.
- (2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an external auditor or agency.
8. **Consideration of application.**—(1) For considering the eligibility of the applicant and grant of certificate to such applicant, the Authority shall take into account all matters which it deems relevant to the activities for record keeping under the National Pension System, or any other pension scheme referred to in clause(b) of sub-section (1) of section 12 of the Act, including but not limited to the following, namely:—
- (a) whether the applicant satisfies the eligibility criteria specified in these regulations and also the terms and conditions as may be specified in the selection process referred to in regulation 3;
 - (b) whether the grant of certificate is in the interest of subscribers and the objective of orderly development of pension sector or the National Pension System.
- (2) Any application for grant of certificate may be rejected on any of the following grounds, namely:—
- (a) if the application is not complete in all respects and does not conform to the requirements specified in these regulations or any selection criteria determined by the Authority on the date of inviting applications for registration;

- (b) if the application is unaccompanied with fee or relevant documents in support or the applicant fails to furnish such additional information as required by the Authority;
- (c) if the application contains incorrect, false or misleading information.
- (d) any other ground that the Authority may specify for consideration and rejection of application.

(3) Where an application is rejected under clause (b) of sub-regulation (2), the Authority shall record reasons in writing:

Provided that before rejecting any such application, the Authority shall give the applicant an opportunity to remove the objection within such time as may be specified by the Authority:

Provided further that where an application is rejected for the reason that it contains false or misleading information, no such opportunity may be given and the applicant shall not make any application for grant of certificate under these regulations or any other regulations for a period of one year from the date of such rejection.

9. **Procedure for grant of certificate of registration.**—(1) The applicant shall submit a proposal in the format as may be specified by the Authority in respect of the selection process under regulation 3. In order to be eligible for registration, the applicant shall be required to qualify, on the date of submission of its proposal, all the technical and commercial parameters as specified by the Authority under the selection process. Out of all proposals received, the best value proposal shall be given the opportunity to apply for certificate of registration.

(2) The Authority may grant the certificate of registration as a central recordkeeping agency on being satisfied that -

- (a) the application for registration is complete in all respects and is accompanied by all documents required therein;
- (b) all information given in the application form is correct;
- (c) the applicant submitting the application for registration is a bonafide entity and in its opinion, is likely to meet effectively its obligations as the central recordkeeping agency;
- (d) the financial condition and the general character of the management of the applicant are sound;
- (e) the scale of operations and the capital structure of the applicant shall be adequate;
- (f) the interests of the subscribers will be served if the certificate is granted to the applicant and it is competent to discharge its functions as a central recordkeeping agency.
- (3) The Authority on being satisfied that the applicant satisfies the eligibility criteria as specified under the Act, the rules and these regulations and also qualify the selection process specified under regulation 3, shall grant a certificate in the form specified in Schedule I and send the intimation to this effect to the applicant.

10. **Conditions of certificate of registration.**—(1) Any certificate of registration granted by the Authority to an applicant shall be subject to the following conditions, namely,-

- (a) where the applicant proposes to change its status or constitution, it shall obtain prior approval of the Authority for continuing to act as the central recordkeeping agency after such change in status or constitution;
- (b) it shall at all times meet the eligibility criteria and other requirements specified in these regulations:
Provided that the Authority may impose other conditions as it may deem fit in the interest of subscribers or orderly development of the National Pension System or for regulation of the working of the central recordkeeping agency and the central recordkeeping agency shall comply with such conditions.
- (c) it shall pay the applicable fees in accordance with these regulations;
- (d) it shall maintain separate books of accounts for all activities as central recordkeeping agency;
- (e) it shall abide by the provisions of the Act, regulations and the directions, guidelines, notifications and circulars as may be issued there under by the Authority;
- (f) it shall continuously comply with the disclosure of information;
- (g) it shall at all times comply with the code of conduct as specified in Schedule II.

(2) A request for prior approval, under clause (a) of sub-regulation (1) which is complete in all respects shall be disposed off by the Authority within a period of sixty days from the date of receipt of such request and where the decision of the Authority has not been communicated to the applicant within the said period of sixty days, the prior approval shall be deemed to have been granted.

(3) Subject to compliance with the provisions of the Act, rules and regulations, the certificate granted to an applicant shall be valid for a term of ten years or such other term as may be specified by the Authority during selection process, unless surrendered by the applicant or suspended or cancelled by the Authority in accordance with these regulations.

11. **Effect of refusal to grant certificate or expiry of certificate.**—(1) Where an existing central recordkeeping agency has failed to make an application or has been refused grant of certificate under these regulations, the central recordkeeping agency shall—
- (a) forthwith cease to act as the central recordkeeping agency;
 - (b) transfer its activities to another entity which has been granted a registration certificate for carrying on such activity;
 - (c) transfer the regulated assets to the new central recordkeeping agency or any other entity as directed by the Authority;
 - (d) make provisions as regards liability incurred or assumed by the central recordkeeping agency;
 - (e) take such other action, within the time limit and in the manner, as may be required under these regulations or as may be directed by the Authority.
- (2) While refusing grant of certificate under these regulations to a central recordkeeping agency, the Authority may impose such conditions as it deems fit for protection of subscribers' interest and that of other intermediaries and such conditions shall be complied with.
12. **Registration fee.**—A non-refundable registration fees of rupees twenty five lakh shall be paid by the applicant to the Authority.
13. **Annual fee.**—(1) The central recordkeeping agency shall pay an annual fee at the rate of 0.05 times of the service charges as specified in regulation 22 before the due date as may be specified by the Authority.
- (2) For the year in which the certificate of registration is granted, if the business is done for a part of the year, the central recordkeeping agency shall pay pro rata annual fee on quarterly basis within thirty days from the date of registration. In case, the central recordkeeping agency fails to deposit annual fees on or before the due date, the Authority shall have the right to cancel the certificate of registration of the central recordkeeping agency.
14. **Commencement of operations.**—(1) An applicant granted a certificate of registration shall commence operations for which it has been authorized, within six months from the date of registration or as may be specified by the Authority at the time of selection process:
- Provided that if the entity feels that it will not be able to commence the operations within the specified period, it may, before the expiry of the time limit, seek an extension by a written application to the Authority.
- (2) The Authority on receipt of the request may examine such request and communicate its decision in writing within a period not exceeding one month. In any case, no extension of time shall be granted by the Authority beyond twelve months from the date of grant of certificate of registration.
- (3) Before commencement of operations, the applicant shall ensure that it has executed all the agreements with other intermediaries or any other person as may be specified by the Authority.
15. **Tenure and exit of central recordkeeping agency.**—(1) Subject to compliance with the provisions of the Act, the rules and regulations, the certificate granted to a central recordkeeping agency shall remain valid for a period of ten years from the date of grant of registration, or such other term, as specified, unless suspended or cancelled by the Authority. On the expiry of the tenure of the registration or in the event of cancellation, the National Pension System Trust shall at least thirty days before the date of cancellation, deliver to the central recordkeeping agency, instructions as to the disposal or transfer of the information and regulated assets held by it.
- (2) The tenure of registration of the central recordkeeping agency shall be brought to an end if central recordkeeping agency contravenes any of the conditions or clauses specified in the certificate of registration.
16. **Extension of registration.**—The Authority shall through issue of a notice published in the leading newspaper initiate process for fresh registration of a central recordkeeping agency in accordance with these regulations, prior to ninety days or at such other time as may be specified before the date of expiry of tenure of the central recordkeeping agency or may extend the tenure of such agency, for such period, as it may be determined in the interest of the subscribers. Such extension shall be granted for reasons to be recorded in writing. Any extension granted to the central recordkeeping agency upon expiry of tenure of registration shall be binding on the central recordkeeping agency and it shall discharge its functions in accordance with the terms of such extension.
17. **Process of transfer of assets in case of termination or expiry of tenure.**—The treatment of the regulated assets at the end of central recordkeeping agency's tenure shall be as follows:—
- (a) the central recordkeeping agency software application shall be transferred at zero cost to the new central recordkeeping agency or any entity authorized for this purpose by the Authority;
 - (b) any third party software and components off the shelf specific to the central recordkeeping agency application system, shall also be transferred at zero cost to the new central recordkeeping agency or any other entity authorized for this purpose by the Authority;

- (c) dedicated system-specific hardware (if any) both at the primary data center and the Disaster Recovery Center shall be transferred as per the book value of these assets;
- (d) database shall be transferred to the new central recordkeeping agency or any other entity at zero cost.
- (e) any incidental costs on account of transfers, shall be borne by the transferor central recordkeeping agency.

CHAPTER III

FUNCTIONING OF CENTRAL RECORDKEEPING AGENCY-ROLES, RESPONSIBILITIES AND SERVICES

18. **Roles and responsibilities of central recordkeeping agency.**—(1) The central recordkeeping agency shall generally be responsible for the centralized recordkeeping, administration and customer service functions for all the subscribers under the National Pension System in accordance with the provisions of the Act, rules and regulations made thereunder, operational service level agreements executed with the National Pension System Trust and standard operating procedure issued by the National Pension System Trust based on the Authority's guidelines.
- (2) Primarily, the roles and responsibilities of the central recordkeeping agency shall be to—
- (a) build, maintain and operate the National Pension System infrastructure, setting up and operating the system including the National Pension System Central Accounting Network;
 - (b) act as operational interface for all intermediaries under its system. This shall include interaction with all necessary external agencies to accomplish the operations and commissioning its functions as per regulations;
 - (c) set up the Information Technology infrastructure in compliance with the proposed architecture and also developing or scaling up of the Information Technology infrastructure such as data center, disaster recovery center, network and connectivity, call center, centralized back office which includes its appointed Facilitation Center and other related infrastructure as specified in Schedule III;
 - (d) develop, upgrade and maintain software application, data migration strategy and other software development artifacts such as system requirement specification, detailed software development plan and schedule, system analysis design report, solution architecture, user manuals and training manuals and other like manuals;
 - (e) provide web based access to the Authority and the National Pension System Trust and role based access to other service providers like Trustee Bank, Government departments, pension funds, Point of presence, aggregators and annuity service providers as specified by the Authority;
 - (f) provide a periodic Management Information System and information as called for to the Authority, the National Pension System Trust and the Ministry of Finance and to any specified department of the Central Government. Also provide information to State Governments Management Information System and other information as per the terms and conditions of the agreement between it and the State Governments;
 - (g) provide a dashboard view to any intermediary or the oversight offices like Principal Account Officer, District Treasury Authority, , which shall offer various information to facilitate effective monitoring by such offices;
 - (h) assist the Authority and the National Pension System Trust in enforcement of operational guidelines of the Authority or the National Pension System Trust or service providers by providing the required data or information and reports on lapses and errors;
 - (i) adapt the recordkeeping and administrative facility for future changes including changes on account of technology advancements, changes in system specifications including number of subscribers, number of pension fund and schemes, services and functional obligations specified by the Authority;
 - (j) develop various new functionalities or utilities and establish new processes, provide multiple models of interface for the uploading offices to provide maximum flexibility in terms of operation and for the benefits of the subscribers;
 - (k) continue with enhancements and development of modules to address changing requirements of various stakeholders;
 - (l) maintain absolute confidentiality of all records, data and information including subscribers' personal information and data. Produce all this information as and when called for by the Authority or when required by the National Pension System Trust or any other entity authorized by the Authority;
 - (m) ensure suitable system driven mechanism to avoid duplication across all sectors;
 - (n) base on the Authority's or authorization and approval, it shall interact and coordinate with other stakeholders under the National Pension System, as per the requirement and to ensure subscribers interests;

- (o) comply with the service level agreements with the National Pension System Trust and other intermediaries or stakeholders as may be specified by the Authority;
 - (p) any other related function necessary for efficient functioning of its system.
- (3) The Authority may, in the interest of the subscribers, add, delete or modify or alter the roles and responsibilities or operational and technical parameters as mentioned in sub-regulations (1) and (2) through circular or guidelines or notification issued from time to time.
19. **Service to stakeholders or intermediaries.**—The central recordkeeping agency is required to establish necessary system and procedure, in order to facilitate record keeping, administration and customer service functions including various statements, Management Information Systems and reports across various stakeholders or intermediaries of National Pension System Architecture viz. subscribers, Trustee Bank, nodal offices (Pay and Accounts Office or Drawing and Disbursal Officer or District Treasury Officer or District Treasury Authority), point of presence, aggregator, pension funds and annuity service providers as may be specified by the Authority in accordance with the guidelines and directions issued by the Authority in terms of the Act, rules and regulations made there under, operational service level agreements executed with the National Pension System Trust and Standard operating procedure issued by the National Pension System Trust on the basis of the guidelines issued in this behalf by the Authority. The central recordkeeping agency shall be required to furnish various reports or information to the nodal offices, the Authority or the National Pension System Trust from time to time or as may be required. The various types of the Management Information System reports generated by the central recordkeeping agency, shall include,—
- (a) number of Permanent Retirement Account Number issued on a daily basis and Permanent Retirement Account Number request pending;
 - (b) funds deposited with the Trustee Bank;
 - (c) error or discrepancy or exception reports on the National Pension System Contributions Accounting Network or pension funds or Trustee Bank;
 - (d) scheme preferences report;
 - (e) monthly or quarterly or periodic reports, as may be specified;
 - (f) Service Level Agreements compliance reports (service levels and Information Technology infrastructure performance);
 - (g) status of complaints (nodal offices, point of presence, aggregators);
 - (h) complaints resolution status reports;
 - (i) performance report of pension funds, nodal offices, point of presence, aggregators;
 - (j) compliance reports on pension funds and annuity service providers and other stakeholders;
 - (k) report on errors, lapses and discrepancies of pension funds, nodal offices, point of presence, aggregators;
 - (l) any other reports as required by the Authority or the National Pension System Trust.

Generation of these reports shall be automated and system driven with suitable audit trail. The application so designed shall provide a view for the Departments, the Authority or the National Pension System Trust to access the reports automatically. In addition, application should also provide the necessary functionalities for generation of queries on variety of information contained in the central recordkeeping agency database. The query results shall be exportable to desired formats as per the requirements of the National Pension System Trust. The National Pension System Trust shall be able to demand any other information/clarification required thereof through the interface.

20. The central recordkeeping agency shall provide the following functional architecture as per the service requirements of various stakeholders, namely:—
- (a) the central recordkeeping agency interface.— This function of the central recordkeeping agency primarily arises due to its interfacing requirements associated with the service delivery needs to various stakeholders. The functional architecture shall permit transactions of all types to be undertaken by customers and entities such as Permanent Retirement Account Number account opening, pension fund transfer information, switching investment preference, registering grievances, and other activities. The system shall be vastly scalable, secure and reliable and should have the necessary structure for incorporating future requirements associated with service delivery by the intermediaries under the National Pension System;
 - (b) the central recordkeeping agency activities.— In order to ensure delivery of the services it shall take up necessary activities for processing the information obtained from stakeholders. These activities include, but not limited to, consolidated contribution and switching, instruction, Permanent Retirement Account Number, account generation, compile retirement information, trustee account reconciliation, post fund returns. The functional architecture shall have the provision for adding any additional stakeholder instruction into the overall structure as per the requirements of the Authority;

- (c) the central recordkeeping agency data.—It shall maintain a repository of data to support interfacing requirements and activities under the National Pension System. This includes maintaining amongst other, data relating to subscribers, accounting, investment, pension contribution, pension funds scheme performance, Trustee Bank communication, participating states, organizations, pension funds and annuity service providers;
 - (d) modification of role, function or functional parameters.—The Authority may modify the role, functions or operational parameters of the central recordkeeping agency as may be specified by it through circular or guideline or notification.
21. **Service levels for central recordkeeping agency.**—The central recordkeeping agency shall adhere to various service levels as specified by the Authority or as required by the National Pension System Trust, in course of developing application, setting up of Information Technology infrastructure and overall operations and maintenance activities. The service levels with respect to performance requirements shall cover the following key parameters, as applicable, for all components under the central recordkeeping agency's scope, -
- (a) availability;
 - (b) scalability;
 - (c) security;
 - (d) manageability;
 - (e) performance;
 - (f) reliability;
 - (g) maintenance;
 - (h) extendibility;
 - (i) interoperability.

There shall be strict adherence to the stated service levels and shall be monitored by the National Pension System Trust. The National Pension System Trust shall reserve the right to appoint an external agency to audit the compliance to service levels as well as all security and performance components. The central recordkeeping agency shall be required to strictly adhere to all the service levels specified by the Authority or as required by the National Pension System Trust under the following categories, namely: -

- (i) service operations and maintenance for each stakeholder under the National Pension System;
 - (ii) performance requirements with respect to application, architecture and technology platform, network, hardware and human resources and other like things as may be specified by the Authority.
22. **Service fees or charges.**—For providing the services as specified under these regulations to the subscribers, the central recordkeeping agency shall collect service charges, on the basis and in the manner, as may be approved by the Authority. The method of levy and recovery of charges for various services provided by the central recordkeeping agency shall be as determined by the Authority.
23. **Exit management Plan.**—The central recordkeeping agency shall prepare and provide the Authority an exit management plan covering in detail the aspects specified in these regulations. Such exit management plan for the first time shall be provided to the Authority on or before the date specified by the Authority and thereafter, for every completed twelve months following the specified date. The same may be updated and provided to the Authority within fifteen days of the expiry of the preceding twelve months. The cost of preparation of such exit management plan shall be borne by the central recordkeeping agency. The exit management plan shall contain the details thereof including the following: -
- (a) a detailed program of the transfer process that shall be used in conjunction with a replacement agency and the National Pension System Trust, including details of the means to be used to ensure continuing provision of the services throughout the transfer process or until the cessation of the services and of the management structure during the transfer;
 - (b) modalities for communication with the central recordkeeping agency's sub-contractors, staff, suppliers, service providers and any related third party as are necessary to avoid any detrimental impact on the project's operations as a result of the transfer;
 - (c) provisions for contingent support to the replacement agency for a reasonable period after the transfer.
24. **Redressal of subscriber grievances.**—The overall responsibility of the central recordkeeping agency for redressal of subscriber grievances shall be as provided under the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015.
25. **Separation of National Pension System accounts and activities from other businesses.**—The central recordkeeping agency shall ensure that its activities and business and other matters related to National Pension

System including, maintenance of accounts, income, expenditure, flow of funds, records, data and regulated assets in respect of the National Pension System are maintained separately.

CHAPTER IV

INSPECTION AND AUDIT

26. **Inspection and audit.**—(1) The Authority may, if it considers necessary at any time, undertake directly or through its authorized representative or auditor an inspection and audit of the books, accounts, records including the telephone records and electronic records and documents of the central recordkeeping agency for any purpose, including the purposes as specified under this regulation.

(2) The purposes referred to in sub-regulation (1) may include,—

- (a) to ascertain the infrastructural capabilities, systems and procedures;
- (b) to ensure that the books of account, records including telephone records and electronic records and documents are being maintained in the manner required under these regulations;
- (c) to ascertain whether adequate internal control systems, procedures and safeguards have been established and are being followed by the central recordkeeping agency;
- (d) to ascertain whether the provisions of the Act or the rules or regulations made thereunder or circulars, guidelines or notifications issued by the Authority are being complied with;
- (e) to inquire into the complaints received from subscribers, nodal offices, intermediaries or any other person on any matter having a bearing on the activities assigned by the Authority to the central recordkeeping agency;
- (f) to inquire *suomotu* into such matters as may be deemed fit in the interest of subscribers.

(3) The Authority may,—

- (a) appoint one or more authorized representatives or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1);
- (b) appoint a qualified valuer or direct a qualified valuer to be appointed by the central recordkeeping agency, if so considered necessary by the Authority and the expenses for carrying out any valuation under this clause shall be borne by the central recordkeeping agency.

Explanation.—For the purposes of this sub-regulation, the expression “qualified auditor” shall have the meaning derived from section 226 of the Companies Act, 1956 (1 of 1956).

27. **Notice before inspection or audit.**—(1) Before undertaking an inspection or audit under regulation 26, the Authority or its authorised representative or the auditor shall give ten working days’ notice to the central recordkeeping agency:

Provided that no notice shall be required if the Authority is satisfied that an inspection or audit is required for immediate safeguarding of the interest of the subscribers.

(2) During the course of an inspection or audit, the central recordkeeping agency against whom the inspection or audit is being carried out shall be bound to discharge its obligations as provided in these regulations.

28. **Obligations on inspection and audit.**—(1) It shall be the duty of the central recordkeeping agency, the affairs of which is being inspected or audited, and of every director, officer and employee thereof, to produce to the Authority, or its authorized representative or auditor, such books, accounts, records and other documents in its custody or control and furnish to it or him with such statements and information relating to the activities entrusted to it by the Authority, as it or he may require, within such reasonable period as may be specified.

(2) The central recordkeeping agency shall allow the Authority or its authorized representative or the auditor to have a reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records, documents and computer data in the possession of the central recordkeeping agency or such other person and also provide copies of documents or other materials which in the opinion of the Authority or its authorized representative or auditor are relevant for the purpose of the inspection or audit.

(3) It shall be the duty of the central recordkeeping agency to give to the Authority, or its authorized representative or auditor all assistance in connection with the inspection and audit which the Authority or its authorized representative, or auditor may reasonably require.

29. **Submission of report.**—(1) On completion of the inspection or audit, a report shall be submitted to the Authority, which after consideration of the report, may take such action as it may deem fit and appropriate in the interest of the subscribers.

(2) The Authority may *suomotu* or after consideration of the inspection or audit report, as the case may be, order an investigation or inquiry to be conducted in the matter.

30. **Payment of inspection and audit fees.**—The Authority shall be entitled to recover from the central recordkeeping agency such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative under sub-regulation (1) of regulation 26.
31. **Inspection and audit by National Pension System Trust.**—(1) The National Pension System Trust shall undertake directly or through its authorized representative, inspection or audit or both of the central recordkeeping agency, on an annual basis or at such other period as may be specified by the Authority in relation to operational Service Level Agreements in accordance with the provisions of Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015. The central recordkeeping agency shall allow the National Pension System Trust, or its authorized representative to have a reasonable access to the premises occupied by it, books of accounts, records, technology infrastructure, subscriber data and provide necessary information as may be required by it for the purpose of such inspection or audit, as the case may be. -
- (2) The National Pension System Trust shall be entitled to recover from the central recordkeeping agency such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative.
- (3) The scope of audit or inspection may be modified by the Authority as may be specified from time to time.

CHAPTER V

SUSPENSION OR CANCELLATION OF CERTIFICATE AND ACTION IN CASE OF DEFAULT

32. **Cancellation or suspension of certificate of registration.**—(1) Where any central recordkeeping agency which has been granted a certificate of registration under these regulations—
- fails to comply with any conditions subject to which a certificate of registration has been granted to it;
 - contravenes any of the provisions of the Act, rules or regulations made or any guidelines or notifications, directions, instructions or circulars issued there under;
 - contravenes any of the provisions of the agreements entered into with other intermediaries;
 - indulges in unfair trade practices or conducts its business in a manner prejudicial to the interests of the subscribers;
 - fails to furnish any information as required by the Authority relating to its area of operations;
 - does not submit periodical returns as required under the Act or by the Authority or NPS Trust;
 - does not cooperate in an inquiry conducted by the Authority;
 - commits any acts of defaults as mentioned under section 28 of the Act;
 - any other reason which in the opinion of the Authority warrants for suspension, cancellation or withdrawal of the certificate of registration granted.

The Authority may, without prejudice to any other action under the Act, regulations, directions, instructions or circulars issued there under, by order take such action in the manner provided under these regulations including cancellation or suspension of the registration of such central recordkeeping agency and such other action, as may be deemed appropriate:

- The Authority may without prejudice to the powers under sub-regulation (1) instead of cancelling or suspending the certificate of registration, direct for varying or modifying the terms and conditions of the certificate of registration, as it may deem fit or pass any other order, as may be deemed beneficial in the interest of the subscribers.
 - The Authority may resort to any measures including appropriation of the regulated assets of the central recordkeeping agency as specified under sub-section (3) of section 21 of the Act.
 - The central recordkeeping agency once registered shall have to ensure that the eligibility conditions as mentioned in these regulations are strictly adhered to during the entire currency of the registration period and any extension thereto, failing which the registration certificate may be cancelled. A certificate evidencing compliance with the eligibility conditions shall have to be furnished by the registered central recordkeeping agency to the Authority on annual basis within thirty days of closure of accounts for the financial year.
33. **Surrender of any certificate of registration.**—(1) Any central recordkeeping agency, which has been granted a certificate of registration under the Act or the regulations made thereunder, desirous of giving up its activity and surrendering the certificate, may make a request for such surrender to the Authority.
- (2) While disposing of a request under these regulations, the Authority may require the concerned central recordkeeping agency to satisfy the Authority of the factors as it deems fit, including but not limited to the following: -

- (a) the arrangements made by the central recordkeeping agency at its own costs and expenses for maintenance and preservation of records and other documents required to be maintained under the Act, rules and regulations and guidelines;
 - (b) redressal of subscriber grievances;
 - (c) transfer of records, regulated assets at its own cost and expense;
 - (d) the arrangements made by it for ensuring continuity of service to the subscribers;
 - (e) defaults or pending actions, if any.
- (3) While accepting the surrender request, the Authority may impose such conditions upon the central recordkeeping agency as it deems fit for the protection of interest of the subscribers of the National Pension System and the central recordkeeping agency concerned shall comply with such conditions.
- (4) No central recordkeeping agency shall be permitted to surrender its certificate, in respect of which any action for default has been initiated or has been contemplated by the Authority.
- 34. Effect of suspension, cancellation or surrender of certificate.**—(1) On and from the date of suspension or cancellation of the certificate, the concerned central recordkeeping agency shall—
- (a) not undertake any additional assignment or collect any new information from the subscriber. During the period of suspension of the certificate, it shall cease to carry on any activity in respect of which the certificate of registration had been granted;
 - (b) allow its subscribers to transfer, as the case may be, their records, money or assignments or allow the National Pension System Trust to withdraw any assignment given to it, without any additional cost;
 - (c) make provisions as regards liabilities incurred or assumed by it;
 - (d) take such other action including the action relating to any records or documents and information of the subscribers that may be in the custody or control of such central recordkeeping agency, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority, while passing the order under these guidelines or otherwise;
 - (e) transfer or dispose of the regulated assets in the manner as may be directed by the Authority at its own cost.
- (2) On and from the date of surrender or cancellation or suspension of the certificate of registration, the concerned central recordkeeping agency shall,—
- (a) return the certificate of registration so cancelled to the Authority and shall not represent itself to be a holder of the certificate of registration for carrying out the activity for which such certificate had been granted;
 - (b) cease to carry on any activity in respect of which the certificate had been granted;
 - (c) transfer its activities to another central recordkeeping agency, as directed by the Authority, holding a valid certificate of registration to carry on such activities and allow its subscribers to transfer their records or assignments to the transferee entity, without any additional cost;
 - (d) make provisions as regards liability incurred or assumed by it;
 - (e) take such other action including the action relating to any records or documents and assets of the subscribers that may be in the custody or control of such central recordkeeping agency, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority while passing order under these guidelines or otherwise;
 - (f) transfer or dispose of the regulated assets in the manner as may be directed by the Authority.
- 35. Appointment of designated authority.**—(1) Where it appears to the designated member that any central recordkeeping agency which has been granted certificate of registration under the Act, these regulations or any other concerned person has committed any default of the nature specified in regulation 32, he may appoint an officer not below the rank of a Chief General Manager, or any other officer of an equivalent rank as a designated authority.
- (2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.
- 36. Issuance of notice.**—(1) The designated authority shall, if it finds reasonable grounds to do so, issue a notice to the central recordkeeping agency or any other concerned person requiring it to show cause as to why the certificate of registration granted to it, should not be suspended or cancelled or why any other action provided herein should not be taken.

- (2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.
- (3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection, if any, carried out.
- (4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.
37. **Reply by noticee.**—(1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof.
- Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.
- (2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make recommendation as the case may be on the basis of material facts available before him.
38. **Action in case of default.**—After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,—
- suspension of certificate of registration for a specified period;
 - cancellation of certificate of registration;
 - prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;
 - debaring a principal officer of the noticee from being employed or associated with any registered intermediary or other registered person for the period specified in the order;
 - debaring a branch or an office of the noticee from carrying out activities for the specified period;
 - The Authority may resort to any measures including appropriation of the regulated assets of the central recordkeeping agency as specified in sub-section (3) of section 21 of the Act;
 - warning the noticee.
39. **Procedure for action on recommendation.**—(1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show-cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.
- (2) The noticee may, within twenty one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.
- (3) The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.
40. **Intimation of order.**—(1) Every report made by a designated authority and every order passed by the designated member under these regulations shall be dated and signed.
- (2) A copy of the order passed under these regulations shall be sent to the central recordkeeping agency or any person concerned and also placed on the website of the Authority.
41. **Penalty and adjudication.**—The imposition of penalty, if any, on the central recordkeeping agency or any person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.
42. **Appeals to Securities Appellate Tribunal.**—The central recordkeeping agency or any person concerned, aggrieved by an order under these regulations may, prefer an appeal to the Securities Appellate Tribunal against such order in accordance with the provisions of sub-section (1) of section 36 of the Act.

Explanation.—For the purposes of this Chapter,—

- “designated authority” means an officer of the Authority appointed under sub-regulation (1) of regulation 35;
- “designated member” means the Chairperson or a whole-time member of the Authority designated for the purpose;
- “noticee” means the person to whom a notice has been issued under this Chapter.

CHAPTER VI
MISCELLANEOUS

43. **Confidentiality.**— The central recordkeeping agency shall maintain absolute confidentiality with respect to all records, data and information received or acquired by it during the course of its working. It shall not, without the prior permission of the Authority, produce or share such data or information as evidence, or for any other purpose, except as required by the due process of law
44. **Management by administrator.**—Without prejudice to the powers of the Authority under section 31 of the Act, if at any time the Authority has reason to believe that the central recordkeeping agency is acting in a manner likely to be prejudicial to the interest of subscribers, it may, after giving the central recordkeeping agency an opportunity of being heard, make a report thereon to the Central Government. If the Central Government, after considering the report is of the opinion, that it is necessary or proper to do so, it may appoint an Administrator to manage the affairs of the central recordkeeping agency, as the case may be, under the direction and control of the Authority, in such manner as may be specified by notification.
45. **Conflict of interest.**—The central recordkeeping agency shall avoid conflict of interest and make adequate disclosure of its interest and shall put in place a mechanism to resolve any conflict of interest situation that may arise in the conduct of its business or where any conflict of interest arises, shall take reasonable steps to resolve the same in an equitable manner. The central recordkeeping agency shall make appropriate disclosure to Authority of its possible source or potential areas of conflict of duties and interest while acting as the central recordkeeping agency which would impair its ability to render fair, objective and unbiased services.
46. **Compliance and corporate governance.**—(1) The central recordkeeping agency shall ensure that good corporate policies and corporate governance is in place. It shall not engage in fraudulent and manipulative transactions and shall not indulge in any unfair competition including resorting to unfair means for inducing another intermediaries' of the Authority, which is likely to harm the interests of other intermediaries or subscribers or is likely to place such other intermediaries in a disadvantageous position while competing for or executing any assignment
- (2) The central record keeping agency shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. It shall also ensure that for electronic records and data, up-to-date back up is always available with it.
- (3) The central recordkeeping agency shall comply with the directions given to it by the Authority, and shall co-operate with any person or entity designated by the Authority, as and when required and shall not make any untrue statement or suppress any material fact in any documents, reports, papers or information furnished to the Authority or neglect or fail or refuse to submit to the Authority or other agencies with which it is registered, such books, documents, correspondence and papers or any part thereof as may be demanded or requested from time to time.
- (4) The central recordkeeping agency shall ensure that any change in its registration status or any penal action taken by the Authority or any material change in financials which may adversely affect the interests of other intermediaries or subscribers is promptly informed to the Authority and any business remaining outstanding is transferred to another registered person in accordance with any instructions of the Authority and as per the provisions of the relevant regulations.
- (5) The central recordkeeping agency shall maintain an appropriate level of knowledge and competency and abide by the provisions of the Act, rules, regulations, circulars and guidelines issued by the Authority, Central Government, or any other applicable statutory or regulatory body, as the case may be.
- (6) The central recordkeeping agency shall ensure that the Authority is promptly informed about any action, or legal proceedings initiated against it in respect of any material breach or non-compliance by it, of any law, rules, regulations, and directions of the Authority or of any other regulatory body.
47. **Appointment of Compliance officer.**—(1) The central recordkeeping agency must appoint a compliance officer who shall be responsible for monitoring compliance by it of the provisions of Act, rules and regulations, notifications, guidelines, instructions issued by the Authority.
- (2) The compliance officer must immediately and independently report any non-compliance observed by him or her to the Authority.
48. **Power of Authority to issue clarifications.**—In order to remove any difficulties in the application or interpretation of these regulations, the Authority shall have the power to issue clarifications and guidelines in the form of notes or circulars which shall be binding on the central recordkeeping agency or any person connected with it.

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/28/15]

SCHEDULE I**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****(Central recordkeeping agency) Regulations, 2015**

{See regulation 9 (3)}

CERTIFICATE OF REGISTRATION**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****CERTIFICATE OF REGISTRATION**

Pension Fund Regulatory and Development Authority hereby grants this certificate of registration to _____ as a central recordkeeping agency on this day of _____

This certificate is valid for a period of _____ year from the date of issue.

Registration Code for this Central Recordkeeping Agency is _____

Date:

Place:

Authorised Signatory

SCHEDULE II**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****(Central recordkeeping agency) Regulations, 2015****[See regulation 10 (1) (g)]****Code of Conduct**

The central recordkeeping agency shall,—

- (1) Act with integrity, competence, diligence, respect, and in an ethical manner with all intermediaries and subscribers under the National Pension System or other pension scheme regulated by the Authority.
- (2) Exercise professional diligence while dealing with subscribers, which implies a standard of skill and care that is commensurate with honest market practice, good faith and the different profiles of consumers.
- (3) Prohibit from indulging in unfair conduct, which includes conduct that is misleading or abusive, while dealing with subscribers. The unfairness of any conduct shall be gauged based on whether it interferes with the ability of the subscriber to make an informed transactional decision.
- (4) Shall not disclose private/confidential information unless the prior written informed consent of the subscriber has been obtained, or the disclosure is required under law or in other identified circumstances
- (5) Have appropriate internal mechanisms to redress consumer complaints and consumers should be adequately informed of such mechanisms
- (6) Place the interests of the National Pension System and its subscribers above their own personal interests.
- (7) Be loyal to the National Pension System and use reasonable care and exercise independent professional judgment while executing its roles and responsibilities under the National Pension System.
- (8) Make full and fair disclosures of all matters that shall reasonably be expected to impair its independence and objectivity or interfere with its duties to the National Pension System. Central recordkeeping agency must ensure that such disclosures are prominent, are delivered in plain language, and communicate the relevant information effectively to Authority or National Pension System Trust.
- (9) Maintain independence and objectivity by, among other actions, avoiding conflicts of interest, refraining from self-dealing, and refusing any gift that shall reasonably be expected to affect their loyalty to the National Pension System.
- (10) Abide by all applicable laws, rules, and regulations, including the terms of the documents under National Pension System.
- (11) Maintain confidentiality and protection of National Pension System and subscriber information.
- (12) Communicate with subscribers (as may be applicable) and supervisory authorities in a timely, accurate, and transparent manner.

SCHEDULE III
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(Central recordkeeping agency) Regulations, 2015

[See regulation 18 (2) (c)]

INFRASTRUCTURE REQUIREMENTS

The following Infrastructure requirements are indicative and shall be subject to change in line with emerging technologic requirements as may be specified by the Authority.

(1) Network Requirement

All the components of the central recordkeeping agency network solution and the software application should be designed with resilience to maintain the 24x7 services to all the stakeholders. A checklist of resilient equipment and component should be mentioned by the central recordkeeping agency. It is the responsibility of the central recordkeeping agency to design and deploy a network to ensure 24x7 services of the software application. The functional aspects of the technical infrastructure architecture are given below, but the central recordkeeping agency is expected to give the detailed solution. Response expected from central recordkeeping agency's with regard to network solution should include the following.-

- (a) Technical overview;
 - (b) Detailed Network diagram showing major components of the solution;
 - (c) LAN and WAN components;
 - (d) Connectivity and technical specifications with regard to connectivity;
- The network solution may be designed on the scope and guidelines given below.-

- (a) Design, installation & commissioning of the LAN and WAN;
- (b) The scope of work will also include IP addressing, planning for Redundancy & Security, etc. for various locations of user access as specified by Authority;
- (c) Maintenance of network links between the stakeholders and the central recordkeeping agency's data center shall be the responsibility of the central recordkeeping agency.
 - (i) The bandwidth requirements for meeting the Expected Performance Requirement should be carefully assessed by the central recordkeeping agency's;
 - (ii) The special requirements of the bandwidth at peak-times on peak-dates have to be assessed for performance complying with the Expected Performance Requirements;
 - (iii) Redundancy in the form of alternative lines of connectivity like leased lines, ISDN, OFC, RF Links etc. will have to be provided for;
 - (iv) An efficient system of monitoring the network performance and availability should be instituted for 24x7 functioning;
 - (v) Internet bandwidth requirements at the Data Center will also have to be assessed by the central recordkeeping agency's so as to ensure compliance with the expected performance level;
- (d) All the Networking Elements (Routers, Switches and Firewall) should be from the same or compatible OEM;
- (e) Local Area Network connectivity,-
 - (i) central recordkeeping agency shall design the complete LAN architecture for the application;
 - (ii) central recordkeeping agency's has to plan and design the structured cabling and power cabling and all related works for the successful installation and commissioning of the LAN.
- (f) IP addressing,-
 - (i) central recordkeeping agency has to design the IP-addressing schemes for the LAN and the WAN;
 - (ii) central recordkeeping agency needs to design IP addressing keeping in mind the implementation of a Disaster Recovery location also.
- (g) Network Redundancy and Security,-
 - (i) central recordkeeping agency must consider in the design that redundancy should be available at all critical points of the network;
 - (ii) central recordkeeping agency must make sure that all primary links shall be properly backed up as required in the document;
 - (iii) central recordkeeping agency shall ensure by proper and careful design of necessary configuration & security policies for the LAN and WAN networks.

(h) central recordkeeping agency has to be responsible for provisioning of the required connectivity services for successful and timely implementation between the Authority's location/s and its premises. It will be responsible for all service related issues which may arise with the bandwidth provider,-

- (i) central recordkeeping agency has to submit all relevant documents pertaining to the entire network, for Remote Management of the Network. This should minimally cover the User Manuals, Operation Manuals, Manufacturer Supplied Technical Documentation, Configuration of all the Network Devices, all relevant diagrams/documentation required in hard copy as well as soft-copy;
- (ii) central recordkeeping agency should provide free-of-cost orientation training for two man weeks to concerned officers of the Authority or its identified personnel in operation, testing, maintenance of hardware and software of the network equipment, interconnection details of attached hardware, general network capabilities and technologies involved and configuration and troubleshooting of the equipment.

(2) Call center,-

The subscribers of National Pension System are spread across the length and breadth of the country. In order to provide better service to them the Authority requires that the central recordkeeping agency should establish an Inbound Call Center with the following service features.-

- (a) Separate Toll free numbers for institutions and subscribers;
- (b) Interactive voice response or IVR;
- (c) Hindi / English speaking customer service executives;
- (d) Scaling up on pro-rata basis to meet the subscriber needs;
- (e) The average wait time for a caller should never exceed 3 minutes.

However, Authority may direct central recordkeeping agency on extending further services or scaling up. The Call Center strategy, delineated below, attempts to provide the right kind of services to the subscribers spread across the nation. It should be possible to scale up each component as and when growth in demand occurs. Key requirements from call centre are provided below.-

- (a) There should be a response and identification system wherein the caller will be guided through the call login process and send his identification for verification using a unique T Pin;
- (b) It should use the same database and complaint registering software which is used for call logging on the internet;
- (c) There should be provision for operator assistance and call escalation;
- (d) There should be strict adherence to declared service levels and it should be monitored by designated personnel;
- (e) Authority may if it deems fit appoint an external agency to audit the security and compliance of the service levels.

(3) Data center,-

The Data Center is the central engine on which depends the quality of services to the stakeholders. Its design, implementation and management should be well conceived by central recordkeeping agency. The data center should provide the following.-

- (a) Secure hosting;
- (b) Standard technologies;
- (c) Guaranteed service levels;
- (d) High quality support, operation and monitoring of the application;
- (e) Data and Application availability seven days a week, twenty-four hours a day;
- (f) Centralized network management and operations capability;
- (g) Facility for centralized management of enterprise client/server systems;
- (h) Custom Security options, Multiple security levels;
- (i) Backup and Archival Services;

(4) Space/rack requirement.-

The requirement of rack space should be assessed and proposed by the central recordkeeping agency with a plan to store and maintain master and transaction data.

(5) Bandwidth Requirement.-

The requirement of bandwidth should be assessed and proposed by the central recordkeeping agency in tune with the requirements taking into consideration the various redundancy mechanisms required to maintain service level compliance and uptime needs as specified by Authority.

(6) Data center related scope of services,-

The services required amongst other would fall under the following category.-

(a) Server & application hosting;

(b) Performance optimization

(7) Disaster recovery center.-

The Business Continuity Solution for central recordkeeping agency system should ensure delivery of services to the stakeholders in the event of complete failure of the central recordkeeping agency Data Centre. The DR site must be invoked automatically when the production site fails to provide its services. Central recordkeeping agency is required to submit a detailed architecture and components of the DR solution. DR site shall be setup and maintained by the central recordkeeping agency.

The following are the requirements of the DR site.-

(a) The DR site should be designed as the backup (mirror) site to the production site,

(b) central recordkeeping agency has to offer an optimized, connectivity solution from the central recordkeeping agency application site to the DR Site;

(c) The DR Site needs to deploy the entire central recordkeeping agency application solution;

(d) central recordkeeping agency needs to ensure that the DR Site is kept current with the latest version of the application builds, and all solution components;

(e) central recordkeeping agency shall simulate routine tests to ensure that the fail-over to the DR Site happens, without any service downtime. central recordkeeping agency may consider running all services and transactions off the DR Site, at least once in three months, on a non-peak day;

(f) central recordkeeping agency will have to perform DR drills every quarter of the year;

(8) Backup and recovery.-

Considering the magnitude of operations and the criticality of the data handled by central recordkeeping agency, the central recordkeeping agency has to ensure business continuity plan be put into place. For continuity of operations the Applicant needs to propose a solution for a replication site and regular risk assessment strategies. The Applicant shall put in place.-

(a) A documented back up strategy and recovery wherein back up schedules and responsibilities are clearly laid out at an organization level;

(b) The back-up media should be stored in a secured place and any incidence occurring due to misplacement of media should be immediately reported to Authority;

(c) There should be a regular and updated anti-virus strategy;

(d) All archival media should be stored in suitable facilities and one copy each of media should be stored in fire proof facilities in the premises;

(e) There should be a copy of media stored outside the premises;

(f) There should be regularly scheduled restore facilities to test the health of the archive backups and the media;

(g) Back up log should be maintained for a period of two year;

(h) All systems – applications, data tuned parameters and critical hard copy documents would be regularly backed up;

The Authority may if it deems fit conduct an audit of the backup media through its officers or through an external agency.

(9) Disaster recovery plan,-

Central recordkeeping agency must ensure the following.-

(a) There should be a documented disaster recovery and business recovery plan with regards to its operations;

(b) The Applicant must have a replication site at a location not in the physical proximity of the premises;

- (c) The Applicant must ensure near real time replication of the transaction data of the live server;
- (d) The replication site should be hosted with the same physical and technical security requirements as the primary sites;
- (e) There should be a documented escalation process and designated personnel who shall be responsible for contact and action in case of disaster;
- (f) There should be routine disaster response drills, the reports of which should be communicated to Authority every three months.
- (g) All systems should be adequately covered by insurance;

The Authority may if it deems fit conduct an audit of the DR site through its officers or through an external agency.



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असाधारण

EXTRAORDINARY

भाग III—खण्ड 4

PART III—Section 4

प्राधिकार से प्रकाशित

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

पेंशन निधि विनियामक और विकास प्राधिकरण

(राष्ट्रीय पेंशन प्रणाली के अंतर्गत विकास और प्रत्याहरण) विनियम, 2015

नई दिल्ली, 11 मई, 2015

सं. पीएफआरडीए/12/आरजीएल/139/8.—पेंशन निधि विनियामक और विकास प्राधिकरण, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 52 की उपधारा (2) के खंड (छ), खंड (ज) और खंड (झ) के साथ पठित उसकी उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित विनियम बनाता है, अर्थात् :—

अध्याय 1

प्रारंभिक

1. संक्षिप्त नाम और प्रारंभ.—(1) इन विनियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (राष्ट्रीय पेंशन प्रणाली के अंतर्गत विकास और प्रत्याहरण) विनियम, 2015 है।

"इन विनियमों का उद्देश्य राष्ट्रीय पेंशन प्रणाली से विकास और प्रत्याहरण के समय अभिदाताओं के हित में एक प्रभावी तंत्र जिसमें व्यक्तिगत पेंशन खाता से प्रत्याहरण के लिए निबंधनों, उद्देश्य, आवृत्ति और सीमाएं शामिल हैं साथ ही वे शर्तें भी जिनके आधार पर अभिदाता राष्ट्रीय पेंशन प्रणाली से विकास और उसके पश्चात् वार्षिकी का क्रय करेगा, उपलब्ध कराना है।"

(2) ये राजपत्र में उनके प्रकाशन की तारीख को प्रवृत्त होंगे।

2. परिभाषाएं—(1) इन विनियमों में, जब तक संदर्भ से अन्यथा अपेक्षित न हो,—

- (क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है ;
- (ख) "संचित पेंशन धन " से राष्ट्रीय पेंशन प्रणाली के अधीन किसी अभिदाता के स्थायी सेवानिवृत्त खाते में संचित पेंशन विनिधानों का मुद्रामूल्य अभिप्रेत है ;
- (ग) "संकलनकर्ता" से राष्ट्रीय पेंशन प्रणाली स्वावलंबन के अधीन अभिदाता के अंतराणीक कृत्यों को करने के लिए अधिनियम की धारा 27 की उपधारा (3) के अधीन प्राधिकरण द्वारा रजिस्ट्रीकृत ऐसा मध्यवर्ती अभिप्रेत है जिसका कुछ सामाजिक-आर्थिक माल या सेवाओं के लिए ज्ञात ग्राहक आधार के साथ कृत्यकारी संबंध होगा ;
- (घ) "वार्षिकी सेवा प्रदाता" से बीमा विनियामक और विकास प्राधिकरण द्वारा रजिस्ट्रीकृत और विनियमित कोई जीवन बीमा कंपनी अभिप्रेत है और जो राष्ट्रीय पेंशन प्रणाली के अभिदाताओं को वार्षिक सेवाएं उपलब्ध करवाने के लिए प्राधिकरण द्वारा सूची में सम्मिलित है ;
- (ङ) "भारत का नागरिक" से ऐसा कोई व्यक्ति अभिप्रेत है जो नागरिकता अधिनियम, 1955 (1955 का 57) के अधीन भारत का नागरिक होने के लिए अर्हित है ;
- (च) "अनुपालन अधिकारी" से राष्ट्रीय पेंशन प्रणाली न्यास से कोई जिम्मेदार व्यक्ति या कोई अन्य मध्यवर्ती या अस्तित्व अभिप्रेत है जिसे राष्ट्रीय पेंशन प्रणाली के अधीन अभिदाताओं से प्रत्याहरण दावों को प्राप्त करने, प्रक्रमण और परिनिर्धारण की जिम्मेदारी सौंपी गई है और जिसे अधिनियम या प्राधिकरण द्वारा बनाए गए नियमों या विनियमों या समय-समय पर जारी अधिसूचनाओं, मार्गदर्शक सिद्धांतों या अनुदेशों के अनुपालन को किए जाने को मानीटर करने के उत्तरदायित्व का भार सौंपा गया है ;
- (छ) "सरकारी सेक्टर का अभिदाता" से राष्ट्रीय पेंशन प्रणाली में केंद्रीय सरकार या राज्य सरकारों के नोडल कार्यालयों के माध्यम से दर्ज और केंद्रीय अभिलेखापाल अभिकरण द्वारा उस रूप में रजिस्ट्रीकृत कोई अभिदाता अभिप्रेत है ;
- (ज) "राष्ट्रीय पेंशन प्रणाली-लाइट" से राष्ट्रीय पेंशन प्रणाली के अधीन ऐसी स्कीम अभिप्रेत है जिसमें असंगठित सेक्टर से, जिसकी राष्ट्रीय पेंशन प्रणाली-स्वावलंबन एक ऐसा संघटक है, जिसमें भारत सरकार का अभिदाय अनुज्ञेय है, संबंधित व्यक्तियों के लिए राष्ट्रीय पेंशन प्रणाली के आशावान समूह माडल की एक विशेषता का उपबंध है ;
- (झ) "स्थायी सेवानिवृत्त खाता संख्यांक (पीआरएएन)" से केंद्रीय अभिलेखापाल अभिकरण द्वारा प्रत्येक अभिदाता को आबंटित विशिष्ट पहचान संख्या अभिप्रेत है ;
- (ञ) "स्वावलंबन अभिदाता" से ऐसा अभिदाता अभिप्रेत है जिसे राष्ट्रीय पेंशन प्रणाली के अधीन केंद्रीय अभिलेखापाल अभिकरण द्वारा उस रूप में रजिस्ट्रीकृत किया गया है और जहां भारत सरकार का सह अभिदाय अनुज्ञेय है।
- (2) इन विनियमों में प्रयुक्त और परिभाषित न किए गए किन्तु अधिनियम में परिभाषित शब्दों और पदों का वही अर्थ होगा जो क्रमशः अधिनियम में उनका है।

अध्याय 2

राष्ट्रीय पेंशन प्रणाली से निकास

राष्ट्रीय पेंशन प्रणाली से निकास के प्रयोजनों के लिए अभिदाताओं को (1) सरकारी सेक्टर, (2) सर्वनागरिक सहित कारपोरेट सेक्टर और (3) राष्ट्रीय पेंशन प्रणाली - लाइट और स्वावलंबन अभिदाताओं के रूप में प्रवर्गीकृत और परिभाषित किया गया है। तदनुसार इसके अधीन विनिर्दिष्ट निकास संबंधी विनियम उस प्रवर्ग को लागू होंगे जिसके अभिदाता हैं।

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

Pension Fund Regulatory and Development Authority (Exits and Withdrawals Under the National Pension System) Regulations 2015

New Delhi, the 11th May, 2015

No.PFRDA/12/RGL/139/8— In exercise of the powers conferred by sub-section (1) of section 52 read with clauses (g), (h), and (i) of sub-section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:-

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) These regulations may be called the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under the National Pension System) Regulations, 2015.

"The regulations aim at providing an effective mechanism in the interest of subscribers, upon exit or withdrawal from the National Pension System, including the conditions, purpose, frequency and limits for withdrawals from individual pension account, as also the conditions, subject to which a subscriber shall exit from the National Pension System and purchase an annuity thereupon."

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.— (1) In these regulations, unless the context otherwise requires,-

(a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);

(b) "accumulated pension wealth" means the monetary value of the pension investments accumulated in the Permanent Retirement Account of a subscriber under the National Pension System;

(c) "aggregator" means an intermediary registered with the Authority under sub-section (3) of section 27 of the Act, to perform subscriber interface functions under the National Pension System-Swavalamban and have the functional relationship with a known customer base for delivery of some socio-economic goods or services;

(d) "annuity service provider" means a life insurance company registered and regulated by the Insurance Regulatory and Development Authority and empanelled by the Authority for providing annuity services to the subscribers of the National Pension System;

(e) "citizen of India" means a person qualified to be a citizen of India under the Citizenship Act, 1955 (57 of 1955);

(f) "compliance officer" means a person of responsibility from the National Pension System Trust or any other intermediary or entity entrusted with the responsibility of receiving, processing and settlement of withdrawal claims from the subscribers under the National Pension System and responsible for monitoring compliance, of the provisions of the Act or the rules or the regulations made or notifications, guidelines or instructions issued by the Authority from time to time;

(g) "government sector subscriber" means a subscriber enrolled in the National Pension System through the nodal offices of the Central Government or the State Governments and registered as such with the central recordkeeping agency;

(h) "National Pension System-Lite" means a feature of optimized group model of National Pension System for persons belonging to unorganized sector of which the National Pension System-Swavalamban is a component where Government of India co-contribution is admissible;

(i) "Permanent Retirement Account Number (PRAN)" means a unique identification number allotted to each subscriber by the central recordkeeping agency;

(j) "Swavalamban subscriber" means a subscriber who is registered as such with the central recordkeeping agency under the National Pension System and where Government of India co-contribution is admissible;

(2) Words and expressions used and not defined in these regulations but defined in the Act shall have the meanings assigned to them in the Act.

CHAPTER II

EXIT FROM NATIONAL PENSION SYSTEM

For the purpose of exit from the National Pension System, the subscribers are categorized and defined as, (1) Government sector, (2) All citizens including corporate sector and (3) NPS- Lite and Swavalamban subscribers. The exit regulations specified hereunder shall apply accordingly to the category to which the subscribers.

3. Exit from National Pension System for government sector subscribers.-A government sector subscriber shall exit from the National Pension System in the manners specified hereunder, namely:-

(a) Where the subscriber who, upon attaining the age of superannuation as prescribed by the service rules applicable to him or her, retires, then at least forty per cent. out of the accumulated pension wealth of such subscriber shall be mandatorily utilized for purchase of annuity providing for a monthly or any other periodical pension and the balance of the accumulated pension wealth, after such utilization, shall be paid to the subscriber in lump sum:

Provided that,-

(i) the following shall be the default annuity contract that will be applicable and wherein the annuity contract shall provide for annuity for life of the subscriber and his or her spouse (if any) with provision for return of purchase price of the annuity and upon the demise of such subscriber, the annuity be re-issued to the family members in the order specified hereunder at a premium rate prevalent at the time of purchase of such annuity by utilizing the purchase price required to be returned under the annuity contract (until all the family members in the order specified below are covered) :

- (a) living dependent mother of the deceased subscriber;
- (b) living dependent father of the deceased subscriber.

After the coverage of all the family members specified above, the purchase price shall be returned to the surviving children of the subscriber and in the absence of children, the legal heirs of the subscriber, as may be applicable;

the subscriber who wishes to opt out of the default option mentioned above and wishes to choose the annuity contract of his choice from the available annuity types or contracts with the annuity service providers, shall be required to specifically opt for such an option.

(ii) where the subscriber does not desire to withdraw the balance amount, after purchase of mandatory annuity, such subscriber shall have the option to defer the withdrawal of the lump sum amount until he or she attains the age of seventy years, provided the subscriber intimates his or her intention to do so in writing in the specified form at least fifteen days before the attainment of age of superannuation to the National Pension System Trust or an intermediary or entity authorized by the Authority for this purpose;

(iii) where the subscriber desires to defer the purchase of annuity, he or she shall have the option to do so for a maximum period of three years from the date of attainment of age of superannuation, provided the subscriber intimates his or her intention to do so in writing in the specified form at least fifteen days before the attainment of age of superannuation to the National Pension System Trust or an intermediary or entity authorized by the Authority for this purpose. It shall be a condition precedent to opt for such deferment of annuity purchase that in case if the death of the subscriber occurs before such due date of purchase of an annuity after the deferment, the annuity shall mandatorily be purchased by the spouse (if any) providing for annuity for life of the spouse with provision for return of purchase price of the annuity and upon the demise of such spouse be re-issued to the family members in the order of preference provided hereunder at a premium rate prevalent at the time of purchase of the annuity, utilizing the purchase price required to be returned under the contract (until all the members given below are covered):-

(a) living dependent mother of the deceased subscriber ;

(b) living dependent father of the deceased subscriber.

After the coverage of all such members, the purchase price shall be returned to the surviving children of the subscriber and in absence of children legal heirs of the subscribers as applicable;

(iv) where the subscriber desires to defer the withdrawal of lump sum amount or, the purchase of annuity, the subscriber shall be allowed to do so, provided the subscriber agrees to bear the maintenance charges of the Permanent Retirement Account, including the charges payable to the central recordkeeping agency, pension fund, Trustee Bank or any other intermediary, as may be applicable from time to time;

(v) where the accumulated pension wealth in the Permanent Retirement Account of the subscriber is equal to or less than a sum of two lakh rupees, the subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing annuity and upon such exercise of this option, the right of such subscriber to receive any pension or other amount under the National Pension System or from the government shall extinguish;

(b) where the subscriber who, before attaining the age of superannuation prescribed by the service rules applicable to him or her, voluntarily retires or exits, then at least eighty per cent. out of the accumulated

pension wealth of the subscriber shall mandatorily be utilized for purchase of annuity and the balance of the accumulated pension wealth, after such utilization, shall be paid to the subscriber in lump sum:

Provided that the annuity contract shall provide for annuity for life of the subscriber and his or her spouse (if any) with provision for return of purchase price of the annuity and upon the demise of such subscriber the annuity be re-issued to the family members in the order specified hereunder at a premium rate prevalent at the time of purchase of the annuity, utilizing the purchase price required to be returned under the annuity contract (until all the members given below are covered) :-

- (i) living dependent mother of the deceased subscriber ;
- (ii) living dependent father of the deceased subscriber.

After the coverage of all such members, the purchase price shall be returned to the surviving children of the subscriber and in absence of children, the legal heirs of the subscriber as may be applicable.

Provided that if the accumulated pension wealth of the subscriber is more than one lakh rupees but the age of the subscriber is less than the minimum age required for purchasing any annuity from any of the empanelled annuity service providers as chosen by such subscriber, such subscriber shall continue to subscribe to the National Pension System, until he or she attains the age of eligibility for purchase of any annuity:

Provided further that if the accumulated pension wealth of the subscriber is equal to or less than one lakh rupees, such subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing any annuity and upon such exercise of this option the right of the subscriber to receive any pension or other amounts under the National Pension System shall extinguish and any such exercise of this option by the subscriber, before the regulations are notified, shall be deemed to have been made in accordance with this regulation;

- (c) where the subscriber who, before attaining the age of superannuation, dies, then at least eighty percent out of the accumulated pension wealth of the subscriber shall be mandatorily utilized for purchase of annuity and balance pension wealth shall be paid as lump sum to the nominee or nominees or legal heirs, as the case may be, of such subscriber:

Provided that,-

(i) The annuity contract shall provide for annuity for life of the spouse of the subscriber (if any) with provision for return of purchase price of the annuity and upon the demise of such spouse be re-issued to the family members in the order specified hereunder at the premium rate prevalent at the time of purchase of the annuity, utilizing the purchase price required to be returned under the contract (until all the members given below are covered):-

- (a) living dependent mother of the deceased subscriber ;
- (b) living dependent father of the deceased subscriber .

After the coverage of all such members, the purchase price shall be returned to the surviving children of the subscriber and in absence of children, the legal heirs of the subscriber as applicable.

(ii) Provided further that if the accumulated pension wealth in the permanent retirement account of the subscriber at the time of his death is equal to or less than two lakh rupees, the nominee or legal heirs as the case may be, shall have the option to withdraw the entire accumulated pension wealth without requiring to purchase any annuity and upon such exercise of this option the right of the family members to receive any pension or other amounts under the National Pension System shall extinguish;

4. Exit from National Pension System by citizens, including corporate sector subscribers.- Any subscriber, including a corporate sector subscriber, registered under the National Pension System, shall exit from the National Pension System in the manner specified hereunder, namely:-

(a) where a subscriber attains the age of sixty years or superannuates in accordance with the service rules applicable to such subscriber, at least forty percent out of the accumulated pension wealth of such subscriber shall be mandatorily utilized for purchase of annuity providing for a monthly or any other periodical pension and the balance of the accumulated pension wealth, after such utilization, shall be paid to the subscriber in lump sum. In case, the accumulated pension wealth of the subscriber is equal to or less than a sum of two lakh rupees, the subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing any annuity:

Provided that,-

(i) the subscriber can continue to subscribe to the National Pension System beyond the age of sixty years or the age of superannuation, so specified, by intimating in writing, the age, not exceeding seventy years, until which he would like to contribute to his individual pension account.

Such intimation shall be given to the National Pension System Trust or any intermediary or entity authorized by the Authority for this purpose. Notwithstanding such intimation, the subscriber may exit at any point of time, from the National Pension System by submitting a request in writing to the National Pension System Trust or any intermediary or entity authorized by the Authority for this purpose ;

(ii) the subscriber shall have the option to defer the withdrawal of lump sum amount until he or she attains the age of seventy years, provided the subscriber intimates his or her intention to do so in writing in the specified form at least fifteen days before the attainment of age of sixty years or, the age of superannuation, as the case may be, to the National Pension System Trust or any intermediary or entity authorized by the Authority for this purpose;

(iii) the subscriber shall have the option to defer the purchase of annuity for a maximum period of three years, from the date of attainment of sixty years of age or the age of superannuation, as the case may be, provided the subscriber intimates his or her intention to do so in writing in the specified form at least fifteen days before the attainment of age of sixty years or the age of superannuation, as the case may be, to the National Pension System Trust or any intermediary or other entity authorized by the Authority for this purpose;

(iv) the subscriber shall be allowed to continue to subscribe, defer the withdrawal of lump sum amount or the purchase of annuity, as the case may be, provided the subscriber agrees to bear the maintenance charges of the Permanent Retirement Account, including the charges payable to the central recordkeeping agency, pension fund, Trustee Bank or any other intermediary, as may be applicable from time to time;

(b) where the subscriber who, before attaining the age of sixty years or the age of superannuation as prescribed by service rules, voluntarily opts to exit from the national pension system, the option so exercised shall be allowed only upon such subscriber having subscribed to the national pension system for at least a minimum period of ten years. In case of such subscriber, at least eighty percent out of the accumulated pension wealth shall be mandatorily utilized for purchase of annuity and the balance of the accumulated pension wealth, after such utilization, shall be paid to the subscriber in lump sum:

Provided that if the accumulated pension wealth of the subscriber is more than one lakh rupees but the age of the subscriber is less than the minimum age required for purchasing any annuity from any of the empanelled annuity service providers as chosen by such subscriber, such subscriber shall continue to subscribe to the National Pension System, until he or she attains the age of eligibility for purchase of any annuity:

Provided further that if the accumulated pension wealth in the Permanent Retirement Account of the subscriber is equal to or less than one lakh rupees, such subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing any annuity;

(c) where the subscriber who, before attaining the age of sixty years or the age of superannuation as prescribed by the respective service rules applicable to him or her, dies, then the entire accumulated pension wealth of the subscriber shall be paid to the nominee or nominees or legal heirs, as the case may be, of such subscriber:

Provided that,-

(i) the nominee or family members of the deceased subscriber shall have the option to purchase any of the annuities being offered upon exit, if they so desire, while applying for withdrawal of benefits on account of deceased subscribers' Permanent Retirement Account;

(ii) in case, the nomination is not registered by the deceased subscriber before his death, the accumulated pension wealth shall be paid to the family members on the basis of the legal heir certificate issued by the Revenue authorities of the State concerned or the succession certificate issued by a court of competent jurisdiction.

5. Exit from National Pension System by NPS-Lite and Swavalamban subscribers.-Any subscriber registered under National Pension System as NPS-Lite or Swavalamban subscriber, can exit from the National Pension System, in the manner specified hereunder, namely:-

(a) Upon a subscriber, attaining the age of sixty years, at least forty percent of the accumulated pension wealth of such subscriber shall be mandatorily utilized for purchase of annuity providing for a monthly or any other periodical pension and the balance of the accumulated pension wealth, after such utilization, shall be paid to the subscriber in lump sum:

Provided that,-

(i) for a Swavalamban subscriber the annuity purchased by utilizing the mandatory minimum of forty percent. of the accumulated pension wealth of the subscriber shall yield at least a monthly annuity or pension of one thousand rupees, failing which the entire accumulated pension wealth shall be annuitised in such a manner so as to yield at least a monthly annuity or pension of one thousand rupees and balance if any thereafter shall be paid in lump sum to the subscriber. However there shall be no implicit or explicit guarantee that the annuity purchased even with entire accumulated pension wealth would yield a monthly annuity or pension of one thousand rupees;

(ii) if the accumulated pension wealth of the subscriber is equal to or less than a sum of one lakh rupees, such subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing any annuity and upon such exercise of this option, the right of the subscriber to receive any pension under the National Pension System shall extinguish and any such exercise of this option by the subscriber, before the regulations are notified, shall be deemed to have been made in accordance with this regulation;

(b) at any time, before attaining the age of sixty years, subject however that at least eighty percent out of the accumulated pension wealth shall be mandatorily utilized for purchase of annuity and the balance of the accumulated pension wealth, after such utilization shall be paid to the subscriber in lump sum:

Provided that for a Swavalamban subscriber the annuity purchased by utilizing the mandatory minimum of forty percent. Out of the accumulated pension wealth shall yield at least a monthly annuity or pension of one thousand rupees per month, failing which the entire accumulated pension wealth shall be annuitised in such a manner so as to yield at least a monthly annuity or pension of one thousand rupees and balance if any thereafter shall be paid as lump sum to the subscriber. However there shall be no implicit or explicit guarantee that the annuity purchased even with entire accumulated pension wealth would yield a monthly annuity or pension of one thousand rupees:

Provided that subject to the provisions of this clause, where the accumulated pension wealth does not exceed one lakh rupees, the whole of the pension wealth shall be paid to the subscriber, without any annuitisation if the subscriber has continued in the scheme for a minimum period of twenty-five years;

Provided further that the migration of Swavalamban subscriber or subscribers to any other pension scheme of Government of India and as approved by the Authority shall not be deemed as an exit and withdrawal for the purposes of these regulations.

(c) where a subscriber who, before attaining the age of sixty years, dies, the entire accumulated pension wealth of the subscriber shall be paid to the nominee, or the legal heir of such subscriber and there shall not be any condition of mandatory purchase of annuity and provision of a monthly or periodical pension and there shall not be any requirement of the annuitisation of the accumulated pension wealth of such deceased

subscriber. The nominee or family members of the deceased subscriber shall have the option to purchase any of the annuities being offered upon exit, if they so desire:

Provided that, where a nomination is not registered by the subscriber before his death, the accumulated pension wealth of such subscriber shall be paid to the family members on the basis of the legal heir certificate issued by the Revenue authorities of the State concerned or the succession certificate issued by a court of competent jurisdiction.

6. Conditions to apply for exit and withdrawal.- A subscriber registered under the National Pension System shall not exit therefrom, and no withdrawal from the accumulated pension wealth in the Tier-1 of the Permanent Retirement Account of such subscriber shall be permitted, except as specified hereunder, namely:-

(a) no pension or accumulated pension wealth in Tier-I account of the Permanent Retirement Account of the subscriber under the National Pension System on account of past or present services, shall be liable to seizure, attachment or sequestration by process of any court at the instance of a creditor, for any demand against the subscriber, or in the satisfaction of a decree or order of any such Court except where the National Pension System Trust or its authorised representative has accorded prior sanction for assignment of the pension wealth accumulated in the pension account of the subscriber, which shall be restricted to such limit as prescribed in Regulation 8;

(b) any assignment, pledge, contract, order, sale or security of any kind made by any subscriber of the National Pension System, with respect to any benefit receivable by him or her under the National Pension System, or in respect of any money payable at or on account of any such benefit to such subscriber under the National Pension System, or for giving or assigning any future interest therein shall be null and void except where the National Pension System Trust or its authorized representative has accorded prior permission for such assignment of the pension wealth accumulated in the pension account of the subscriber and which shall be restricted to such limit as prescribed in Regulation 8 to which the assignment was agreed or approved by the National Pension System Trust or its authorised representative;

(c) the President of India or the Governor of a State, as the case may be, if so provided in the service rules, governing the employment of the subscriber, reserves the right of withholding the part of pension wealth, accumulated through co-contributions made by the Central Government or the State Government, as employer to the Tier-I account of the National Pension System account of the subscriber and the investment income accruing thereon, for the purpose of recovery of the whole or part of any pecuniary loss caused to the Central Government or the State Government, provided such loss is established, in any departmental or judicial proceedings, initiated against such subscriber by the employer concerned..

Such right of withholding shall have to be exercised prior to the date of superannuation of the subscriber, pursuant to a notice to be given to the National Pension System Trust or an entity to whom such authorization has been given, and seeking to withhold the said pension wealth of such subscriber. Upon such right of withholding being validly exercised:-

(i) the pension wealth which are payable under the National Pension System shall not be paid to such subscriber until the conclusion of the departmental or judicial proceedings, as the case may be and subject to the final orders, passed in such proceedings.;

(ii) the amount withheld as specified in sub-clause (i) shall remain subscribed to the scheme in the mode and manner in which it was held prior to resorting to such action by the concerned Government and the final settlement of the withheld amount shall be made by the National Pension System Trust, or any intermediary or other entity, authorized for this purpose by the Authority, normally within ninety days of the receipt of an appropriate order from the concerned Government;

(iii) the amount withheld becomes payable to the subscriber on the final settlement, as certified by the concerned Government department which has sought withholding of such benefits, and shall be paid to the subscriber as soon as possible and in no case beyond ninety days of receipt of the final order by the National Pension System Trust or any other entity or person, authorized for the purpose by the Authority;

(e) If the subscriber or the family members of the deceased subscriber, upon his death, avails the option of additional relief on death or disability provided by the Government, the Government shall have right to adjust or seek transfer of the entire accumulated pension wealth of the subscriber to itself. The subscriber or family members of the subscriber availing such benefit shall specifically and unconditionally agree and undertake to transfer the entire accumulated pension wealth to the Government, in lieu of enjoying or obtaining such additional reliefs like family pension or disability pension or any other pensionary benefit from such Government authority;

(g) all benefits receivable, including the purchase of annuity as specified under these regulations, shall be arranged to be paid by the National Pension System Trust or the central recordkeeping agency or any other entity authorized for the purpose by the Authority after processing the withdrawal applications in accordance with the provisions of these regulations, or any guidelines, order or notification, as may be issued by the Authority, from time to time;

(h) for a subscriber, exiting from Tier-I account under the National Pension System, the amounts lying in the Tier-II account shall also be monetized and closed simultaneously upon payment of the eligible benefit;

CHAPTER III

WITHDRAWALS, PURPOSE, FREQUENCY AND LIMITS UNDER NATIONAL PENSION SYSTEM

7. Conditions of withdrawals under National Pension System.- The National Pension System Trust or the central recordkeeping agency acting on behalf of the National Pension System Trust or any other entity authorized by the Authority for the purpose, may on receipt of an application for withdrawal from a subscriber in the specified form and subject to fulfillment of conditions so specified may allow withdrawal from the National Pension System in the mode and manner permitted under these regulations, guidelines, circulars, orders or notifications issued by the Authority from time to time:

Provided that the subscriber shall be required to submit the application form for withdrawal, specified for the purpose, along with documents, so specified and comply with the requirements contained in the operational

guidelines issued by the Authority with respect to the permissible withdrawals under the National Pension System.

8. The following withdrawals shall be permitted under National Pension System.- (1) A partial withdrawal of accumulated pension wealth of the subscriber, not exceeding twenty-five per cent. of the contributions made by the subscriber and excluding contribution made by employer, if any, at any time before exit from National Pension System subject to the terms and conditions, purpose, frequency and limits specified below:-

(A) Purpose: A subscriber on the date of submission of the withdrawal form, shall be permitted to withdraw not exceeding twenty-five percent of the contributions made by such subscriber to his individual pension account, for any of the following purposes only:-

- (a) for Higher education of his or her children including a legally adopted child
- (b) for the marriage of his or her children, including a legally adopted child;
- (c) for the purchase or construction of a residential house or flat in his or her own name or in a joint name with his or her legally wedded spouse.

In case, the subscriber already owns either individually or in the joint name a residential house or flat, other than ancestral property, no withdrawal under these regulations shall be permitted;

(d) for treatment of specified illnesses: if the subscriber, his legally wedded spouse, children, including a legally adopted child or dependent parents suffer from any specified illness, which shall comprise of hospitalization and treatment in respect of the following diseases:

- (i) Cancer;
- (ii) Kidney Failure (End Stage Renal Failure);
- (iii) Primary Pulmonary Arterial Hypertension;
- (iv) Multiple Sclerosis;
- (v) Major Organ Transplant;
- (vi) Coronary Artery Bypass Graft;
- (vii) Aorta Graft Surgery;
- (viii) Heart Valve Surgery;
- (ix) Stroke;
- (x) Myocardial Infarction
- (xi) Coma;
- (xii) Total blindness;
- (xiii) Paralysis;
- (xiv) Accident of serious/ life threatening nature.
- (xv) any other critical illness of a life threatening nature as stipulated in the circulars, guidelines or notifications issued by the Authority from time to time.

(B) Limits: the permitted withdrawal shall be allowed only if the following eligibility criteria and limit for availing the benefit are complied with by the subscriber:-

- (a) the subscriber shall have been in the National Pension System at least for a period of last ten years from the date of his or her joining;

(b) the subscriber shall be permitted to withdraw accumulations not exceeding twenty-five per cent of the contributions made by him or her and standing to his or her credit in his or her individual pension account, as on the date of application for withdrawal;

(C) Frequency: the subscriber shall be allowed to withdraw only a maximum of three times during the entire tenure of subscription under the National Pension System and not less than a period of five years shall have elapsed from the last date of each of such withdrawal. The mandatory requirement of five years having elapsed between two withdrawals shall not apply in case of "treatment for specified illnesses or in case of withdrawal arising out of exit from National Pension System due to the death of the subscriber. The request for withdrawal in the specified form, shall be submitted by the subscriber, along with relevant documents to the central recordkeeping agency or the National Pension System Trust, as may be specified, for processing of such withdrawal claim. Provided that where a subscriber is suffering from any illness, specified in sub-clause (d), the request for withdrawal may be submitted, through any family member of such subscriber.

(2) A subscriber having a valid and active Tier-II account of the Permanent Retirement Account can withdraw the accumulated wealth either in full or part, at any time by applying for such withdrawal, on such application form and in such mode and manner, as may be specified by the Authority in this behalf. There shall be no limit on such withdrawals till the account has sufficient amount of accumulated pension wealth to take care of the applicable charges and the withdrawal amount:

Provided that the Tier-II account shall stand automatically closed at the time of exit of the subscriber from the National Pension System, even if an application so specified for the purpose has not been received from the subscriber, and the accumulated wealth in such account shall be transferred to the bank account provided by the subscriber, while submitting his application for exit from the National Pension System.

9. Withdrawal process.- (1) The National Pension System Trust or any other intermediary or entity authorized by the Authority for the said purpose shall be responsible for processing and authorizing approving the withdrawal and exit claims lodged by the subscriber in accordance with the provisions of the Act, these regulations, directions, guidelines issued by the Authority and the Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015, where applicable. The National Pension System Trust shall frame suitable operational processes or guidelines for facilitating withdrawals and Exit of subscribers from National Pension System.

CHAPTER IV

ANNUITY PURCHASE AND ANNUITY SERVICE PROVIDERS

10. Conditions of annuity purchase upon exit.- (1) The subscriber, at the time of exit, shall mandatorily purchase an annuity providing for a monthly or periodical annuity or pension as specified in these regulations. Such annuity shall be purchased from an annuity service provider who is empanelled by the Authority.

(2) The exercise of option of the annuity and the type thereof shall be made by the subscriber at the time of exit from the National Pension System, unless otherwise specified by the Authority through circulars, notifications or guidelines issued by it from time to time.

(3) Once an annuity is purchased, the option of cancellation and reinvestment with another annuity service provider or in another annuity scheme shall not be allowed unless the same is within the time limit specified

by the annuity service provider, for the free look period as provided in the terms of the annuity contract or as specifically provided by the Insurance Regulatory and Development Authority.

(4) The subscriber shall have an option to choose from various types of annuities, provided by the annuity service provider and the annuity so chosen shall be provided by the empanelled annuity service provider.

(5) There shall be a default annuity service provider and a default annuity scheme for the benefit of subscribers exiting from the National Pension System. The information on the default annuity service provider and default annuity scheme applicable shall be such as may be specified by the Authority and placed on its website, apart from communicating to the subscriber through circulars, guidelines or notification issued by it. Such default annuity scheme shall not be available or applicable in the case of Government subscribers covered under regulation 3.

11. Empanelment of annuity service providers.- (1) On and from the commencement of these regulations, an applicant, meeting the eligibility criteria as specified in these regulations for grant of an empanelment certificate to act as an empanelled annuity service provider, shall make an application in the specified form accompanied by a empanelment fee referred to in sub-regulation (2) and such documents in support thereon, as may be specified by the Authority.

(2) One time empanelment fee of rupees one lakh, shall be submitted along with the application, to the Authority. The empanelment fee shall be realized by the Authority within fifteen days from the date of sending intimation of grant of certificate of empanelment under regulation 17:

Provided that every empanelled annuity service provider shall, at the time of renewal of empanelment certificate pay such renewal fees, if any, as may be specified by the Authority, from time to time through a circular, order or notification issued by it.

(3) An application, not complete in all respects and not conforming to the instructions specified in the application form and these regulations shall be rejected. Provided that, before rejecting any such application, the applicant shall be given a reasonable opportunity to withdraw or complete the application in all respects and rectify the errors, if any. The Authority may seek such additional information for disposal of the application from the Applicant as may be deemed relevant.

(4) An annuity service provider empanelled by the Interim Pension Fund Regulatory and Development Authority prior to the commencement of these regulations, may continue to act as such, for a period of ninety days from the notification of these regulations or, if it makes an application for grant of empanelment till the disposal of its application by the Authority.

12. Eligibility criteria for grant of certificate.- (1) The following shall be the eligibility criteria for any applicant to act as an empanelled annuity service provider:-

- (a) any Life Insurance Company registered and regulated by the Insurance Regulatory and Development Authority and dealing with annuity products in the domestic market for the last three years;
- (b) the applicant having a minimum net worth of rupees two hundred and fifty crores;

- (c) the applicant shall have competency in design, development and offering of annuity products, which is demonstrable by the details of the annuity products filed with the Insurance Regulatory and Development Authority;
- (d) not barred from dealing with or selling annuity products in the market by the Insurance Regulatory and Development Authority;
- (e) any other criteria as may be specified by the Authority from time to time through resolutions, notifications, circulars, guidelines, norms or memoranda.

(2) The Authority reserves the right to waive or modify some or all of the above criteria for reasons to be recorded in writing.

13. Disclosure of information.- (1) The Authority, having regard to the interest of the subscribers may, have the right to disclose to the public, of the information on the application made by the applicant.

(2) Any material change in the information furnished to the Authority while making the application for empanelment or subsequently shall be intimated to the Authority by the annuity service provider promptly but not later than thirty days of the occurrence of such change.

14. Furnishing of information and clarification.- (1) The Authority may require the applicant to furnish any further information or clarification, for the purpose of disposal of the application for empanelment, and, thereafter, in regard to any other matter as may be deemed necessary by the Authority. The applicant or its principal officer shall, if so required, appear before the Authority for a personal representation in connection with the application;

(2) The applicant shall furnish such information and clarification to the satisfaction of the Authority, within the time specified in this regard by the Authority.

15. Verification of information.- (1) While considering the application and the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information in any manner, as it deems necessary, including by physical verification of documents, office space, and inspection of the availability of office space, infrastructure, and technological support which the applicant is required to have.

(2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an auditor or an external agency.

16. Consideration of application.- (1) For considering the eligibility of the applicant and grant of certificate of empanelment to such applicant, the Authority shall take into account all matters which it deems relevant to the activities in the pension sector and the National Pension System, including but not limited to the following:-

- (a) whether the applicant or any of its associates have in the past been refused grant of empanelment certificate by any of the financial sector regulators in India including the Reserve Bank of India, the Securities

and Exchange Board of India, the Insurance Regulatory and Development Authority and the Authority and if so, the ground for such refusal;

(b) whether the applicant has in the past five years been imposed with penalties by any of the financial regulators such as the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority and the Authority or by a court of law or tribunal, on matters concerning violation of provisions of the laws, the regulations made or directions, guidelines and circulars issued by the respective regulator and if so, the ground for such refusal;

(c) whether the applicant satisfies the eligibility criteria and other requirements as specified in these regulations;

(d) whether the grant of a certificate to the applicant is in the interest of the subscribers and or the orderly development of pension sector or of the National Pension System.

(2) While considering the application, the Authority may invite the applicant to make a presentation to the Authority on such a date, time and place determined by the Authority. The purpose of such presentations shall be to allow the applicants to present its proposal to the Authority and to explain the key strengths in its proposal.

(3) Any application for grant of certificate of empanelment,-

(a) which is not complete in all respects and does not conform to the requirements in the and the requirements specified in these regulations;

(b) which does not contain such additional information as required by the Authority;

(c) which is incorrect, false or misleading in nature;

(d) where the applicant is not in compliance with the eligibility requirements as set out under these regulations;

(e) which in the opinion of the Authority is not in the interest of subscribers and or the objective of orderly development of the pension sector or the National Pension System;

(f) where the applicant is not a 'fit and proper person';

shall be rejected by the Authority for reasons to be recorded by it in writing.

(4) Before rejecting an application, the applicant shall be given an opportunity in writing to make good the deficiencies within the time specified by the Authority, for the purpose:

Provided that where an application is rejected for the reason that it contains false or misleading information, no such opportunity may be given and the applicant shall not make any application for grant of certificate under these regulations or any other regulations for a period of one year from the date of such rejection.

(5) An application for grant of certificate of empanelment, under these regulations, which is complete in all respects, shall be disposed of by the Authority, within a period of sixty days from the date of receipt of such request.

17. Procedure for grant of certificate of empanelment.- (1) The Authority on being satisfied that the applicant is eligible, shall grant a certificate of empanelment in the form specified in Annexure III and send an intimation to the applicant in this regard:

Provided that where a pending proceeding before the Authority or any court or tribunal may result in the suspension or cancellation of the certificate, the Authority may give a conditional certificate of empanelment.

(2) Within thirty working days of the date of receipt of certificate of empanelment, the annuity service provider shall enter into an agreement with the National Pension System Trust or the central recordkeeping agency for the purpose of operationalization of the process for purchase of annuities by the subscribers of the National Pension System.

18. Conditions of certificate of Empanelment.—Any certificate of empanelment granted by the Authority to an annuity service provider shall be subject to the following conditions, namely,-

- (a) where the annuity service provider proposes to change its status or constitution, it shall intimate to the Authority of such information along with the approval obtained from the Insurance Regulatory and Development Authority, for continuing to act as an annuity service provider;
- (b) it shall pay the applicable fees in accordance with these regulations;
- (c) it shall abide by the provisions of the Act, the rules and the regulations made or any direction, guidelines or circulars as may be issued by the Authority thereunder;
- (d) it shall abide by the provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999 and the rules and regulations framed thereunder.
- (e) it shall meet the eligibility criteria and other requirements specified in these regulations throughout the tenure of the certificate of empanelment:

Provided that the Authority may impose such other and further conditions as it may deem fit in the interest of subscribers or for orderly development of the National Pension System or the Pension sector.

19. Effect of refusal to grant certificate of empanelment or expiry of certificate of empanelment.---(1) Where an existing annuity service provider has failed to apply for renewal of empanelment of certificate and upon expiry of certificate of empanelment or has been refused grant of certificate of empanelment under these regulations, or has surrendered its certificate, or has been directed to be wound up by an order of a court, such annuity service provider shall,-

- (a) forthwith cease to act as an annuity service provider for subscribers of National pension System;
 - (b) make provisions as regards liability incurred or assumed by the annuity service provider, if any;
 - (c) take such other action, within the time limit and in the manner, as may be required under the relevant regulations or as may be directed by the Authority.
- (2) While refusing grant of certificate of empanelment under these regulations to an annuity service provider, the Authority may impose such conditions upon the annuity service provider as it deems fit for protection of interest of the subscribers and such conditions shall be complied with.

20. Period of validity of certificate of empanelment.- (1) Subject to compliance with the provisions of the Act, these regulations, the certificate granted to an annuity service provider shall be valid unless surrendered by it or suspended or cancelled in accordance with these regulations.

(2) An Annuity Service Provider who has been granted a certificate of empanelment, to keep such empanelment in force, shall pay a fee of rupees twenty-five thousand within ninety days before the expiry of five years from the date of first empanelment or date of the payment of fee last accepted by the Authority, by way of making an application in the specified form to the Authority.

21. Exemptions in certain cases from eligibility criteria.- (1) If any of the applicants does not fulfill any of the eligibility criteria as specified for the annuity service provider, it may request the Authority through an application seeking exemption from such criteria.

(2) The Authority, if in its opinion feels, that the non-fulfillment of the eligibility conditions of which relaxation is sought would not prejudicially affect the interest of the subscribers, and such relaxation would not hamper orderly development of the pension sector and more specifically the National Pension System, it may grant exemption from some of the criteria to such entity for reasons to be recorded in writing. The Authority may in such circumstances impose such additional conditions as it may deem fit for grant of empanelment.

22. Duties and responsibilities of empanelled annuity service providers.- (1) The main functions of a empanelled annuity service provider is,-

(a) to provide different kinds of immediate annuities to the subscribers at the time of exit from the National Pension System;

(b) to provide minimum immediate annuity variants options as required by the Authority and to be able to provide any new variant as required by the Authority from time to time in the interest of subscribers in conformity with the Insurance Act, 1938 (4 of 1938) and the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), and the rules, regulations and guidelines made thereunder;

(c) to provide monthly or any other periodical annuity payment to the subscriber for the annuity contract purchased by the subscriber under the National Pension System;

(d) the annuity service provider shall be responsible for handling the grievances and issues related to or arising out of the entering into the annuity contract with the subscribers under the National Pension System.

(2) The initial customer interaction for the National Pension System, shall be,-

(a) addressing queries of potential subscribers regarding purchase of annuities;

(b) providing and displaying of Insurance Regulatory and Development Authority approved information on annuities and application form or offer document or other publicity material pertaining to immediate annuities available including the annuity calculators.

(3) Subscriber registration for purchase of annuity,-

(a) to make available the necessary infrastructure required for receipt and acceptance of applications with the specified premiums and issuance of annuity contracts in line with the approvals granted by the Insurance Regulatory and Development Authority;

(b) facilitate or provide infrastructure required for online purchase of annuity products by the subscribers through the central record keeping agency registered and regulated by the Authority, including the necessary software support. The annuity service provider shall provide the necessary application forms, literature on the available annuities and other facilities available to the subscribers through the central recordkeeping agency system or any other mode specified for the purpose;

(c) issuance of the annuity contract as per the choice of the subscriber provided in the annuity application in line with these regulations and guidelines specified by the Insurance Regulatory and Development Authority;

(d) the annuity service provider shall be responsible for delivering the monthly, quarterly or annual pension or annuity as chosen by the subscriber under the National Pension System in the annuity application form and the annuity contract entered by such subscriber. However, in case of government sector subscribers, the annuity payable shall be on monthly basis only;

(e) the annuity service provider shall be responsible for collection, verification and subsequent actions for issuance of annuity contracts against purchases by subscribers under the National Pension System from the central recordkeeping agency or its representative or other entity which is authorized by the Authority for the purpose;

(f) the annuity service provider shall provide the information on annuity purchases made by the subscribers under the National Pension System to the National Pension System Trust and the central recordkeeping agency in the form, format and interval to be specified by the National Pension System Trust.

(4) The handling of subscriber requests such as receiving, processing and effecting requests from the subscribers for change in address, nomination or any other activity in connection with the annuity contract entered into by the annuity service provider.

(5) The annuity service provider shall be responsible for receiving from, and resolving the, grievances of subscribers under the National Pension System who had purchased the annuity from it and follow them up till their redressal in accordance with the grievance redressal guidelines or regulations for insurers issued by the Insurance Regulatory and Development Authority.

(6) Any complaint from a subscriber relating to the services provided shall be dealt by the annuity service provider and settled in accordance with the provisions of the Insurance Regulatory and Development Authority, Act 1999 (41 of 1999), and the rules and regulations made thereunder, by the annuity service provider under intimation to the National Pension System Trust. This shall be without prejudice to the powers of the Authority to cancel or suspend the empanelment of the annuity service provider or take such other measures as deemed necessary in the subscriber's interest.

23. Fees and charges to be charged from the subscribers.- There shall not be any additional fees or charges other than the premium as approved by the Insurance Regulatory and Development Authority for the product

but excluding any taxes imposed by the Government. There shall not be any additional intermediation expense or charge for the product issued to the subscribers.

24. Appointment of compliance officer.- (1) Each annuity service provider shall appoint a compliance officer who shall be responsible for monitoring compliance of duties of annuity service provider as provided under these regulations and any other rules, regulations, guidelines issued by the Insurance Regulatory and Development Authority and for redressal of grievances reported by the subscribers who have purchased the annuities from the annuity service provider upon exit from the National Pension System. The name and details of such compliance officer shall be intimated to the Authority within thirty days of such appointment.

(2) The compliance officer shall be responsible for activities related to the coordination with other entities in the National Pension System like the National Pension System Trust, the central recordkeeping agency, Trustee Bank or any other specific entity connected with annuity purchases or any activity related to it.

25. Code of conduct.-The empanelled annuity service provider shall at all times observe the code of conduct for insurers or any other similar rules, guidelines or regulations specified by the Insurance Regulatory and Development Authority for fair dealing in activities related to the annuity purchase by subscribers.

26. Power of the Authority to take up any of the matters associated with Insurance Regulatory and Development Authority.-In order to remove any difficulties in the annuity purchase, grievances arising out of annuity purchase or any other matter associated with annuity purchase by subscribers under the National Pension System, the Authority may take up the matter directly with the Insurance Regulatory and Development Authority.

27. Confidentiality.- The empanelled annuity service provider shall maintain absolute confidentiality with respect to all records, data and information received by it under the National Pension System including information received from a subscriber. The annuity service provider shall not, without the prior permission of the Authority, produce or share such data or information as evidence, or for any other purpose, except as required by the due process of law.

28. Cancellation of empanelment.-The Authority may cancel the empanelment of an annuity service provider, after giving a reasonable opportunity of hearing and for reasons to be recorded in writing.

CHAPTER V INSPECTION AND AUDIT

29. Inspection and audit.- (1) The powers of the Authority with respect to audit and inspection of intermediaries entrusted with the functions of managing the withdrawals from the National Pension System shall be in accordance with the regulations governing the specific intermediaries under the National Pension System.

CHAPTER VI

INQUIRY

30. Conduct of inquiry.- (1) The inquiry proceedings and action in case of default shall be in accordance with the regulations governing the specific intermediaries like the National Pension System Trust, the central recordkeeping agency or any other intermediary.

(2) Where the default involves, the National Pension System Trust, the central recordkeeping agency and or any other intermediary, a common inquiry may be held for the purpose.

CHAPTER VII

MISCELLANEOUS

31. Prevention of fraud or mismanagement.-The National Pension System Trust or the central recordkeeping agency or the annuity service provider or any other intermediary or entity entrusted with the functions of managing the withdrawals from the National Pension System by the Authority shall take all possible steps to prevent fraud or mismanagement of the withdrawals of the subscribers upon exit from the National Pension System.

32. Nomination.-Notwithstanding anything contained in these regulations or in any other law for the time being in force, a subscriber, at the time of joining the National Pension System is required to make a nomination, in the specified form, conferring on one or more persons the right to receive the amount that may stand to his or her credit in the accumulated wealth or fund in the event of his or her death, before that amount becomes payable or having become payable has not been paid. The nominee or nominees, as the case may be, shall be entitled, on the death of the subscriber, to receive, to the exclusion of all other persons, all such moneys which have so remained unpaid:

Provided that,-

- (i) if the nominee predeceases the subscriber, the nomination shall so far as it relates to the right conferred upon the said nominee, become void and of no effect;
- (ii) where a provision has been duly made in the nomination, in accordance with these regulations, conferring upon some other person the right to receive all such moneys, which have so remained unpaid, in the event of the nominee predeceasing the subscriber, such right shall, upon the nominee being deceased, pass to such other persons standing as nominees;
- (iii) a subscriber may in his nomination distribute the amount that may stand to his credit in the fund amongst his nominees at his own discretion;
- (iv) if a subscriber has a family at the time of making a nomination, the nomination shall be in favour of one or more persons belonging to his family. Any nomination made by such subscriber in favour of a person not belonging to his family shall be invalid;
- (v) a fresh nomination shall be made by the subscriber on his marriage and any nomination made before such marriage shall be deemed to be invalid;
- (vi) if at the time of making a nomination the subscriber has no family, the nomination may be in favour of any person or persons but if the subscriber subsequently acquires a family, such nomination shall forthwith be deemed to be invalid and the subscriber shall make a fresh nomination in favour of one or more persons belonging to his family;

- (vii) where the nomination is wholly or partly in favour of a minor, the subscriber may, for the purposes of this Scheme, appoint a major person of his family, to be the guardian of the minor nominee in the event of the subscriber predeceasing the nominee and the guardian so appointed;
- (viii) where there is no major person in the family, the subscriber may, at his discretion, appoint any other person to be a guardian of the minor nominee;
- (ix) a nomination made under the National Pension System may at any time be modified by a subscriber after giving a written notice of his intention of doing so in the form specified. A nomination or its modification so made shall take effect to the extent that it is valid on the date on which it is received by the intermediary under the National Pension System;
- (x) if a subscriber proves that his spouse has ceased, under the personal law governing him or her, or the customary law of the community to which the spouses belong, to be entitled to maintenance he or she shall no longer be deemed to be a part of the subscriber's family for the purpose of this Scheme, unless the subscriber subsequently intimates by express notice in writing to the designated intermediary for the purpose that he or she shall continue to be so regarded; and
- (xi) if a subscriber by notice in writing to the designated intermediary for the purpose expresses her desire to exclude her husband from the family, the husband and his dependent parents shall no longer be deemed to be a part of the subscriber's family for the purpose of this Scheme, unless the subscriber subsequently cancels in writing any such notice.

Explanation I -- For the purposes of this chapter,-

- (a) the expression "family",
 - (i) in relation to a male subscriber, means his legally wedded wife, his children, whether married or unmarried, his dependent parents and his deceased son's widow and children;
 - (ii) in relation to a female subscriber, means her legally wedded husband, her children, whether married or unmarried, her dependent parents, her husband's dependent parents and her deceased son's widow and children;

Explanation II -- In either of the above two cases, if the child of a subscriber [or as the case may be, the child of a deceased son of the subscriber] has been adopted by another person and if, under the personal law of the adopter, adoption is legally recognized, such a child shall be considered as excluded from the family of the subscriber.

33. Submission of withdrawal application.-A subscriber seeking withdrawal from Tier-I account of the National Pension System shall submit his withdrawal application along with the requirements mentioned thereon to the central recordkeeping agency as per the operational withdrawal and exit guidelines issued by the Authority from time to time.

34. Requirement of submission of documents.-A subscriber seeking withdrawal from Tier-I account of the National Pension System shall submit all the documents as specified on the withdrawal application form. The withdrawal application forms applicable to various categories of the subscribers shall be as per the forms provided by the Authority from time to time.

35. Providing bank account details.-A subscriber seeking withdrawal from Tier-I account of the National Pension System shall provide the Bank details mandatorily apart from Aadhar card or PAN card issued by Income-Tax Department, whichever is available in the section provided in the withdrawal form in order to provide credit of the National Pension System claim amount directly in to their Bank accounts.

36. Mode of payments under National Pension System.-All payments pertaining to withdrawals under National Pension System shall be made through electronic transfer only and the withdrawal amount shall be directly credited to the subscriber or claimant's bank account as furnished in the withdrawal form.
37. Stoppage of last three months deductions by employer.-Contributions deductions under the National Pension System made by the employers from the salary of such subscriber shall be stopped at least three months prior to the date of superannuation, as may be applicable, to ensure that the exit and withdrawal of the subscriber is smooth and effective. The employer shall settle directly the said last three months contributions at their end with the concerned employee.
38. Reports and disclosures.-The annuity service provider, the National Pension System Trust or the central recordkeeping agency shall submit such information and reports as required by the Authority in the mode, manner and frequency as specified by the Authority from time to time.
39. Power of the Authority to issue directions and clarifications.-The Authority shall have power to issue necessary directions, restricting the provisions relating to withdrawals and exit, as the case may be, under these regulations, so as to comply with any requirements to move from any other pension or superannuation schemes not covered under the Act, to the National Pension System. The Authority may issue clarifications and guidelines in order to remove any difficulties in the application or interpretation of these regulations.

[ADVT-III/4/Exty./203/49/15]

HEMANT G. CONTRACTOR, Chairperson



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असाधारण

EXTRAORDINARY

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PART III—Section 4

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली 8 मई, 2015

फाइल संख्या पीएफआरडीए/17/आरईएस/25.—पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 45 की उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए और पेंशन निधि विनियामक और विकास प्राधिकरण (पेंशन सलाहकार समिति की बैठकें) विनियम, 2015 के खंड 6 के उप-खंड 4 की शर्तों के अनुरूप प्राधिकरण, एतद्वारा फाइल संख्या पीएफआरडीए/17/आरईएस/25, दिनांक 19 सितम्बर 2014 के माध्यम से पूर्व में गठित पेंशन सलाहकार समिति को इस अधिसूचना के लागू होने की तिथि से पुनर्गठित करता है। पुनर्गठित सलाहकार समिति इस प्रकार होगी :-

1. सुश्री आशु सुयश, निदेशक, द एसोसिएशन ऑफ म्यूचुल फंड्स इन इंडिया
2. श्री डी. वी. एस. एस. वी. प्रसाद, मुख्य कार्यकारी अधिकारी, फिक्सड इन्कम मनी मार्किट एण्ड डेरावेटिक्स एसोसिएशन ऑफ इंडिया
3. श्री जी. एन. बाजपेयी, अध्यक्ष, राष्ट्रीय पेंशन प्रणाली न्यास
4. श्री गगन राय, प्रबंध निदेशक और मुख्य कार्यकारी अधिकारी, एनएसडीएल ई-गवर्नेंस इंफ्रास्ट्रक्चर लि.
5. डॉ. एल.एच. मंजूनाथ, कार्यकारी निदेशक, श्री क्षेत्र धर्मस्थल ग्रामीण विकास परियोजना
6. श्री कुलीन पटेल, वरिष्ठ बीमांकक एवं निदेशक — क्लाइंट अकाउंट मैनेजमेंट टॉवर बॉटसन, गुडगाव
7. सुश्री मेघना बाजी, मुख्य कार्यकारी अधिकारी, आईसीआईसीआई पुडेन्शियल पेंशन फंड्स मैनेजमेंट कम्पनी लि.
8. श्री एम. वी. टंकसाले, मुख्य कार्यकारी, भारतीय बैंक संघ
9. श्री पी. के. चौधरी, अध्यक्ष एवं समूह कार्यकारी अधिकारी, आईसीआरए लि.

10. श्री आर. श्रीधरन, प्रबंध निदेशक, द क्लियरिंग कॉरपोरेशन ऑफ इंडिया लि.
 11. श्री राघवेन्द्र लाल दास, मुख्य महाप्रबंधक—प्रभार, मानव संसाधन प्रबंधन विभाग, भारतीय रिजर्व बैंक
 12. श्री शैलेन्द्र कुमार, प्रबंध निदेशक एवं मुख्य कार्यकारी अधिकारी, एसबीआई पेंशन फंड प्राइवेट लि.
 13. श्री सुमंत्र गुहा, अध्यक्ष, बैंकिंग, बीमा और पेंशन समिति—इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
 14. सुश्री त्रिशलजीत सेठी, उप महानिदेशक (स्थापना), डाक निदेशालय
 15. मुख्य सचिव, वित्त, राजस्थान सरकार
- प्राधिकरण का अध्यक्ष, पेंशन सलाहकार समिति का पदेन अध्यक्ष और प्राधिकरण के सदस्य समिति के पदेन सदस्य होंगे।

हेमंत जी. कांद्रेक्टर, अध्यक्ष
[विज्ञापन—III/4/असा./203/48/15]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 8th May, 2015

F. No. PFRDA/17/RES/25.—In exercise of the powers conferred by sub-section (1) of Section 45 of the Pension Fund Regulatory and Development Authority Act, 2013 (Act 23 of 2013), and in terms of the sub-regulation 4 of the regulation 6 of Pension Fund Regulatory and Development Authority (Pension Advisory Committee Meetings) Regulations, 2015, the Authority hereby reconstitutes the Pension Advisory Committee constituted earlier vide F. No. PFRDA/17/RES/25 dated 19th September, 2014 with effect from the date of this notification. The reconstituted Pension Advisory Committee is as under;

1. Ms. Ashu Suyash, Director, The Association of Mutual Funds in India
2. Mr. D.V.S.S.V. Prasad, Chief Executive Officer, Fixed Income Money Market and Derivatives Association of India
3. Mr. G. N. Bajpai, Chairman, National Pension System Trust
4. Mr. Gagan Rai, Managing Director & CEO, NSDL e-Governance Infrastructure Limited
5. Dr. L. H. Manjunath, Executive Director, Shree Kshethra Dharmasthala Rural Development Project
6. Mr. Kulin Patel, Senior Actuary and Director – Client Account Management, Towers Watson, Gurgaon
7. Ms. Meghana Baji, Chief Executive Officer, ICICI Prudential Pension Funds Management Co. Ltd.
8. Mr. M. V. Tanksale, Chief Executive, Indian Banks' Association
9. Mr. P. K. Choudhury, Chairman & Group CEO, ICRA Limited
10. Mr. R. Sridharan, Managing Director, The Clearing Corporation of India Ltd

11. Mr. Raghavendra Lal Das, Chief General Manager-in-Charge, Human Resource Management Department, Reserve Bank of India
12. Mr. Shailendra Kumar, Managing Director & CEO, SBI Pension Funds Pvt. Ltd
13. Mr. Sumantra Guha, Chairman of the Committee of Banking, Insurance and Pension of the Institute of Chartered Accountants of India.
14. Ms. Trishaljit Sethi, Deputy Director General (Establishment), Postal Directorate
15. Principal Secretary, Finance, Government of Rajasthan

The Chairperson and the members of the Authority shall be the ex-officio Chairperson and ex-officio members of the Pension Advisory Committee.

HEMANT G. CONTRACTOR, Chairperson

[ADVT-III/4/Exty./203/48/15]



भारत का राजपत्र The Gazette of India

असाधारण

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पेंशन निधि विनियामक और विकास प्राधिकरण

अधिसूचना

नई दिल्ली, 14 मई, 2015

पेंशन निधि विनियामक और विकास प्राधिकरण (पेंशन निधि) विनियम 2015

सं. पीएफआरडीए/12/आरजीएल/139/9.- पेंशन निधि विनियामक एवं विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की उप-धारा (2) की धाराओं (ः.ड.) (ड), (ढ), (ण) और (त) के साथ पठनीय धारा 52 की उप-धारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, पेंशन निधि विनियामक और विकास प्राधिकरण एतद्वारा निम्नलिखित विनियम बनाता है, नामतः -

अध्याय - 1

प्रारम्भिक

1. संक्षिप्त शीर्षक तथा प्रारम्भ—(1) इन विनियमों का नाम पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम (पेंशन निधि) विनियम, 2015 है।

इन विनियमों का उद्देश्य पेंशन निधियों की निगरानी, पर्यवेक्षण और अन्तः नियंत्रण के लिए ढांचे का मानकीकरण करना है ताकि अमिदाताओं को सुरक्षा प्रदान करने और उचित जोखिम प्रबंधन के उद्देश्य से अंतः नियंत्रण और परिचालन के उच्च मानक स्थापित किये जा सकें।

(2) ये शासकीय राजपत्र में प्रकाशित होने की तारीख से प्रभावी होंगे।

2. परिभाषाएं—(1) इन विनियमों में, जब तक अन्यथा अपेक्षित न हो -

क. "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है।

ख. कारोबारी दिन : से सभी दिन अभिप्रेत हैं सिवाय साप्ताहिक अवकाशों (शनिवार तथा रविवार) और वे अन्य दिन जब न्यासी बैंक की नियत शाखा परक्राम्य लिखत अधिनियम 1881 (1881 का 26) के तहत या वह दिन जब मुख्य स्टॉक एक्सचेंज और ऋण बाजार जो स्कीम के तहत प्रतिभूतियों का मूल्यांकन करते हैं, कारोबार के लिये बंद रहते हैं।

ग. "अनुपालन अधिकारी" से पेंशन निधि से उत्तरदायी ऐसा व्यक्ति अभिप्रेत है, जिसे उस रूप में पदाभिहित और अधिनियम या उसके अधीन प्राधिकरण द्वारा बनाए गए नियमों या विनियमों के उपबंधों या जारी की गई अधिसूचनाओं, परिपत्रों या अनुदेशों का पेंशन निधि द्वारा अनुपालन किये जाने को मॉनीटर करने का उत्तरदायित्व सौंपा गया है।

घ. "वित्त वर्ष" का आशय वर्ष के अप्रैल के प्रथम दिन से अगले वर्ष के 31 मार्च तक की अवधि अभिप्रेत है।

ड. "राष्ट्रीय पेंशन प्रणाली न्यास" से न्यासी बोर्ड अभिप्रेत है जो अगिदाताओं की आस्तियों को उनके लामार्थ धारित करते हैं।

च. "प्रधान अधिकारी" से ऐसा कोई व्यक्ति अभिप्रेत है जो पेंशन निधि के कार्यकलापों के लिए उत्तरदायी हो तथा शामिल हैं—

(i) कोई पूर्णकालिक निदेशक, कार्यपालक निदेशक, प्रबंध निदेशक या मुख्य कार्यपालक अधिकारी या मुख्य वित्तीय अधिकारी, कारपोरेट निकाय के मामले में,

(ii) निदेशक मंडल द्वारा प्रधान अधिकारी के रूप में नामित कोई व्यक्ति, और

(iii) कोई प्रमुख प्रबंधकीय व्यक्ति या जिसके निर्देशों या अनुदेशों के अनुसार कोई व्यक्ति, निदेशक मंडल या कोई एक या अधिक निदेशक हों या उसके अनुरूप कार्य करने के अभ्यस्त हों।

छ. "मूर्त निलय मूल्य" में चुकता पूंजी तथा मुक्त रिजर्व व शेयर प्रीमियम सहित, शामिल होगा किन्तु पुनर्मूल्यांकन रिजर्व के अतिरिक्त, और निवेश उतार-चढ़ाव तथा लाम व हानि लेखा में जमा शेष, लाम व हानि लेखा में नामे शेष को निकाल कर, संचित हानियां व अमूर्त आस्तियां शामिल होंगी।

(2) प्रयुक्त शब्दों और वाक्यांशों जो इन नियमों में प्रयुक्त हैं और परिभाषित नहीं हैं, किंतु अधिनियम में परिभाषित किया गया है, अधिनियम में उनके निर्धारित अर्थ मान्य होंगे।

अध्याय-2

पेंशन निधि का पंजीकरण

3. पंजीकरण का प्रमाण पत्र—(1) प्राधिकरण द्वारा विनियमित पेंशन स्कीमों की परिसम्पत्तियों का प्रबंधन करने के लिए प्राधिकरण पेंशन निधियों का पंजीयन करेगा और पंजीकरण (अनुसूची 1 के तहत निर्दिष्ट प्रारूप में) प्रमाण पत्र प्रदान करेगा।

(2) बहु पेंशन निधियों का विकल्प उपलब्ध होगा।

(3) पेंशन निधियों की संख्या का निर्धारण प्राधिकरण द्वारा किया जाएगा, जो सार्वजनिक हित में पेंशन निधियों की संख्या में बदलाव कर सकता है। परन्तु यह कि कम से कम एक पेंशन निधि सरकारी कंपनी होगी।

स्पष्टीकरण— इस उप-धारा के प्रयोजनार्थ पद "सरकारी कंपनी" का आशय कंपनी अधिनियम, 1956 (1956 का 1) की धारा 617 में दिए अनुसार होगा।

(4) कोई भी पेंशन निधि अधिनियम की धारा 12 की उप-धारा (1) की धारा (ख) में संदर्भित राष्ट्रीय पेंशन स्कीम या किसी अन्य पेंशन स्कीम से संबंधित कोई गतिविधि शुरू नहीं कर सकेगा, सिवाय अधिनियम के प्रावधानों और उसके तहत निर्मित विनियमों के तहत प्राधिकरण द्वारा प्रदत्त पंजीकरण प्रमाण पत्र की शर्तों के अनुसार और उसके अन्तर्गत।

(5) कोई भी पेंशन निधि, जिसे अंतरिम पेंशन निधि विनियामक और विकास प्राधिकरण द्वारा आरंभ की गई किसी चयन प्रक्रिया के तहत या उस रूप में कार्य करने के लिए नियुक्त किया गया था उस अस्थायी अवधि के लिये प्राधिकरण द्वारा किये गए उल्लेखानुसार उस शुल्क का भुगतान करके, इन विनियमों की अधिसूचना से छह माह की अवधि तक ऐसा करती रहेगी या जब तक विनियम 4 के अन्तर्गत निर्दिष्ट नई चयन प्रक्रिया के तहत पेंशन निधियों का चयन नहीं हो जाता।

4. पंजीकरण के लिए आवेदन और आवेदन शुल्क—(1) प्राधिकरण द्वारा जब कभी पेंशन निधि को पंजीकरण प्रमाण पत्र देने के लिये आवेदन पत्र आमंत्रित किये जाते हैं तो जो निकाय इन विनियमों के तहत पात्रता की शर्तें पूरी करता है और इन पेंशन निधियों के प्रायोजक के रूप में कार्य करने के लिये, आवेदन पत्र अनुसूची-2 के भाग-क में उल्लेखानुसार अप्रतिदेय आवेदन शुल्क के साथ तथा उसके भाग-ख में उस शुल्क की भुगतान विधि के अनुसार, कर सकता है।

(2) प्रायोजकों के बीच, संयुक्त उद्यम भी आवेदन कर सकते हैं बशर्ते वह संयुक्त उद्यम किसी एक ही वित्तीय सेक्टर विनियामक के अधिकार क्षेत्र में आता हो या बाद में आएगा। संयुक्त उद्यम कम से कम संस्था के बाह्य ज्ञापन निष्पादन करने के चरण में हों और संयुक्त उद्यम को प्रायोजक की नियुक्ति की तारीख से एक माह में पूरा कर लेना चाहिए।

(3) प्राधिकरण कुछ ऐसे अतिरिक्त नियम एवं शर्तें भी उपलब्ध करा सकता है जिन्हें चयन प्रक्रिया में आवश्यक समझा जाए और प्रायोजकों को उन नियमों एवं शर्तों को पूरा करना होगा।

5. अपेक्षाओं के अनुरूप आवेदन—(1) किसी भी आवेदन को विनियम 4 के तहत, साथ-साथ निम्नलिखित आधार पर अस्वीकृत किया जा सकेगा :

क. जो सभी प्रकार से पूर्ण नहीं है और जिसमें प्राधिकरण द्वारा यथा अपेक्षित अतिरिक्त जानकारी नहीं है,

41. राष्ट्रीय पेंशन प्रणाली न्यास या प्राधिकरण सूचना, पत्राचार और दस्तावेजों, तथ्यों, आंकड़ों तथा पेंशन निधि द्वारा उपलब्ध देयों, का प्रयोग अपने किसी प्रयोजन के लिये, जिसे यह उपयुक्त समझे, कर सकता है। अभिदाताओं को कोई भी संबंधित सूचना विशेष कर एनएवी मूल्य और स्कीमों के तहत पोर्टफोलियो की संरचना के बारे में सूचित करने पर पेंशन निधि पर इस धारा से कोई रोक नहीं लगेगी।

42. गोपनीयता- पेंशन निधि समय-समय पर लागू सभी गोपनीयता कानूनों या आंकड़ा संरक्षण कानूनों तथा भारत सरकार द्वारा जारी प्राइवैसी संहिता एवं अन्य दिशानिर्देशों का अनुपालन करना करेगा और उन कानूनों, संहिताओं या दिशानिर्देशों के या संबंधित किसी शिकायत के निपटान के लिए सहयोग करेगा।

43. सुरक्षा- पेंशन निधि के पास उसके नियंत्रण में रखी सूचना को किसी अनधिकृत पहुंच से हिफाजत करने के लिये अपनी उपयुक्त सुरक्षा नीति और मानक होने चाहिए और वह सुनिश्चित करेगी कि उसके अधिकारी या पर्यवेक्षण प्रतिनिधि उन नीतियों और मानकों का अनुपालन करें।

44. इस विनियम के तहत राष्ट्रीय पेंशन प्रणाली न्यास या प्राधिकरण को प्राप्त किसी अधिकार का प्रयोग नहीं करने पर उसे प्राधिकरण या राष्ट्रीय पेंशन प्रणाली न्यास द्वारा उसका अधित्याग नहीं माना जाएगा और पेंशन निधि इस करार की गैर-निष्पादकता या उल्लंघन के लिये राष्ट्रीय पेंशन प्रणाली न्यास के प्रति उत्तरदायी होगी।

45. उचित अनुदेश

राष्ट्रीय पेंशन प्रणाली न्यास उन सभी व्यक्तियों के नाम और हस्ताक्षर तथा प्राधिकार क्षेत्र पेंशन निधि को सत्यापित करेगी जो राष्ट्रीय पेंशन प्रणाली न्यास की ओर से उचित अनुदेश या कोई अन्य नोटिस देने, अनुरोध, निदेश, अनुदेश, प्रमाण पत्र या लिखत देने के लिये प्राधिकृत हैं। उस प्रमाण पत्र को पेंशन निधि द्वारा स्वीकार और यह विश्वास किया जा सकता है कि उसमें लिखित तथ्यों का साक्ष्य सही है और उन्हें तब तक पूरी तरह लागू और प्रभावी माना जाएगा जब तक कि उनके प्रतिकूल कोई वैसा प्रमाण पत्र न मिल जाए।

46. पेंशन निधि उन सभी व्यक्तियों के नाम और हस्ताक्षर तथा प्राधिकार क्षेत्र राष्ट्रीय पेंशन प्रणाली न्यास को सत्यापित करेगी जो पेंशन निधि की ओर से उचित अनुदेश या कोई अन्य नोटिस, अनुरोध, निदेश, अनुदेश, प्रमाण पत्र या लिखत प्राप्त करने के लिये प्राधिकृत हैं। उन प्राधिकृत व्यक्तियों को दिये गये नोटिस, अनुरोध, निदेश, अनुदेश, प्रमाण पत्र या लिखतों को पेंशन निधि को दिया गया प्रभावी माना जाएगा।

47. राष्ट्रीय पेंशन प्रणाली न्यास और पेंशन निधि एक दूसरे को नोटिस अथवा कार्य देकर अपने संबंधित प्राधिकृत व्यक्तियों को परिवर्तित कर सकते हैं।

48. पेंशन निधियां प्रतिभूति अपील न्यायाधिकरण, नई दिल्ली के एकमात्र अधिकार क्षेत्र के अन्तर्गत आती हैं।

49. अनन्यता - समझौते के अंतर्गत पेंशन निधि के प्रमुख कार्मिक केवल पेंशन निधि कंपनी और स्कीमों में ही कार्य करेंगे उनके प्रबंधाधीन हैं। प्रमुख कार्मिकों में कोई भी परिवर्तन को क्षेत्र राष्ट्रीय पेंशन प्रणाली न्यास या प्राधिकरण को सूचित किया जाएगा। प्रमुख व्यक्तियों में परिवर्तन जिनमें शामिल हैं - मुख्य कार्यपालक अधिकारी, सीईओ एवं मुख्य निवेश अधिकारी, मुख्य निवेश अधिकारी/निधि प्रबंधक, अनुपालन अधिकारी और परिचालन अधिकारी शामिल हैं इसकी सूचना ऐसा परिवर्तन होने के 15 दिन के अपश्चात दी जाएगी।

50. जब पेंशन निधि या उसका कोई नामिती, अधिकारी, नौकर अपने किसी कार्य/गलती से अधिनियम, विनियमों या दिशानिर्देशों का उल्लंघन करता है या पूरी सावधानी और कर्मठता से अपनी झूटी नहीं करता है या करार के तहत दिये किसी प्रतिवेदन, वारंटी या हलफनामे की अनदेखी करता है, जिससे निधि को प्रत्यक्ष या परोक्ष रूप से कोई हानि होती है तो इस करार के तहत सौंपे किसी दायित्व के अतिरिक्त, पेंशन निधि अधिनियम और विनियमों के प्रावधानों के अनुसार उत्तरदायी होगी।

51. स्वामित्व और बौद्धिक सम्पत्ति अधिकार- सभी अभिलेख, डाटा, सांख्यिकीय विवरणियां और सूचना, चाहे वह इलैक्ट्रॉनिक रूप, या फिजीकल रूप या किसी अन्य रूप में हो, प्राप्त/संकलित किया हो और/या पेंशन निधि द्वारा रखना अपेक्षित हो और जो पेंशन निधि द्वारा प्रबंधाधीन स्कीमों से संबंधित हों, के स्वामित्व से संबंधित अधिकार, बौद्धिक सम्पत्ति अधिकार और सभी अन्य अधिकार प्राधिकरण को प्राप्त हैं। प्राधिकरण के अतिरिक्त किसी भी व्यक्ति का पेंशन निधि के नियंत्रण में रखे किन्हीं भी आंकड़ों या सूचना पर स्वामित्व अधिकार या कोई अन्य अधिकार नहीं होगा। पेंशन निधि प्राधिकरण की पूर्व अनुमति के बिना, वे आंकड़े या सूचना साक्ष्य के लिये या किसी अन्य प्रयोजन के लिये, सिवाय जो कानून के तहत यथा अपेक्षित हो, प्रस्तुत नहीं करेगी/देगी। उन अभिलेखों/आंकड़ों/सूचना की पूर्ण गोपनीयता बनाये रखने और प्राधिकरण द्वारा मांग किये जाने पर उन्हें प्रस्तुत करना पेंशन निधि का उत्तरदायित्व और कर्तव्य होगा।

हेमंत जी. काट्रेक्टर, अध्यक्ष

[विज्ञापन-III/4/असा./203/15 (52)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

New Delhi, the 14th May, 2015

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (PENSION FUND)
REGULATIONS, 2015

No. PFRDA/12/RGL/139/9.—In exercise of the powers conferred by sub-section (1) of section 52 read with clauses (e) (m), (n), (o) and (p) of sub-Section (2) thereof of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Pension Fund Regulatory and Development Authority hereby makes the following regulations, namely:—

CHAPTER I

PRELIMINARY

1. **Short title and commencement.**— (1) These regulations may be called the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015.

The Objective of the Regulations to standardize the framework for monitoring, supervision and internal control for Pension Funds to enable them to establish high standards for internal control and operational conduct, with the aim of protecting the subscribers and ensuring proper management of risk.

- (2) They shall come into force on the date of their publication in the Official Gazette.

2. **Definitions.**— (1) In these regulations, unless the context otherwise requires,—

- (a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
- (b) Business Day: means all days excluding weekly holidays (Saturday and Sunday) and such other days on which the designated Branch of the Trustee Bank is closed under the Negotiable Instruments Act, 1881 (26 of 1881) or a day on which the principal stock exchange as well as the debt market with reference to which the valuation of securities under the scheme is done is closed for business.
- (c) “compliance officer” means a person of responsibility from the pension fund; designated as such and charged with the responsibility of monitoring compliance by it of the provisions of the Act or the rules or the regulations made or notifications, guidelines, circulars or instructions issued by the Authority thereunder;
- (d) “financial year” means the period from the 1st day of April of a year to the 31st day of March of the following year;
- (e) “National Pension System Trust” means the Board of Trustees who hold the assets of subscribers for their benefit;
- (f) “principal officer” means any person who is responsible for the activities of a pension fund and includes,—
 - (i) any whole-time director, executive director, managing director or Chief Executive Officer or Chief Financial Officer, in the case of a body corporate;
 - (ii) any person designated as a principal officer by the board of directors; and
 - (iii) any key managerial personnel or any person in accordance with whose directions or instructions the board of directors or any one or more of the directors is or are accustomed to act as such;
- (g) “tangible net worth” would comprise of paid-up capital plus free reserves including share premium but excluding revaluation reserves, plus investment fluctuation reserve and credit balance in profit & loss account, less debit balance in profit and loss account, accumulated losses and intangible assets.

- (2) Words and expressions used and not defined in these regulations but defined in the Act shall have the meanings respectively assigned to them in the Act.

CHAPTER II

REGISTRATION OF PENSION FUND

3. **Certificate of registration.**— (1) The Authority shall register and grant a certificate of registration to pension funds [in the format specified under *Schedule I*] for managing the assets of the pension schemes regulated by the Authority.

- (2) There shall be a choice of multiple pension funds.

- (3) The number of pension funds shall be determined by the Authority, which, may in public interest, vary the number of pension funds from time to time:

Provided that at least one of the pension funds shall be a Government company.

Explanation.—for the purposes of this sub-section, the expression "Government company" shall have the meaning assigned to it under section 617 of the Companies Act, 1956 (1 of 1956).

(4) No pension fund shall commence any activity relating to a National Pension System or any other pension scheme referred to in clause (b) of sub-section (1) of section 12 of the Act, except under and in accordance with the conditions of the certificate of registration granted by the Authority in conformity with the provisions of the Act and the regulations made thereunder.

(5) Any pension fund, which has been appointed to act as such by or under any selection process initiated by interim Pension Fund Regulatory and Development Authority, subject to payment of such fee as may be specified by the Authority for transitory period, continue to do so for a period of six months from the notification of these regulations or, until the selection of the pension funds under a fresh selection process specified under regulation 4.

4. **Application for registration and application fee.**— (1) As and when applications are invited by the Authority for grant of certificate of registration to a pension fund, an entity which fulfills the eligibility conditions, under these regulations and the selection process, to act as a sponsor of such pension funds may make an application, accompanied by a non-refundable application fee as specified in Part A of the Schedule II and the manner of payment of such fee specified in Part B thereof.

(2) The joint ventures between the sponsors, may also apply provided the joint venture falls or will fall under the jurisdiction of one of the financial sector regulators. The joint venture shall at least be at the memorandum of understanding execution stage and the joint venture should be finalized within one month from the date of appointment of sponsor.

(3) The Authority may also provide for such additional terms and conditions, which may be deemed necessary, in the selection process and the sponsors shall satisfy such additional terms and conditions.

5. **Application to conform to requirements.**— (1) Any application under regulation 4 shall be liable to be rejected, *inter alia* on the following grounds :-

- (a) is not complete in all respects and does not contain such information as required by the Authority;
- (b) does not conform to the relevant requirements specified in the Act or the regulations;
- (c) does not contain such additional information as required by the Authority;
- (d) is incorrect, false or misleading in nature;
- (e) the applicant is not in compliance with the minimum eligibility requirements as set out under these regulations and the selection process on the date of the application;
- (f) in the opinion of the Authority is not in the interest of public or subscribers or the orderly development of pension sector or National Pension System or any other pension scheme regulated by the Authority.

(2) Before rejecting an application on the grounds referred to in sub-regulation (1), the Authority may give an opportunity to the applicant to make good the deficiencies within the time specified by the Authority, for the purpose:

Provided that where an application is rejected for the reason that it contains false or misleading information, no such opportunity shall be given and the applicant shall not make any application for grant of certificate of registration, under these regulations or any other regulations under the Act, for a period of at least one year from the date of such rejection.

6. **Furnishing of information or clarification and disclosure of information.**— (1) The Authority may require the applicant to furnish any further information or clarification, for the purpose of disposal of the application, and, thereafter, in regard to any matter as may be deemed necessary by the Authority.

(2) The applicant shall furnish such information and clarification to the satisfaction of the Authority within the time specified in this regard by the Authority including by way of making a presentation to the Authority.

(3) The Authority, having regard to the interest of the subscribers may make disclosure to the public, the information on the application made by the applicant by placing such information on a website as specified by the Authority, including a website maintained by the applicant.

(4) Any material change in the information furnished or placed on the website pursuant to these regulations shall be intimated to the Authority by the applicant promptly but not later than fifteen days of the occurrence of such change.

7. **Verification of information.**— (1) While considering the application for certificate of registration, based on the information furnished by the applicant and its eligibility, the Authority may, if it so desires, verify the information in any

manner it deems necessary, which may include physical verification of documents, office space, and inspect the availability of office space, infrastructure, and technological support which the applicant is required to have.

(2) For the purpose of verification of information, the Authority may appoint any person including any of its officers or an external auditor.

8. Eligibility criteria.— (1) Any applicant satisfying the following minimum eligibility criteria may submit its application to act as a sponsor of a pension fund:-

- (a) the sponsor of a pension fund shall have at least five years' experience of fund management (equity as well as debt market);
- (b) the sponsor of a pension fund shall be an entity engaged in financial business activity, and regulated by any of the financial sector regulators in the country including the Reserve Bank of India, the Securities and Exchange Board of India, Insurance Regulatory and Development Authority and the Authority;
- (c) the sponsors, individually or jointly, shall have a positive tangible net worth of at least twenty-five crore rupees on the last day of each of the preceding five financial years;
- (d) the sponsor shall have profits after tax in at least three of the preceding five financial years and further that there shall be no cash loss in the last preceding five years;
- (e) the sponsor shall be required to incorporate the pension fund as a separate limited company under the Companies Act, 2013 and it shall have the capacity to induct capital so that the pension fund shall have a minimum positive tangible net worth of twenty-five crore rupees or such other higher amount as stipulated by the Authority in the selection process.
- (f) the aggregate holding of equity shares by a foreign company either by itself or through its subsidiary companies or its nominees or by an individual or by an association of persons whether registered or not under any law of a country outside India taken in aggregate in the pension fund shall not exceed twenty-six per cent of the paid-up capital of such fund or such percentage as may be approved for an Indian Insurance Company under the provisions of the Insurance Act, 1938 (4 of 1938), whichever is higher;
- (g) the sponsor shall ensure that the pension fund shall have the ability to provide minimum assured return scheme through market based mechanism which may include guarantee to be purchased by the subscriber;
- (h) the sponsor has contributed or contributes at least twenty per cent to the tangible net worth of the pension fund. An entity, which contributes twenty per cent or more of the paid up capital of the pension fund, shall be required to fulfill eligibility criteria for a sponsor specified in these regulations;
- (i) the sponsor of a pension fund or the pension fund itself shall not hold any equity stake in any other pension fund regulated by the Authority;
- (j) the sponsor of a pension fund or the pension fund shall at no time either directly or indirectly hold more than twenty-six per cent of the equity stake in central recordkeeping agency or custodian or the Trustee Bank;

(2) Every applicant shall mandatorily meet the minimum eligibility criteria as specified in sub-regulation (1).

(3) For the purpose of the grant of a certificate of registration, the Authority shall take into account any or all matters which are relevant to the activities of sponsor or pension fund as also all matters which it deems relevant to the pension sector and the National Pension System or any other pension scheme regulated by the Authority, including but not limited to the following:-

- (a) the sponsor shall be required to provide the pension fund with adequate and necessary infrastructure, dedicated manpower, systems and procedures, information technology and information security systems with capabilities to adapt to future changes or any other requirement as may be specified by the Authority;
- (b) at least fifty percent of the directors of the pension fund shall have adequate professional experience in finance and financial services related field;
- (c) the pension fund shall ensure that the key personnel viz. the Chief Executive Officer, Chief Investment Officer, Fund Manager, Operations Manager, compliance officer or other positions, as may be notified by the Authority, from time to time have the adequate professional experience in the requisite field;
- (d) the board of directors of such pension fund has at least fifty per cent independent directors;
- (e) the sponsor and pension fund is a 'fit and proper person' as specified in Schedule II;
- (f) the principal officer of the pension fund or sponsors have not been found guilty of moral turpitude or convicted of economic offence or violation of securities laws or any adverse order has been passed by any of the other financial sector regulators or court of law or tribunal;

- (g) whether the sponsor or any of its associates have in the past been refused certificate of registration by any of the financial sector regulators in India including, the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority and the Pension Fund Regulatory and Development Authority and if so, the ground for such refusal;
- (h) whether the sponsor or any of its principal officers have in the past five years been convicted or imposed with penalties by any of the financial regulators [referred to in clause (g)] or by a court of law or tribunal, on the matters concerning violation of regulations, directions, guidelines and circulars of the regulator;
- (i) grant of certificate of registration is in the interest of the subscribers;
- (j) any other criteria as may be specified by the Authority while inviting applications for registration.

(4) If any entity does not fulfill one or more of the criteria specified in sub-regulation (3), it may seek an exemption from the Authority, by making an application citing reasons therefor.

(5) Nothing in these regulations, shall, confer the applicant any right to be granted any exemption sought for.

(6) The Authority may in public interest and for reasons to be recorded in writing, grant such exemption. The Authority may in such circumstances impose such additional conditions as it may deem fit for grant of certificate of registration.

(7) The decision of the Authority, as to whether any applicant satisfies the eligibility criteria shall be final;

(8) Mere submission of the application or satisfaction of eligibility criteria shall not confer the applicant any vested right to seek a certificate of registration for the pension fund.

9. Procedure for grant of certificate of registration and registration fee.— (1) The applications received in response to the Authority's invitation under the selection process for registration of the pension fund will be evaluated in accordance with the criteria specified in these regulations and the selection process, at the time of inviting such applications.

(2) The best value proposal shall be given an offer to accept the investment management fees as determined under regulation 20.

(3) After receiving the acceptance of offer given under sub-regulation (2), the Authority may, subject to such terms and conditions as it may specify, permit the Applicant to set up a pension fund and on receipt of the non-refundable registration fee as specified in Part A of Schedule III in the manner specified in Part B (explanations) thereof, may grant a certificate of registration to the pension fund in the format as specified in Schedule I.

10. Documentation with intermediaries. - (1) before commencement of operations, the pension fund shall *interalia* execute the following agreements:-

- (a) Investment Management Agreement with the National Pension System Trust as specified in Schedule XI;
- (b) Non-disclosure agreement with the National Pension System Trust;
- (c) agreements with other intermediaries under the National Pension System as may be specified by the Authority like the central recordkeeping agency, Trustee Bank (under Schedule VIII) and custodian (under Schedule IX) or any other intermediary as specified therein;
- (d) Any other agreement as may be specified by the Authority.

(2) In case of any divergence between the intermediaries on the interpretation of the agreements, the same shall be forwarded for such determination by the Authority, whose decision shall be final.

(3) The pension fund shall obtain necessary approvals from other sectoral regulators under applicable Acts or laws and shall comply with the documentation requirements of the other intermediaries with regard to opening of accounts, authorizing signatories, obtaining digital signatures, providing connectivity, software installation and other like matters so that it suffers no disability under law or otherwise to act as pension fund.

11. Commencement of business. - (1) Upon completion of documentation by the pension fund and other related formalities for undertaking its operations for which it has been granted certificate of registration, the pension fund shall seek issuance of "certificate for commencement of business" from the Authority.

(2) At the time of seeking the certificate of commencement of business, the sponsor or pension fund shall represent and warrant that it has the necessary approvals and permission to act as pension fund and suffers from no disability in law or otherwise to act as such.

(3) The Authority upon being satisfied that the pension fund is fully equipped to commence its operations for managing the scheme assets, may issue "certificate for commencement of business" to the pension fund in the format specified in Schedule IV pursuant to which the pension fund can operationalize the business.

(4) A pension fund granted a certificate of registration shall commence its operations within a period of six months from the date of registration. Any extension in the time limit for such operationalizing shall be permitted by the Authority for a maximum period of six months for reasons to be recorded in writing.

12. Terms and conditions of registration. — The certificate of registration granted to the pension fund shall be subject to the following conditions, namely:—

(a) the sponsor and pension fund shall fulfill and comply at all times the eligibility requirements as specified under the Act, the rules and these regulations and all representations, warranties, information, disclosures, reports, documents or statements relating to the registration as pension fund are true, complete, accurate and correct in all respects and do not contain any untrue or misleading statement of any material fact or do not omit to state any material fact. The sponsor or pension fund shall inform the Authority of any material change in the information or particulars previously furnished, which have a bearing on its certificate of registration;

(b) the sponsor and pension fund have taken all necessary actions and steps to accept the registration as pension fund for managing the pension schemes regulated by the Authority and bind themselves for the due performance of their obligations;

(c) The pension fund shall maintain tangible net worth of Rs. 25 crores or higher as specified by the Authority from time to time.

(d) the sponsor and pension fund shall ensure that the pension schemes are not operated, managed nor the portfolio of securities selected, in the interest of sponsor, the directors of the pension fund or associated persons or to benefit a special class of subscribers and shall avoid conflict of interest in managing the affairs of the pension schemes and keep the interest of subscribers paramount in all matters; the pension fund shall take adequate steps and exercise prudence and due diligence to ensure that the interest of subscribers is not being compromised in any manner;

(e) the pension fund executes such agreements with the parties as directed by the Authority or as specified under these regulations and shall comply with the terms of the agreements so executed;

(f) the pension fund shall maintain confidentiality with respect to all transactions, records, data and information received while discharging its obligations and shall not, without the prior permission of Authority, produce or share such data or information as evidence or for any other purpose except as required under the process of law or as directed by the Authority or the National Pension System Trust;

(g) the sponsor and pension fund shall comply with the provisions of the Act, the rules and the regulation or guidelines, directions/ notifications or circulars issued by the Authority at all times including during the period of suspension of the certificate of registration as also during the transitory phase of transfer of assets or documents till completion of all actions as specified under regulation 34;

(h) the pension fund shall ensure the dissemination to Authority, National Pension System Trust, subscriber and intermediaries of adequate, accurate, explicit and timely information presented in a fairly simple language about the investment policies, investment objectives, financial position and general affairs of the pension schemes they are managing. The pension fund shall communicate requisite information to the subscribers including as specified in Schedule V in the format and periodicity as may be required by the Authority from time to time;

(i) the sponsor shall periodically review the desirability or continuance of the pension fund. If substantial irregularities are observed in any of the pension schemes, sponsor shall immediately report to the Authority of any special developments in the pension fund;

(j) In case of any major change in management or ownership or shareholding pattern or any change in controlling interest of sponsor of the pension fund, prior approval shall be obtained from the Authority. Any change in the key personnel shall be intimated to the Authority within fifteen days of the occurrence of change;

(k) the sponsor and pension fund shall comply with the 'code of conduct' notified by the Authority from time to time and specified in Schedule VI;

(l) The pension fund shall not delegate any core function to any third party. Delegation of any other function shall be done only with the prior approval of the Authority.

(m) the pension fund shall not engage in any other business activity except those relating to pension schemes or funds regulated by the Authority.

13. Annual Fee. — Every pension fund shall deposit with the Authority before the 15th of April each year or within 15 days of grant of certificate of registration an annual fee as specified in Schedule III or as amended by the Authority from time to time.

CHAPTER III

SCHEMES, VALUATION, ACCOUNTING, INCOME RECOGNITION

14. Schemes and investment guidelines .- (1) The pension fund shall manage schemes as notified by the Authority on such terms and conditions and in accordance with such norms of management of corpus of pension fund, including investment guidelines as approved by the Authority from time to time.

(2) No pension fund shall, directly or indirectly invest outside India, the funds of subscribers.

(3) There shall not be any implicit or explicit assurance of benefits except under market based guarantees mechanism to be purchased by the subscriber.

(4) The subscriber, seeking minimum assured returns, shall have an option to invest his funds in such schemes providing minimum assured returns as may be notified by the Authority;

(5) The pension fund shall provide the subscriber an option of investing upto one hundred per cent of his funds in the Government securities.

15. Valuation of scheme assets.-The securities held in the name of National Pension System Trust and managed by the pension funds under the pension schemes regulated by the Authority shall be valued in accordance with the guidelines issued by the Authority from time to time.

16. Non-performing assets, recognition, classification and provisioning.-(1) In respect of non-performing assets, income recognition, classification and provisioning should be in compliance with the guidelines issued by the Authority from time to time.

(2) The National Pension System Trust shall monitor the trends and identify slippages of performing assets and income recognition, classification, provisioning and recovery of non-performing assets under report to the Authority.

17. Books of accounts and records .- (1) The pension fund shall maintain books and records about the operation of pension schemes to ensure compliance with the provisions of the Income-tax Act, the Companies Act under any other Act in force and in such manner as may be required or called for by the Authority .

(2) Every pension fund shall keep and maintain proper books of accounts, records and documents, for each scheme so as to give a true and fair view of the state of affairs of the scheme and shall intimate to the Authority and National Pension System Trust the place where such books of account, records and documents are maintained, if not maintained at the registered office of the pension fund. Pension fund is solely responsible for the maintenance and correctness of books of accounts, records and documents.

(3) The pension fund shall follow the accounting policies as may be specified by the Authority from time to time.

18. Net asset value for schemes. - (1) The initial price of each unit for every scheme shall be ten rupees.

(2) The pension fund shall compute the net asset value of each scheme by dividing the net assets (to be derived by subtracting allowable charges approved by the Authority from the value of assets) of the scheme by the number of units outstanding on the valuation date of each scheme.

(3) The net asset value of units for each Scheme shall be calculated and declared on each "Business Day".

19. Annual Report and Auditors Report.- (1) A pension fund shall prepare an annual report in respect of each financial year as detailed in Schedule VII so as to provide appropriate details of the scheme-wise disposition of the assets at the relevant accounting date and the performance during that period, together with information regarding distribution and accumulation of income accruing to the subscribers in a true and fair manner, in compliance with these regulations or guidelines issued by the Authority from time to time.

(2) The pension fund shall be required to get the accounts of its schemes audited in the manner specified by the Authority and the audit report shall form a part of the annual report. The auditor shall report to the National Pension System Trust.

(3) Every pension fund shall within sixty days from the date of closure of each financial year forward to the National Pension System Trust a copy of the audited annual report and other information including details of investments and deposits held by it so that its entire scheme-wise portfolio is disclosed to the National Pension System Trust.

(4) The financial statement of the schemes should be approved at a meeting of the board of directors of the pension fund and forwarded to the National Pension System Trust for approval. The Board of Trustees of the National Pension System Trust shall, approve and counter sign the financial statement of the schemes of the pension fund, after it is approved and signed by the board of directors of the pension fund. The financial statement of the Scheme shall be submitted to the Authority within ninety days from the date of closure of each financial year.

- (5) Every balance sheet and revenue account of schemes shall be in conformity with the Accounting Standards as notified under Companies Act, from time to time except AS 3 (Cash Flow Statement) and AS 17 (Segmental Reporting) to the extent applicable to pension schemes and not inconsistent with these regulations.
- (6) The annual report and portfolio details of each scheme shall be prominently placed on the website of the respective pension funds by the pension fund after approval by the National Pension System Trust within ninety days from the date of closure of each financial year.
- (7) The scheme wise annual report or an abridged summary thereof shall be provided by the pension fund to the central recordkeeping agency for onward transmission to subscribers. The report provided in the abridged summary to all subscribers shall carry a note that full annual report shall be available on the website of pension fund and the link of the same, where the full report is placed, shall be specified.
- (8) The annual report shall be available for inspection at the Head Office of the pension fund and a copy thereof shall be made available to any subscriber on payment of such nominal fee of two hundred rupees or such other fee as may be specified by the Authority.
- (9) The pension fund shall within one month from the close of each half year that is 31st March and 30th September of a year, disclose its scheme wise unaudited financial statements along with statement of scheme portfolio on its web site.
- (10) The half-yearly unaudited report referred in sub-regulation (9) shall contain details as specified by the Authority or the National Pension System Trust from time to time and such other details which are necessary for the purpose of providing a true and fair view of the operations of scheme.
- 20. Investment management fee.**—(1) In consideration for the services provided, the pension fund shall be entitled to charge an investment management fee from the subscriber.
- (2) The rate and manner of charging the investment management fee shall be determined in accordance with the procedure as may be laid down by the Authority from time to time and shall be subject to such revision as deemed necessary in subscribers interest and for orderly growth of the pension sector.
- (3) The investment management fee is to be calculated on the assets under management on a daily accrual basis and paid to the pension fund at the end of every quarter of a year.
- (4) The investment management fee is inclusive of brokerage but exclusive of custodian fee and applicable taxes. All other costs shall be borne by the pension fund and shall not be reimbursed or charged to the scheme by the pension fund.
- (5) The pension fund shall load their charges (investment management fees) onto the net asset value on daily basis and the accrued charges (income) will be collected by them at the end of each quarter, from the scheme bank accounts maintained with Trustee Bank after approval of the National Pension System Trust.

CHAPTER IV

GENERAL OBLIGATIONS AND RESPONSIBILITIES OF PENSION FUND

- 21. Code of conduct.**—Every sponsor or pension fund shall abide by the code of conduct as set out in the Schedule VI.
- 22. Duties and functions of pension fund.**—(1) The management of pensions schemes shall be carried in accordance with the objects of the schemes, provisions of the Act, Trust Deed, rules, regulations, guidelines and circulars issued by the Authority from time to time and within the time lines as specified by the Authority or the National Pension System Trust.
- (2) The day-to-day management of the pension funds shall be done by the pension fund on behalf of the National Pension System Trust.
- (3) The pension fund shall, at all times render high standards of service, exercise reasonable care, prudence, professional skill, promptness, diligence and vigilance while discharging its duties in the best interests of the subscribers. The pension funds shall avoid speculative investments or transactions.
- (4) The pension fund shall employ well qualified professionals or staff with high integrity. The pension fund shall be responsible for the acts of commissions or omissions by its employees or authorised persons whose services have been procured and its liability for such acts of commissions or omissions. This liability shall survive despite the cancellation or suspension or withdrawal of certificate of registration or supersession of management by the Authority.
- (5) The pension fund shall facilitate and co-ordinate with other intermediaries and other entities *interalia* through agreements, technological platforms for undertaking its functional obligations;
- (6) The pension fund shall maintain books of accounts, records, registers and documents relating to the operations of the pension schemes to ensure compliance with the regulations, guidelines, circulars issued by the Authority from time to time, and facilitate audit trail of transactions and business continuity at all times.

(7) The pension fund shall submit periodical and compliance reports as required under these regulations, guidelines or circulars, or as may be called for by the Authority, or as required by the National Pension System Trust from time to time.

(8) The pension fund shall undertake public disclosure of information for the benefit of subscribers in the mode and manner as may be specified by the Authority in Schedule V.

(9) The pension fund shall adopt best governance practices for investments and risk management viz. constitution of Investment Committee and Risk Committee, its composition, functions, policy contents and other like matters as specified in Schedule X.

(10) The pension fund shall prevent conflict of interests that may arise while discharging the obligations as a pension fund and reporting of such instances to the National Pension System Trust.

(11) The pension fund shall ensure exclusivity and segregation of pension fund business activities from its sponsors.

(12) The pension fund shall ensure confidentiality with respect to subscribers information and activities relating to the pension fund and protection of all information within its control except as required by the Authority or the National Pension System Trust or provisions of any law.

(13) The pension fund shall provide such representations and warranties as may be necessary for the protection of subscribers' interest on behalf of the National Pension System Trust.

(14) The pension fund shall pay fees, charges, levies and security deposit as may be required by the Authority.

(15) The pension fund shall be subject to review of its operations and performance by the National Pension System Trust.

(16) The pension fund shall be subject to audit of pension schemes by the National Pension System Trust.

(17) The pension fund shall be subject to other audit and inspection by the Authority.

23. Monitoring, review and evaluating systems and controls. - (1) every pension fund shall have adequate mechanisms for reviewing, monitoring and evaluating the controls, systems, procedures and safeguards.

(2) The National Pension System Trust shall be the nodal agency for monitoring, reviewing and evaluation of the pension fund operations or performance.

24. Appointment of compliance officer. - (1) Every pension fund shall appoint a compliance officer from amongst the senior management level officers, who shall be responsible for monitoring the compliance by it of the provisions of the Act, the rules or the regulations made or notifications, guidelines or instructions issued by the Authority.

(2) The compliance officer shall immediately and independently report, any non-compliance observed by him or her, to the Authority or the National Pension System Trust.

25. Information to Authority or National Pension System Trust. - (1) The Authority or the National Pension System Trust may, at any time, call for any information from a pension fund with respect to any matter relating to its activity as a pension fund.

(2) Where any information is called for by the Authority or National Pension System Trust under sub-regulation (1), it shall be the duty of the pension fund to furnish such information within such period as the Authority or the National Pension System Trust may specify.

CHAPTER V

INSPECTION AND AUDIT

26. Inspection and audit. - (1) The Authority may, if it considers necessary at any time, undertake directly or through its authorized representative, or an auditor, an inspection and audit of the books, accounts, records including the telephone records and electronic records and documents of the pension fund for any purpose, including the purposes as specified under this regulation.

(2) The purposes referred to in sub-regulation (1) may include,-

- (a) to ascertain the infrastructural capabilities, systems and procedures;
- (b) to ensure that proper books of account, records and documents are maintained;
- (c) to ascertain whether adequate internal control systems, procedures and safeguards have been established and are being followed by the pension fund;

(d) to ascertain whether the provisions of the Act or the regulations made or circulars, guidelines or notifications issued by the Authority are being complied with;

(e) to inquire into the complaints received from subscribers, nodal offices, intermediaries or any other person on any matter having a bearing on the activities assigned by the Authority to the pension fund;

(f) to inquire *suomotu* into any other matter in the interest of subscriber or pension system.

(3) The Authority may,-

(a) appoint one or more authorized representatives or, appoint a qualified auditor to undertake the inspection or audit referred to in sub-regulation (1);

Explanation.- For the purposes of this sub-regulation, the expression "qualified auditor" shall have the meaning derived from section 226 of the Companies Act, 1956 (1 of 1956).

(b) appoint a qualified valuer or direct a qualified valuer to be appointed by the National Pension System Trust, if so considered necessary by the Authority and the expenses for carrying out any valuation under this clause shall be borne by the pension fund.

27. Notice before inspection or audit.-(1) Before undertaking an inspection or audit under regulation 26, the Authority or its authorized representative or the auditor shall give ten working days' notice to the pension fund:

Provided that no notice shall be required if the Authority is satisfied that an inspection or audit is for immediate safe guarding of the interest of the subscribers.

(2) During the course of an inspection or audit, the pension fund, against which the inspection or audit is being carried out, shall be bound to discharge its obligations as provided in these regulations.

28. Obligations on inspection and audit.-(1) It shall be the duty of the pension fund, the affairs of which is being inspected or audited, and of every director, officer and employee thereof, to produce to the Authority, or its authorized representative or auditor, such books, accounts, records and other documents in its custody or control and furnish to the Authority or its authorized representative or the auditor with such statements and information relating to its activities entrusted to it by the Authority, as it or he may require, within such reasonable time may be specified.

(2) The pension fund shall allow the Authority or its authorized representative or the auditor to have a reasonable access to the premises occupied by it or by any other person on its behalf and also extend reasonable facility for examining any books, records, documents and computer data in the possession of the pension fund or such other person and also provide copies of documents or other materials which in the opinion of the Authority or its authorized representative or auditor are relevant for the purpose of the inspection or audit.

(3) It shall be the duty of the pension fund to give to the Authority, or its authorized representative or auditor all assistance in connection with the inspection and audit which the Authority or its authorized representative, National Pension System Trust or its authorized representative or auditor may reasonably require in connection with the inspection or audit.

29. Procedure of audit (internal and scheme).- The manner in which the audit of the pension fund shall be conducted for internal audit scheme audit and other audits as may be, be specified by the Authority from time to time.

30 Submission of report.-(1) On completion of the inspection or audit, a report shall be submitted to the Authority, which after consideration of the report, may take such action as it may deem fit and appropriate in the interest of the subscribers.

(2) The Authority may *suomotu* or after consideration of the inspection or audit report, as the case may be, order an investigation or inquiry to be conducted in the matter.

31. Payment of inspection and audit fees.-The Authority shall be entitled to recover from the pension fund such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative under sub-regulation (1) of regulation 26.

32. Inspection and audit by National Pension System Trust.-(1) The National Pension System Trust shall undertake directly or through its authorized representative, inspection or audit or both of the pension fund, on an annual basis or at such other period as may be specified by the Authority in relation to scheme audit in accordance with the provisions of Pension Fund Regulatory and Development Authority (National Pension System Trust) Regulations, 2015. The pension fund shall allow the National Pension System Trust, or its authorized representative to have a reasonable access to the premises occupied by it, books of accounts, records, and provide necessary information as may be required by it for the purpose of such inspection or audit, as the case may be. -

(2) The National Pension System Trust shall be entitled to recover from the pension fund such expenses incurred by it for the purposes of inspection or audit undertaken directly or through its authorized representative

(3) The scope of audit or inspection may be specified by the Authority from time to time.

CHAPTER VI**SUSPENSION OR CANCELLATION OF CERTIFICATE AND ACTION IN CASE OF DEFAULT**

33. **Cancellation or suspension of certificate of registration.**—(1) Without prejudice to any other action which may be taken by the Authority, the certificate of a registration granted to a pension fund is liable to be suspended, cancelled or withdrawn upon happening any of the following events, namely:—

- (a) fails to comply with any of the terms and conditions subject to which a certificate of Registration has been granted to it;
- (b) contravenes any of the provisions of the Act or the rules or the regulations made or guidelines, notifications, directions, instructions or circulars issued by the Authority thereunder;
- (c) voluntarily applies to withdraw the certificate of registration granted by the Authority;
- (d) a receiver, receiver and manager, administrator or similar person is appointed with respect to the assets and undertakings of the pension fund or the sponsor;
- (e) the pension fund or the pension fund's sponsors,—
 - (i) goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Authority);
 - (ii) ceases to carry on business;
 - (iii) breaches any provision of the terms and conditions of registration, or fails to observe or perform any representation, warranty or undertaking given by the pension fund or fails to correct such breach or failure within ten working days of receiving notice in writing from the Authority specifying such breach or failure;
 - (iv) conducts its business in a manner prejudicial to the interest of the National Pension System subscribers;
 - (v) does not co-operate in any enquiry conducted by the Authority;
 - (vi) indulges in manipulating the business under the National Pension System or any other pension schemes;
 - (vii) indulges in unfair trade practices.
- (f) if pension fund or sponsor, in the opinion of the Authority, has engaged in corrupt or fraudulent practices in obtaining the certificate of registration or has been blacklisted by any Government authority or regulator;
- (g) if pension fund or sponsor submits to the Authority a false statement or information which has a material effect on the rights, obligations or interests of the Authority or the subscribers;
- (h) if pension fund or sponsor does not submit periodical returns as required by the Authority;
- (i) if pension fund or sponsor fails to furnish any information as required by the Authority relating to its pension business;
- (j) there is a change in the ownership, management or key personnel of the pension fund which in the opinion of the Authority adversely affects the interest of the subscribers;
- (k) generates returns significantly and consistently below market or peer benchmarks;
- (l) acts in a manner prejudicial to the interests of the subscribers;
- (m) does not cooperate in an inquiry conducted by the Authority;
- (n) commits any acts of defaults as mentioned under section 28 of the Act;
- (o) any other reason which in the opinion of the Authority warrants for suspension, cancellation or withdrawal of the certificate of registration granted.

(2) The Authority may without prejudice to the powers under sub-regulation (1) instead of cancelling or suspending or withdrawing the certificate of registration, direct for varying or modifying the terms and conditions of the certificate of registration, as it may deem fit or pass any other order, as may be deemed beneficial in the interest of the subscribers, for reason to be recorded in writing.

(3) No order of cancellation, termination or suspension of registration shall be made unless the person concerned has been given a reasonable opportunity of being heard under an inquiry conducted as per the Regulations.

34. **Effect of suspension or cancellation or withdrawal of certificate of registration.**—(1) On and from the date of suspension or cancellation of the certificate of registration, the pension fund shall—

- (a) cease to transact fresh business under the National Pension System or other pension schemes, as the case may be;

(b) take such action in respect of the assets, records, documents or information that may be in the custody or control of the pension fund, within the time limit and in the manner as may be required under the relevant regulations or as may be directed by the Authority..;

(c) transfer at its own cost the assets, records, documents or information that are in its custody or control to another pension fund in the form and manner as may be directed by the Authority;

(d) the pension fund or sponsor shall at its cost and expense provide all the necessary support in ensuring smooth transfer of all the assets under its management and where required by the National Pension System Trust or the Authority, and make such public announcement or disclosure as may be conducive to subscribers interest, regarding such transfer of assets. It shall also ensure that the transfer of all the relevant documents, record or information is made in accordance with the directions issued by the Authority. Any form of non-support or non-cooperation or obstructions from the pension fund or sponsor shall render the pension fund or its sponsor liable for penalty;

(e) the transfer of such assets shall be undertaken in accordance with the guidelines as may be issued by the Authority;

(f) the sponsor or pension fund shall be subject to the directions of the Authority until all such transfers or actions are completed or until, the certificate of registration remains suspended.

35. Appointment of designated authority.- (1) Where it appears to the designated member that any pension fund which has been granted certificate of registration under the Act, these regulations or any other concerned person has committed any default of the nature specified in regulation 33, he may appoint an officer not below the rank of a Chief General Manager, or any other officer of an equivalent rank as a designated authority.

(2) No officer who has conducted investigation or inspection in respect of the alleged violation shall be appointed as a designated authority.

36. Issuance of notice.- (1) The designated authority shall, if it finds reasonable grounds to do so, issue a notice to the pension fund or any other concerned person requiring it to show cause as to why the certificate of registration granted to it, should not be suspended or cancelled or why any other action provided herein should not be taken.

(2) Every notice under sub-regulation (1) shall specify the contravention alleged to have been committed by the noticee indicating the provisions of the Act, regulations, directions or circulars in respect of which the contravention is alleged to have taken place.

(3) There shall be annexed to the notice issued under sub-regulation (1) copies of documents relied on in making of the imputations and extracts of relevant portions of documents, reports containing the findings arrived at in an investigation or inspection, if any, carried out.

(4) The noticee shall be called upon to submit within a period to be specified in the notice, not exceeding twenty-one days from the date of service thereof, a written representation to the designated authority.

37. Reply by noticee.- (1) The noticee shall submit to the designated authority its written representation within the period specified in the notice along with documentary evidence, if any, in support thereof:

Provided that the designated authority may extend the time specified in the notice for sufficient grounds shown by the noticee and after recording reasons of extension in writing.

(2) If the noticee does not reply to the show-cause notice, within the time granted for the purpose, the designated authority may proceed with the matter *ex parte* recording the reasons for doing so and make recommendation as the case may be on the basis of material facts available before him.

38. Action in case of default.- After considering the representations, if any, of the noticee, the facts and circumstances of the case and applicable provisions of the Act, regulations, directions or circulars administered by the Authority, the designated authority shall submit a report, where the facts so warrant, recommending,-

- (a) suspension of certificate of registration for a specified period;
- (b) cancellation of certificate of registration;
- (c) prohibiting the noticee to take up any new assignment or contract or launch new scheme for the period specified in the order;
- (d) debarring the principal officer of the noticee from being employed or associated with any registered intermediary, for the period as may be specified;
- (e) imposition of any other condition, restrictions or compliances as may be deemed necessary upon the noticee or its principal officer or other officers or any other person concerned with it;
- (f) warning the noticee.

39. Procedure for action on recommendation.- (1) On receipt of the report recommending measures from the designated authority, the designated member shall consider the same and issue a show-cause notice to the noticee enclosing a copy of the report submitted by the designated authority calling upon the noticee to submit its written representation as to why the action, including passing of appropriate direction, should not be taken.

(2) The noticee may, within twenty-one days of receipt of the notice send a reply to the designated member who may pass appropriate order after considering the reply, if any received from the noticee and providing the person with an opportunity of being heard, as expeditiously as possible and endeavor shall be made to pass the order within one hundred and twenty days from the date of receipt of reply of the notice or hearing.

(3) The designated member may pass a common order in respect of a number of noticees where the subject matter in question is substantially the same or similar in nature.

40. Intimation of order.- (1) Every report made by a designated authority and every order passed by the designated member under these regulations shall be dated and signed.

(2) A copy of the order passed under these regulations shall be sent to the pension fund or any person concerned with it and also placed on the website of the Authority.

41. Penalty and adjudication.- The imposition of penalty, if any, on the pension fund or any person concerned shall be in accordance with the provisions of the Act and the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015.

42. Appeals to Securities Appellate Tribunal.- The pension fund or any person concerned, aggrieved by an order under these regulations, may prefer an appeal to the Securities Appellate Tribunal, against such order in accordance with the provisions of sub-section (1) of section 36 of the Act.

Explanation.- For the purposes of this Chapter, the expression,-

- (a) "designated authority" means an officer of the Authority appointed under sub-regulation (1) of regulation 35;
- (b) "designated member" means the Chairperson or a whole-time member of the Authority designated for the purpose;
- (c) "noticee" means the person to whom a notice has been issued under this Chapter.

CHAPTER VII

MISCELLANEOUS

43. Power of the Authority to issue clarifications and directions.- In order to remove any difficulties in the application or interpretation of these regulations, the Authority shall have the power to issue clarifications and guidelines in the form of notes or circulars which shall be binding on the pension fund.

44. Directions.- Without prejudice to any order under these regulations, and directions, guidelines and circulars as may be issued by the Authority including an order under Chapter VI of these regulations, the Authority may in the interest of the interest of the subscribers or for the purpose of securing the proper management of pension fund, issue necessary direction:

Provided that before issuing any directions the Authority shall give a reasonable opportunity of being heard to the persons concerned:

Provided further that if the circumstances warrant any interim direction is required to be passed immediately, the Authority may give a reasonable opportunity of hearing to the persons concerned after passing the direction, without any undue delay.

SCHEDULE I

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(PENSION FUND) REGULATIONS, 2015

[See regulation 9(3)]

CERTIFICATE OF REGISTRATION

Pension Fund Regulatory and Development Authority

CERTIFICATE OF REGISTRATION AS PENSION FUND

In exercise of the powers conferred by sub-section (3) of section 27 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), read with regulations made thereunder, the Authority hereby grants this certificate of registration to _____ as pension fund subject to the terms and conditions specified in the Act and the regulations made thereunder.

✓The Registration Code for the Pension Fund is _____

Date : _____

Place : _____

By order

For and on behalf of
Pension Fund Regulatory and Development Authority

SCHEDULE II
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(PENSION FUND) REGULATIONS, 2015

[See regulation 8(3) (e)]

CRITERIA FOR 'FIT AND PROPER'

For the purpose of determining as to whether the sponsor or pension fund is a 'fit and proper person', the Authority may take account of any consideration as it deems fit, including but not limited to the following criteria in relation to the applicant or the intermediary, the principal officer and the key management persons, by whatever name called:

- (a) financial integrity;
- (b) absence of convictions or civil liabilities;
- (c) competence;
- (d) good reputation and character;
- (e) efficiency and honesty; and
- (f) financial solvency and net worth.

A sponsor or pension fund shall not be considered as a "fit and proper person" for the purpose of appointment, if it incurs any of the following disqualifications:-

- (a) the sponsor or pension fund or its principal officer or key management personnel has been convicted by a court for any offence involving moral turpitude, economic offence, securities laws or fraud;
- (b) an order for winding up has been passed against the sponsor or pension fund;
- (c) the sponsor or pension fund or its key promoter has been declared insolvent and has not been discharged;
- (d) an order (other than an order of suspension of appointment as an intermediary), restraining, prohibiting or debarring the sponsor or pension fund or its principal officer or key management personnel from dealing in securities in the capital market or from accessing the capital market has been passed by any regulatory authority or court and a period of three years from the date of the expiry of the period specified in the order has not elapsed;
- (e) an order cancelling the appointment of the sponsor or pension fund has been passed by the Authority or the concerned financial sector regulator on the ground of its indulging in insider trading, fraudulent and unfair trade practices or market manipulation and a period of three years from the date of the order has not elapsed;
- (f) an order withdrawing or refusing to grant any license or approval to the sponsor or pension fund or its whole time director or managing partner which has a bearing on the capital market, has been passed by the concerned financial sector regulator or any other regulatory authority and a period of three years from the date of the order has not elapsed; however, the Authority may for reasons to be recorded in writing, allow the sponsor or pension fund to seek appointment before the lapse of three years as specified in clauses (d), (e) and (f);
- (g) the sponsor or pension fund is financially not sound;
- (h) there is a notice of any action or investigation or other proceedings of any nature whatsoever, against the sponsor or pension fund, or its Chief Executive Officer, any of its directors or employees, or a related group concern, by any governmental or statutory authority which would restrain, prohibit or otherwise challenge or impede the performance of obligations as sponsor or pension fund of the pension schemes regulated by the Authority, and that there is adverse proceedings against it from any financial sector regulator including the Reserve Bank of India, Insurance Regulatory and Development Authority or the Securities and Exchange Board of India, of a nature that could adversely affect the ability to provide the services as sponsor or pension fund for the pension schemes regulated by the Authority;
- (i) any other reason, to be recorded in writing by the Authority, which in its opinion renders such sponsor or pension fund or its principal officer or key management personnel unfit to operate in the pension or financial market.

Explanation.- For the purpose of clause (g), the Authority may take into consideration the capital adequacy or tangible net worth of the sponsor or pension fund, wherever it has been so specified in the relevant application for appointment.

SCHEDULE III
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(PENSION FUND) REGULATIONS, 2015

[See regulations 4(1), 9(3) and 13]

FEES PAYABLE UNDER THE REGULATIONS

PART A

AMOUNT TO BE PAID AS FEES TO THE AUTHORITY

Type of Fee	Amount	Nature/Calculation	Time of Payment
Application fee	-Rs 10,00,000	Non Refundable / Flat Rate	At the time of submission of application for acting as sponsor of pension fund
Registration fee	Rs 25,00, 000	Non Refundable / Flat Rate	At the time of grant of Certificate of Registration (One time)
Annual fee	0.005% of Assets under Management or Rs 10,00, 000 Whichever is higher	Non-Refundable / % of AUM: Assets under Management shall be considered as on 31 st March of preceding financial year.	Payable by 15th of April of every financial year or within fifteen days of grant of Certificate of Registration.

PART B

- I. —For the purpose of this part, the expression "assets under management" shall mean the value of the assets held by the pension fund as disclosed by it under sub-paragraph VI of Part B below.
- II. The fees specified in part A shall be payable by demand draft or bankers cheque in favour of " Pension Fund Regulatory and Development Authority" payable at New Delhi or through e-payment .
- III. A pension fund shall pay pro rata annual fee on quarterly basis, if the business is done for a part of the year. The payment of annual fee shall be accompanied by a statement of assets under management which shall be in such format as may be specified by the Authority and shall be certified to be true and complete by the functional head of the pension fund. The pension fund shall pay any extension fees as may be determined by the Authority where the registration granted to it has been extended beyond the period of registration.
- IV. The Authority reserves the right to amend all or any of the fees from time to time.

SCHEDULE IV
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(PENSION FUND) REGULATIONS, 2015

[See regulation 11(3)]

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

Pension Fund Regulatory and Development Authority

CERTIFICATE FOR COMMENCEMENT OF BUSINESS AS PENSION FUND

_____ which has been granted a certificate of registration as pension fund vide _____ on _____ is hereby allowed to commence the activities as pension fund for the pension Schemes regulated by the Pension Fund Regulatory and Development Authority on this ____ day of ____ 20

Place : _____

By order

For and on behalf of
Pension Fund Regulatory and Development Authority

SCHEDULE V
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
(PENSION FUND) REGULATIONS, 2015

[See regulations 12(h), and 22(8)]

REPORTS AND DISCLOSURE

1. Reporting to NPS Trust, PFRDA, CRA and Other Parties

The pension fund shall furnish periodic reports as well as such information and documents as may be required by the Authority, National Pension System Trust and the central recordkeeping agency from time to time. This would include, but not limited to the following:-

(a) Indicative Reports to National Pension System Trust

Reports must be provided in writing for each successive period by delivery to the office of National Pension System Trust within ten days of the end of the period in the case of a monthly or quarterly or half yearly or yearly report and must contain at least the following information as at a stated end of period date.

Report	Contents
Monthly	
Form 1	Reconciliation of AUM and Units
Form 2	Details of Portfolio for - Scheme CG
Form 3	Details of Portfolio for - Scheme SG
Form 4	Details of Portfolio for - Scheme E- Tier I
Form 5	Details of Portfolio for - Scheme C - Tier I
Form 6	Details of Portfolio for -Scheme G Tier I

Form 7	Details of Portfolio Value for - Scheme E -Tier II
Form 8	Details of Portfolio for - Scheme C - Tier II
Form 9	Details of Portfolio for - Scheme G Tier II
Form 10	Details of Portfolio for - Scheme NPS Lite
Form 11	Details of Portfolio for - Scheme Corporate CG
Form 12	Statement of Purchases and Sales effected by PFM
Form 13	Amount Received or Accrued during the Period
Form 14	Report on transactions in securities in Group company / PF's associates
Form 15	Statement of Down Graded Investments
MC	Compliance Certificate at Monthly Interval
Quarterly	
Form 1a	Report on Transactions in securities by the key personnel of the PF in their own name
Form 1b	Report on transactions in securities with any of the PF's associates
Form 2	Portfolio overview
Form 3	Statement of mutual fund investments
Form 4	Market value - quarter - on -- quarter
Form 5	Details of investment portfolio - maturity proceeds & interest overdue (NPA)
Form 6	Overview of portfolio positioning including evaluation of a) Current economic conditions b) Prospects for securities markets, c) Justification for the positions and transactions in the portfolio, d) Attribution of performance over last quarter (and year when applicable) on absolute basis as well as relative to the specific market benchmark, e) Outlook for returns for the portfolio
QC	Compliance Certificate at Quarterly Interval
Half-Yearly	
HY.1	Copy of half yearly unaudited accounts of Schemes as per Scheme accounting regulations. (before the expiry of one month from the close of each half year)
HYC	Compliance certificate at half yearly Interval
Annual	
A.1	Statement regarding the current status of the sponsor's regulatory licenses and details of any changes in the name or capitalisation of the PF company or Sponsor(s)
A.2	Statement showing the amount of interest accrued but not realised as on closing date of the financial year
A.3	All service contracts carried out between Schemes, PF and its associates. (Including outsourced activity).
A.4	All service contracts such as for custody arrangements and transfer agency of the securities are executed in the interest of subscribers.
A.5	Summary of all activities and compliance with regulations and guidelines.
A.6	Copy of the Audited Annual Report and other information including details of investments as per the Scheme accounting regulations. (within sixty days from the date of closure of each financial year)

A.7	Copy of unaudited provisional financial statements (Balance Sheet, Revenue Account, notes and schedules) of each scheme. (within thirty days from the date of closure of each financial year)
A.8	Voting report including the number of votes cast (for, against, or abstained) and a statement of whether the PF has complied with its obligation to exercise its voting rights in the client's interests only.
A.9	Any change in the interests of Directors every six months
AC	Compliance certificate at annual interval
Ad hoc	
M.1	Bio-data of all its Directors along with their interest in other companies within 15 days of their appointment
M.2	Conflicts of interest
M.3	All such information as is considered necessary by the NPS Trust.

(b) **Reports to Authority**

- (i) In addition to the reports, pension fund would need to adhere to disclosures in accordance with para 2 of this Schedule.
- (ii) Any other information as required by the Authority.
- (iii) Exception reporting to be done by the National Pension System Trust to Authority.
- (iv) National Pension Trust shall keep the Authority informed of the operations of the Pension Fund on periodic basis.

(c) **Reports to central recordkeeping agency**

The pension fund shall interface with the central recordkeeping agency for:-

- (i) Sending and receiving reports in the required format.
- (ii) Compilation and consolidation of investment instruction by central recordkeeping agency
- (iii) Confirmation Report by pension fund to central recordkeeping agency.
- (iv) Daily investment report by pension fund
- (v) Report of scheme wise payout position of pension fund to central recordkeeping agency
- (vi) Daily Report on Net Asset Values as specified by the Authority from time to time.
- (vii) Net fund receipt from National Pension System Trust Account report by PFs on different investment schemes.
- (viii) Discrepancy/confirmation report on net payout.
- (ix) The daily performance reports of the schemes measured using Net Asset Values

(d) **Reports to other parties**

- (i) The pension fund shall interface and provide such reports as may be required by the National Pension System Trust, Trustee Bank, Custodian and other entities of the National Pension System architecture as may be prescribed by Authority and National Pension System Trust from time to time.
- (ii) The pension fund will disclose the basis of calculating the transaction price and Net Asset Value of the various schemes in the Scheme particulars and disclose the same to subscribers at such intervals as may be specified by the National Pension System Trust and the Authority.

2. **Public disclosures -Under Regulation 22(8)**

- (a) The pension fund shall be expected to comply with the disclosure requirements specified by Authority from time to time.
- (b) In order to ensure uniformity and timeliness of dispensation of information by the Authority in the interest of all stakeholders, the following public disclosures have been prescribed:

Sl	Particulars	Frequency	Format	Time Limit	Sub-heading on website
1	Latest Net Asset Value (NAV) (Scheme wise)	Daily	Up to four decimal points	By 9.00 PM on the same day	NAV
2	NAV History (since inception) (scheme wise- both in Tabular data as well as graphical form)	Daily	--- do ---		NAV History
3	Scrip wise details of Portfolio of each scheme	Monthly	Appended below	Within 10 days from the end of month	Portfolio Details
4	Unaudited financial statements* along with statement of scheme portfolio	Half-Yearly	-----do----- (For scrip wise details of Portfolio of each scheme)	before the expiry of one month from the close of each half year	Financials
5	Annual Report (with Financials) and portfolio details of each scheme**	Yearly	-----do----- (For scrip wise details of Portfolio of each scheme)	after approval by the National Pension System Trust (within 15 days)	Financials
6	Investment Policy and Investment Review Mechanism	Updated version at all times	-	Within 10 Days after Board approval	Policy
7	Annual Report and Financials of pension fund.	Yearly	-	After AGM (within 10 days)	Financial
8	Scheme wise Fee (pension fund should also simultaneously upload the Public Notice for change in fee on its website)	Yearly	-	To be updated when revised (within 4 days)	Investment Management Fee

* 'Financial Statements' includes balance sheet, revenue account and notes, schedules and other integral reports.

** Contents of 'Annual Report' are as per Financial Statements and Auditor's Report under Schedule VIII

(c) Pension Funds are advised to publish the above Public Disclosures on their respective websites at a prominent place on home page with heading 'Public Disclosure' and with sub-headings like NAV, Portfolio Details, Financials, Policy etc as applicable.

Scrip wise details of Portfolio of each scheme

Name of the Pension Fund :

Name of the scheme :

Portfolio Statement as on..... (month end)

Name of the instrument	ISIN No.	Industry	Quantity	Mkt value	% of Portfolio	Ratings
Equity Instruments						
Shares						
1						
2						
3.....						
Equity oriented MFs						
Equity ETFs						
Debt Instruments -						
Central Government Security						
1						
2						
State Development Loans						
2						
2						
PSU / PFI Bonds:-						
1						
2						
Private Corporate Bonds:-						
1						
2						
Bank Fixed Deposits (> 1 Year)						
1						
2						
Gilt Mutual Fund						
1						
2						
Money Market Instruments:-						
Treasury Bills :						
1						
2						
Certificate of Deposits / Commercial Papers						
1						
2						
Application Pending Allotment						
1						
2						
Bank Fixed Deposits (< 1 Year)						
1						
2						
Cash / cash Equivalent & Net Current Assets						
1						
2						
GRAND TOTAL						

Average Maturity of Portfolio (in yrs)						
Modified Duration (in Yrs)						
Yield to Maturity (%) (annualised)(at market price)						
Credit Rating Exposure						
Central Govt. Securities						
State Development Loans						
AAA / Equivalent						
A1+ (For Commercial Paper)						
AA+ / Equivalent						
AA / Equivalent						
AA- / Equivalent						
A+ / Equivalent						
A / Equivalent						
A- / Equivalent						
BBB+ / Equivalent						
BBB / Equivalent						
BBB- / Equivalent						
Lower (Below Investment Grade) (out of above Net NPA)						
Total						
Bank FD						
Equity						
Equity Mutual Funds						
Money Market Mutual Funds						
Cash / Cash Equivalent Net Current Assets						
Application Pending Allotment – NCDs						
Others						
Grand Total						

Units Outstanding**NAV**

1. Entire portfolio irrespective of the quantity, market value and percentage to NAV of any scrip should be disclosed in descending order of weightage within each sub-group. If percentage to portfolio of any security is less than 0.01%, it may be indicated by giving asterisk or any other mark instead of showing 0.00.
2. An asterisk/suitable mark should be given against debt instruments which are classified NPAs in accordance with Authority's guidelines issued from time to time.
4. The following information may be given by way of footnotes :
a. Total NPAs provided for and its percentage to NAV.
b. Total value and percentage of illiquid equity shares.
c. NAV at the beginning and end of the period.
d. Total outstanding exposure in derivative instruments at the end of the period.
3. Total 'Infrastructure investments' may be disclosed by way of foot note.

SCHEDULE VI**PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY****(PENSION FUND) REGULATIONS, 2015**

[See regulations 12(k) and 21]

CODE OF CONDUCT**I. SUBSCRIBER PROTECTION****(a) Investors/Authority/National Pension System Trust (NPS Trust)**

A pension fund shall make all efforts to protect the interests of subscribers and shall render the best possible service to the Authority/ National Pension System Trust having regard to the subscribers needs and the environments and its own professional skills.

(b) High Standards of Service

A Pension fund shall ensure that it and its key management personnel, employees, contractors and agents, shall in the conduct of their business, observe high standards of integrity, dignity, fairness, ethics and professionalism and all professional dealings shall be affected in a prompt, effective and efficient manner. A pension fund shall be responsible for the acts or omissions of its employees and agents in respect to the conduct of its business.

(c) Exercise of Due Dilligence and no Collusion

A Pension fund shall at all times render high standards of service, exercise due skill and diligence over persons employed or appointed by it, ensure proper care and exercise independent professional judgment and shall not at any time act in collusion with other intermediaries in a manner which is detrimental to the subscribers.

(d) Fees

A pension fund shall levy charges/ fees for the services rendered as may be determined by the Authority.

II. DISBURSAL OF AMOUNTS

A pension fund shall be prompt in crediting dividends, interests or any such accrual income received or collected by it on behalf of the Authority, the National Pension System Trust or subscribers to the scheme accounts.

III. DISCLOSURE OF INFORMATION

(a) A pension fund shall ensure that adequate disclosures are made to the Authority, the National Pension System Trust or subscriber in a comprehensible and timely manner so as to enable them to make a balanced and informed decision.

(b) A pension fund shall not make any misrepresentation and ensure that the information provided to the Authority the National Pension System Trust or subscriber is not misleading.

(c) A pension fund shall not make any exaggerated statement whether oral or written to the Authority, the National

Pension System Trust or subscribers, either about its qualification or capability to render certain services or its achievements in regard to services rendered to other Authority, National Pension System Trusts or subscribers.

- 3.4 A Pension fund shall not divulge to anybody, either orally or in writing, directly or indirectly, any confidential information about the Authority, the National Pension System Trusts or subscribers, which has come to its knowledge, without taking prior permission of the Authority, the National Pension System Trusts, except where such disclosures are required to be made in compliance with any law for the time being in force.

IV. CONFLICT OF INTEREST

(a) A pension fund shall avoid conflict of interest and make adequate disclosure of its interest and shall put in place a mechanism to resolve any conflict of interest situation that may arise in the conduct of its business or where any conflict of interest arises, shall take reasonable steps to resolve the same in an equitable manner. A pension fund shall make appropriate disclosure to the Authority, the National Pension System Trust or subscribers of its possible source or potential areas of conflict of duties and interest while acting as a pension fund which would impair its ability to render fair, objective and unbiased services.

(b) A pension fund or any of its directors, or employee or an associate of the pension fund shall not, either through its account or their respective accounts or through their family members, relatives or friends indulge in any insider trading.

V. COMPLIANCE AND CORPORATE GOVERNANCE

- 5.1 A pension fund shall ensure that good corporate policies and corporate governance is in place. It shall not engage in fraudulent and manipulative transactions in the securities listed on any stock exchange in the country and shall not indulge in any unfair competition (including resorting to unfair means for inducing another intermediaries, the Authority or the National Pension System Trust) which is likely to harm the interests of other intermediaries or subscribers or is likely to place such other intermediaries in a disadvantageous position while competing for or executing any assignment.

- 5.2 A pension fund shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. It shall also ensure that for electronic records and data, up-to-date back up is always available with it.

- 5.3 A pension fund shall co-operate with the Authority, or any intermediary designated by the Authority, as and when required and shall not make any untrue statement or suppress any material fact in any documents, reports, papers or information furnished to the Authority or neglect or fail or refuse to submit to the Authority or other agencies with which it is registered, such books, documents, correspondence and papers or any part thereof as may be demanded/requested from time to time.

- 5.4 A pension fund shall ensure that any change in registration status or any penal action taken by Authority or any material change in financials which may adversely affect the interests of subscribers is promptly informed to the Authority, National Pension System Trust or and any business remaining outstanding is transferred in accordance with the instructions of the Authority and the provisions of the relevant regulations.

- 5.5 A pension fund shall maintain an appropriate level of knowledge and competency and abide by the provisions of any Act, regulations, circulars and guidelines of the Central Government, the Reserve Bank of India, Securities Exchange Board of India, the Authority, the stock exchange or any other applicable statutory or self-regulatory or other body, as the case may be, and as may be applicable to the Pension fund in respect of the business carried on by such pension fund. A pension fund shall also comply with the award of the Ombudsman passed under the Pension fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015.

- 5.6 A pension fund shall ensure that the Authority is promptly informed about any action, legal proceedings, initiated against it in respect of any material breach or non-compliance by it, of any law, rules, regulations, and directions of the Authority or of any other regulatory body.

VI. PENSION FUND INFRASTRUCTURE REQUIREMENTS

- (a) A pension fund shall have internal control procedures and financial and operational capabilities which can be reasonably expected to protect its operations, the Authority, the National Pension System Trust or subscribers and other registered entities from financial loss arising from theft, fraud, and other dishonest acts, professional misconduct or omissions.

- (b) A pension fund also registered with the Authority in any other capacity or category shall endeavor to ensure that arm's length relationship is maintained in terms of both manpower and infrastructure between the activities carried out as a Pension fund and other permitted activities.

- (c) A pension fund shall establish and maintain adequate infrastructural facility to be able to discharge its services as such Pension fund to the satisfaction of Authority, the National Pension System Trusts and the operating procedures and systems of the intermediaries shall be well documented and backed by operations manuals.

- (d) A pension fund shall create and maintain the records of all documents and data pertaining to its activities in such manner that the tracing of such document or data is facilitated in the event of loss of original records or documents for any reason.
- (e) (a) A pension fund or any of his employees shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, unless a disclosure of his interest including long or short position in the said security has been made, while rendering such advice.
- (b) in case an employee of the pension fund is rendering such advice, he shall also disclose the interest of his dependent family members and employer including their long or short position in the said security, while rendering such advice.

SCHEDULE VII

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(PENSION FUND) REGULATIONS, 2015

[See regulations 15,16,17,18 and 19]

FINANCIAL STATEMENTS AND AUDIT REPORT

ANNUAL REPORT

I. Annual Report

Each pension fund shall prepare a *consolidated* annual report comprising financial statements of all the schemes managed by them.

The annual report shall contain—

- (i) Report on the operations of each scheme during the financial year and economic scenario;
- (ii) Accounting Policies, Balance Sheet and Revenue Account in accordance with these regulations **Paras II and III** of this Schedule;
- (iii) Auditor's Report in accordance with **Para IV** of this Schedule;
- (iv) Brief statement on the following aspects, namely :—
 - (a) Liabilities and responsibilities of the pension fund ;
 - (b) Investment objective of each scheme ;
 - (c) Basis and policy of investments underlying the scheme;
 - (d) If the scheme permits investments partly or wholly in shares, bonds, debentures and other scripts or securities whose value can fluctuate, a statement on the following lines:
"The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments";
 - (e) Comments on the performance of the scheme, with full justification with possible comparison with other benchmark yields, if any, as specified by the Authority.
 - (f) Statement giving "key statistics" of schemes in accordance with **Para V** of this Schedule;
 - (g) Abridged version of the Balance sheet as per **Para VI** of the Schedule.
 - (h) Abridged version Revenue account as per **para VII** of the Schedule.
 - (i) Notes to account as per **Para VIII** of the schedule.

II. Contents of Balance Sheet:

- (i) The Balance Sheet shall give scheme wise particulars of its assets and liabilities. It shall also disclose, inter alia, accounting policies, valuation of investments and other important areas.
- (ii) The balance-sheet shall disclose under each type of investment, the aggregate carrying value and market value of non-performing investments
- (iii) The Balance Sheet shall disclose the per unit Net Asset Value (NAV) as at the end of the accounting year.
- (iv) The Balance Sheet shall give against each item, the corresponding figures as at the end of the preceding financial year.
- (v) The notes to the Balance Sheet shall disclose the following information regarding investments:—
 - (a) all investments shall be grouped under the major classification given in the balance sheet;
 - (b) under each major classification, the total value of investments falling under each major industry group (which constitutes not less than 5 per cent of the total investment in the major classification) shall be disclosed together with the percentage thereof in relation to the total investment within the classification;
 - (c) a statement of investments showing the name of the companies in which investments have been made including the amount of investment in each company by each scheme and the aggregate investments made by all schemes in the associates and group companies of the pension fund, if any;

- (d) if brokerage, custodial fees or any other charges for services are paid to or payable to any entity in which the PF or its major shareholders have a substantial interest (being not less than 10% of the equity capital), the amounts debited to the Revenue Account or amounts treated as cost of investments in respect of such services shall be separately disclosed together with details of the interest of the pension fund or its major shareholders;
- (e) the basis on which fees have been paid to pension fund and the computation thereof;
- (f) aggregate value of purchases and sales of investments during the year and expressed as a percentage of average daily net asset value;
- (g) where the non-traded investments which have been valued "in good faith" exceed 5% of the Assets under management (AUM) at the end of the year, the aggregate value of such investments;
- (h) movement in unit capital shall be stated;
- (i) the total income of the scheme shall include unrealised depreciation or appreciation on investments.
- (vi) Provisions for doubtful deposits, doubtful debts and for doubtful outstandings and accrued income shall not be included under provisions on the liability side of the balance sheet, but shall be shown as a deduction from the aggregate value of its relevant asset.
- (vii) Disclosure shall be made of all contingent liabilities showing separately uncalled liability on partly paid shares and other commitments with specifying details.
- (viii) The accounting policies shall be as per Para IX of the Schedule.

Major Headings of Balance Sheet

ASSETS SIDE OF THE BALANCE SHEET:

I. The assets of the balance sheet shall be grouped into the following categories :

- Investments (Long term and short term)

- Deposits

- Other Current Assets

II. INVESTMENTS (Long term and short term):

The following types of investments shall be separately disclosed (only those heads under which investments is permitted to be kept):

(i) Equity shares;

(ii) Preference shares;

(iii) Debentures and Bonds listed/awaiting listing on a recognized stock exchange;

(iv) Central and State Government Securities (including treasury bills);

(v) Commercial Paper;

(vi) Others- Mutual Funds etc.

III. DEPOSITS

Distinguishing between :

- Deposits with scheduled banks;

- Others.

IV. OTHER CURRENT ASSETS

Distinguishing between:

- Balances with banks in current/savings account;

- Cash on hand;

- Sundry Debtors;

- Contracts for sale of investments;

- Outstanding and accrued income;

- Advance, Deposits etc.;

- Shares/debentures/ others application money pending allotment (for this age wise disclosure is to be made along with security name);

- Others.

LIABILITIES SIDE OF THE BALANCE SHEET

I. Liabilities side of the balance sheet shall be divided into the following groups :

- (i) Unit Capital;
- (ii) Reserves & Surplus;
- (iii) Current Liabilities and Provisions.

II. Unit Capital:

Distinguishing between:

- Initial capital;
- Unit capital (including number of units and face value per unit).

III. Reserves & surplus

Distinguishing between:

- Unit Premium Reserve (Optional)
- General reserve;
- Any other reserve (disclosing its nature);
- Appropriation account;

-Opening balance, transfer from/to reserve, closing balance shall be separately disclosed for each above type of reserve.

IV. Borrowings**V. Current liabilities and provisions**

Distinguishing between the following current liabilities and provisions

Current liabilities:

- Sundry creditors;
- Contract for purchase of investments;
- Unclaimed distributed income;

Provisions (Indicate nature):

VI. Contingent liabilities

- Disclosure should be made of all contingent liabilities, showing separately:—

- (i) Uncalled liability on partly paid shares;
- (ii) Other commitments; and
- (iii) Others (specifying details).

III. Contents of Revenue Account:

- (i) The Revenue Account shall give scheme wise particulars of the income, expenditure and surplus of the pension fund.
- (ii) If profit on sale of investments shown in the Revenue Account includes profit/loss on inter-scheme transfer of investments within the same pension fund the aggregate of such profit recognised as realised, shall be disclosed separately without being clubbed with the profit/loss on sale of investments to third parties.
- (iii) The Revenue Account shall indicate the appropriation of surplus by way of transfer to reserves.
- (iv) The following disclosures shall also be made in the Revenue Account:
 - (a) provision for aggregate value of doubtful deposits, debts and outstanding and accrued income;
 - (b) profit or loss on sale and redemption of investments may be shown on a net basis;
 - (c) custodian, Trustee Bank and central recordkeeping agency charges
 - (d) Total income and expenditure expressed as a percentage of average net assets, calculated on a daily basis.

Major Headings of Revenue Account

Income:

- Dividend;

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- Interest;
- Profit on sale/redemption of investments (other than inter-scheme transfer/sale);
- Profit on inter-scheme transfer/sale of investments;
- Unrealized gain on appreciation in investments
- Other income (indicating nature).

Expenses and losses:

- Unrealized losses in value of investments
- Provision for outstanding accrued income considered doubtful;
- Provision for doubtful deposits and current assets;
- Loss on sale/redemption of investments (other than inter-scheme transfer/sale);
- Loss on inter-scheme transfer/sale of investments;
- Management fees;
- Trusteeship/regulatory fees;
- Publicity expenses;
- Audit fees;
- Custodian fees;
- Trustee Bank fees
- Central recordkeeping agency fees

Less : Amount recovered on sale of units on account of central recordkeeping agency charges

Note :

- (i) Accounting policy in respect of recognition of revenue and income from investments (including dividend and interest) shall be disclosed by way of a note.
- (ii) The total income and expenditure expressed as a percentage of average net assets, calculated on a daily basis should be indicated.

IV. Scheme Auditor's Report

(i) The auditor shall state whether;-

1. he has obtained all information and explanations which, to the best of his knowledge and belief, were necessary for the purpose of his audit;
2. the Balance Sheet and the Revenue Account are in agreement with the books of account of the scheme;
3. whether proper books of accounts of each scheme have been maintained;
4. all transaction expenses in excess of the limits contractually agreed to/approved by Authority are borne by the pension fund and are not charged to the Net Asset Value;
5. the Balance Sheet and Revenue Account of the Scheme dealt with by this Report comply with these regulations and the Accounting Standards notified under the Companies Act, to the extent made applicable by the regulations.

(ii) The auditor shall give his opinion as to whether;-

1. the Balance Sheet gives a true and fair view of the scheme wise state of affairs of the fund as at the end of the financial year,
2. the Revenue Account gives a true and fair view of the scheme wise surplus/deficit of the fund for the financial year.

(iii) The Auditor shall further certify that;-

1. Investments have been valued in accordance with the guidelines issued by the Authority;
2. Transaction and claims/ fee raised by different entities are in accordance with the prescribed fee.

(iii) The Auditor shall also submit a separate report called as "NPS Scheme - Detailed Audit Report" (to be referred as NPS-DAR) along with the scheme audit report / scheme accounts for a particular financial year. A copy of the said Audit Report should be given to the Board of Pension Fund. The contents of the report would be based on the format prescribed by Authority/NPS Trust. The Board of Directors of Pension Fund should submit a Compliance Report within two months of the receipt of Detailed Audit Report. NPS-DAR will be a combined report for all the NPS Schemes. The Auditor will give a certificate in the following format;

To

The Board of Trustees

National Pension System Trust

1st Floor, ICADR Building,

6, Vasant Kunj Institutional Area- Phase II,

New Delhi 110 070

We have conducted the Detailed Audit of under mentioned schemes of National Pension System of (The 'Pension Fund Manager') for the Period/Year as per the check list provided to us by the NPS Trust and hereby submit the NPS-DAR for your perusal.

Schemes	Year/Period
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March

We report as under:

1. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit,
2. In our opinion, proper books of accounts of each scheme have been maintained.
3. Our procedures covered all the areas listed in the recommended NPS-DAR Checklist (Enclosed, duly signed by us under reference to this certificate.)
4. Further, all deviations with regards to applicable accounting principles, regulations and guidelines for preparation of accounts are being disclosed in the attached report.

Based on our test checking of the records maintained by the pension fund, we certify as under:

1. The system, procedures and safeguards followed by the pension fund are adequate.
2. The terms and conditions of registration of these regulations, Investment Management Agreement signed with the National Pension System Trust are being complied with by the Pension Fund.
3. Directions issued by the Authority from time to time or any other statutory requirements have been followed.
4. Affairs of the pension fund are being conducted in a manner which is in the interest of the subscribers.
5. All transaction expenses in excess of the limits contractually agreed to / approve by Authority are borne by the pension fund and are not charged to NAV.

Yours truly

For

..... (Name of Firm)

Chartered Accountants

Firm Regn. No....

..... (Name of Partner)

Partner

Membership No:

Place:

Date:

V. Key Statistics

Name of the Pension Fund :

Key Statistics for the year / period ended _____

	Scheme A		Scheme B	
	As at	As at	As at	As at
	Current Year	Previous Year	Current Year	Previous Year
1. NAV per unit (Rs.):				
Open				
High				
Low				
End				
2. Closing Assets Under Management (Rs. in Lakhs)				
End				
Average (AAuM)				
3. Gross income as % of AAuM				
4. Expense Ratio:				
a. Total Expense as % of AAuM (scheme wise)				
b. Management Fee as % of AAuM (Scheme wise)				
5. Net Income as a percentage of AAuM				
6. Portfolio turnover ratio				
7. Total Dividend per unit distributed during the year / period (scheme wise)				
8. Returns: (%)				
a. Last One Year				
Benchmark				
b. Since Inception				
Benchmark				
c. Compounded annualised yield (%)				
Last 1 year				
Last 3 years				
Last 5 years				
Since launch of the scheme (date of launch to be given)				
1. Gross income = amount against (A) in the Revenue account i.e. Income.				
2. Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD				
3. Portfolio Turnover = Lower of sales or purchase divided by the Average AUM for the year/period.				
4. AAUM=Average daily net assets				
5 'Compounded annualised yield' is to be calculated based on the following formula: $= (1 + \text{cumulative return})^{1/n} - 1$ (where n = 365/no. of days)				
6. NAV= (Market value of Investment held by scheme + value of current assets- value of current liability and provisions , if any) / (no. of units at the valuation date (before creation/ redemption of units)				

To

The Board of Trustees

National Pension System Trust

1st Floor, ICADR Building,

6, Vasant Kunj Institutional Area- Phase II,

New Delhi 110 070

We have conducted the Detailed Audit of under mentioned schemes of National Pension System of (The 'Pension Fund Manager') for the Period/Year as per the check list provided to us by the NPS Trust and hereby submit the NPS-DAR for your perusal.

Schemes	Year/Period
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March
Scheme Name	From 1st April ...to 31st March

We report as under:

1. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit,
2. In our opinion, proper books of accounts of each scheme have been maintained.
3. Our procedures covered all the areas listed in the recommended NPS-DAR Checklist (Enclosed, duly signed by us under reference to this certificate.)
4. Further, all deviations with regards to applicable accounting principles, regulations and guidelines for preparation of accounts are being disclosed in the attached report.

Based on our test checking of the records maintained by the pension fund, we certify as under:

1. The system, procedures and safeguards followed by the pension fund are adequate.
2. The terms and conditions of registration of these regulations, Investment Management Agreement signed with the National Pension System Trust are being complied with by the Pension Fund.
3. Directions issued by the Authority from time to time or any other statutory requirements have been followed.
4. Affairs of the pension fund are being conducted in a manner which is in the interest of the subscribers.
5. All transaction expenses in excess of the limits contractually agreed to / approve by Authority are borne by the pension fund and are not charged to NAV.

Yours truly

For

..... (Name of Firm)

Chartered Accountants

Firm Regn. No...

..... (Name of Partner)

Partner

Membership No:

Place:

Date:

2206 GI/15—10

V. Key Statistics

Name of the Pension Fund :

Key Statistics for the year / period ended

	Scheme A		Scheme B	
	As at	As at	As at	As at
	Current Year	Previous Year	Current Year	Previous Year
1. NAV per unit (Rs.):				
Open				
High				
Low				
End				
2. Closing Assets Under Management (Rs. in Lakhs)				
End				
Average (AAuM)				
3. Gross income as % of AAuM				
4. Expense Ratio:				
a. Total Expense as % of AAuM (scheme wise)				
b. Management Fee as % of AAuM (Scheme wise)				
5. Net Income as a percentage of AAuM				
6. Portfolio turnover ratio				
7. Total Dividend per unit distributed during the year / period (scheme wise)				
8. Returns: (%)				
a. Last One Year				
Benchmark				
b. Since Inception				
Benchmark				
c. Compounded annualised yield (%)				
Last 1 year				
Last 3 years				
Last 5 years				
Since launch of the scheme (date of launch to be given)				
1. Gross income = amount against (A) in the Revenue account i.e. Income.				
2. Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD				
3. Portfolio Turnover = Lower of sales or purchase divided by the Average AUM for the year/period.				
4. AAUM=Average daily net assets				
5 'Compounded annualised yield' is to be calculated based on the following formula: $= (1 + \text{cumulative return})^{1/n} - 1$ (where n = 365/no. of days)				
6. NAV= (Market value of Investment held by scheme + value of current assets- value of current liability and provisions , if any)/ (no. of units at the valuation date (before creation/ redemption of units)				

ABRIDGED BALANCE SHEET FORMAT

Name of the Pension Fund :

Abridged Balance Sheet as at _____

		Scheme A		Scheme B	
		As at	As at	As at	As at
		Current Year	Previous Year	Current Year	Previous Year
LIABILITIES					
1	Unit Capital				
2	Reserves & Surplus				
2.1	Unit Premium Reserve				
2.2	Unrealised Appreciation Reserve				
2.3	Others				
4	Current Liabilities & Provisions				
4.1	Provision for doubtful Income/Deposits				
4.2	Other Current Liabilities & Provisions				
	TOTAL				
ASSETS					
1	Investments				
	Equity				
	Debenture				
	Bonds				
	CG/ SDL				
	Money Market				
	Others				
	Total Investments				
3	Other Current Assets				
3.1	Cash & Bank Balance				
3.3	Others				
	TOTAL				

ABRIDGED REVENUE ACCOUNT FORMAT

Name of the Pension Fund :

Abridged Revenue Account For The Year / Period Ended

		Scheme A		Scheme B	
		As at	As at	As at	As at
		Current Year	Previous Year	Current Year	Previous Year
1	INCOME				
1.1	Dividend				
1.2	Interest				
1.4	Realised Gains on Interscheme transfer				
1.5	Realised Gains on sale / redemption of investments				
1.7	Other Income				
	(A)				
2	EXPENSES				
2.1	Realised Losses on Inter scheme transfer				
2.2	Realised Losses on sale / redemption of investments				
2.3	Investment Management fees				
2.4	Custodian fees				
2.5	Bank Charges				
2.6	Other operating expenses				
	(B)				
3	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A -B = C)				
4	Net Change in Unrealised Depreciation/ appreciation in value of investments				
7	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD				
	Notes to Accounts as specified below				
	<u>Guidance Note</u>				
	1 : Provide details of significant items indicating nature & corresponding amount in Notes to accounts				
	2. Unrealised Depreciation/Appreciation to be computed by each asset category and shown on an aggregated basis. This should take into account change in unrealised depreciation/ appreciation for the year/period and write back of unrealised depreciation/ appreciation provided in the previous year end.				

ABRIDGED BALANCE SHEET FORMAT

Name of the Pension Fund :

Abridged Balance Sheet as at _____

		Scheme A		Scheme B	
		As at	As at	As at	As at
		Current Year	Previous Year	Current Year	Previous Year
	LIABILITIES				
1	Unit Capital				
2	Reserves & Surplus				
2.1	Unit Premium Reserve				
2.2	Unrealised Appreciation Reserve				
2.3	Others				
4	Current Liabilities & Provisions				
4.1	Provision for doubtful Income/Deposits				
4.2	Other Current Liabilities & Provisions				
	TOTAL				
	ASSETS				
1	Investments				
	Equity				
	Debenture				
	Bonds				
	CG/ SDL				
	Money Market				
	Others				
	Total Investments				
3	Other Current Assets				
3.1	Cash & Bank Balance				
3.3	Others				
	TOTAL				

ABRIDGED REVENUE ACCOUNT FORMAT

Name of the Pension Fund :

Abridged Revenue Account For The Year / Period Ended

		Scheme A		Scheme B	
		As at	As at	As at	As at
		Current Year	Previous Year	Current Year	Previous Year
1	INCOME				
1.1	Dividend				
1.2	Interest				
1.4	Realised Gains on Interscheme transfer				
1.5	Realised Gains on sale / redemption of investments				
1.7	Other Income				
	(A)				
2	EXPENSES				
2.1	Realised Losses on Inter scheme transfer				
2.2	Realised Losses on sale / redemption of investments				
2.3	Investment Management fees				
2.4	Custodian fees				
2.5	Bank Charges				
2.6	Other operating expenses				
	(B)				
3	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A -B = C)				
4	Net Change in Unrealised Depreciation/ appreciation in value of investments				
7	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD				
	Notes to Accounts as specified below				
	<u>Guidance Note</u>				
	1 : Provide details of significant items indicating nature & corresponding amount in Notes to accounts				
	2. Unrealised Depreciation/Appreciation to be computed by each asset category and shown on an aggregated basis. This should take into account change in unrealised depreciation/ appreciation for the year/period and write back of unrealised depreciation/ appreciation provided in the previous year end.				

NOTES TO ACCOUNTS - ANNEXURE TO THE ABRIDGED BALANCE SHEET AND REVENUE ACCOUNT.

Name of the scheme :

Notes to Accounts - Annexure to the Abridged Balance Sheet and Revenue Account for the Year / Period ended _____

Sr. No.	Particulars
1	Investments:- 1.1. Note confirming that Investments of the Schemes are in the name of the NPS Trust. 1.2. Open Position of derivatives (outstanding market value & % to Net Assets as of the Year end). 1.3. Investments in Associates and Group Companies: Provide details of issuer, nature of instruments, amount, aggregate investments by all schemes. 1.4. Open position of Securities Borrowed and / or Lend by the scheme. 1.5. Details of NPA: Aggregate market value and provision thereof. 1.6. Aggregate Unrealised Gain / Loss as at the end of the Financial Year / Period and percentage to net assets. 1.7. Aggregate Value of Purchase and Sale with Percentage to average assets. 1.8. Non-Traded securities in the portfolio: Provide Aggregate Value of Equity, Debt & Money Market Instruments and percentage to net assets.
2	Details of Transaction with Associates and Group Companies. Provide details of name of associate, nature of payment and amount
3	Unit Capital movement during the year ended / period ended. Scheme wise details of movement in units - opening, subscription, redemption, closing. Indicate scheme wise face value of units.
4	Prior Year Comparison - a suitable statement that prior year figures have been reclassified whenever necessary to conform to current years' presentation.
5	Contingent Liability. Provide details of nature and amount.

Guidance Note: Provide corresponding previous year/period figures for all the above disclosures.

IX. Accounting Policies

The Accounting Policies related to schemes has to be complied by pension fund for preparation of financial statements and calculation of Net Assets Value:

1. The Pension Fund should maintain their scheme-wise books of account on an accrual basis. Investment should be stated as per the valuation guidelines issued by the Authority from time to time, at the Balance Sheet date or date of computation of asset value or Net Asset Value.
2. Investments should be tallied with the custodian records and units should be tallied with Central Recordkeeping Agency records on daily basis.
3. All allowable expenses and incomes accrued upto the valuation date, which are considered for computation of asset value/ NAV, major expenses like management fees and other allowable periodic expenses like custodian charges etc, should be accrued on a day-to-day basis. The period to be considered for accrual will be the financial year.
4. Dividend income earned by a scheme should be recognised, not on the date the dividend is declared, but on the date the share is quoted on an ex-dividend basis.

5. In respect of all interest-bearing investments, income must be accrued on a day to day basis. Therefore, when such investments are purchased, interest paid for the period from the last interest due date upto the date of purchase must not be treated as a cost of purchase but must be debited to Interest Recoverable Account. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale must not be treated as an addition to sale value but must be credited to Interest Recoverable Account.
6. In determining the holding cost of investments and the gains or loss on sale of investments, the "weighted average cost" method must be followed.
7. Transactions for purchase or sale of investments should be recognised as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements for that year. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction should be recorded in the event of a purchase, as of the date on which the scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
8. Bonus shares to which the scheme becomes entitled should be recognised only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis. Similarly, rights entitlements should be recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.
9. The cost of investments acquired or purchased will include applicable taxes and stamp charges but *exclude* brokerage, applicable taxes on brokerage and other transactional charges. In respect of privately placed debt instruments any front-end discount offered should be reduced from the cost of the investment.
10. All taxes which are leviable and actually paid shall be charged to the NAV of the Fund and be borne by the Subscriber. Any subsequent refund on this account, if any, should be added to the scheme/fund as income.
11. The Investment Management Fee is inclusive of all transaction related charges such as brokerage, transaction cost etc. except custodian charges and applicable taxes. The Investment Management Fee is calculated on the daily assets managed by the pension fund. The fees to be paid to the Authority will not be charged to the scheme.
12. In respect of non-performing assets, recognition, classification and provisioning should be in compliance with the guidelines issued by the Authority.

SCHEDULE VIII

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (PENSION FUND) REGULATIONS, 2015

[See regulation 10(1)(c)]

BANKING AND CENTRAL RECORDKEEPING AGREEMENTS

Before obtaining the certificate of commencement of business, the pension fund shall undertake to enter into a banking agreement with Trustee Bank and central recordkeeping agency as per details given below:

1. The pension fund shall provide electronic interconnectivity to the central recordkeeping agency and Trustee bank. The pension fund shall need to be able to adapt to future changes including changes on account of technology advancements, changes in system specifications including number of subscribers, number of schemes, and services and functional obligations specified by the Authority.
2. Funds for investment purposes as referred to hereinabove, would comprise past, present and future investment and periodical income, redemption and sale proceeds actually received there from and transferred to the credit of the National Pension System Trust, National Pension System Trust A/c at a designated branch of the Trustee Bank with which the investment account of the Pension Fund is held and specifically earmarked for investment purposes as above.
3. The details of the designated branch and the Trustee Bank would be as per arrangements made and approved by the Authority and notified from time to time.
4. Where and as applicable, the central recordkeeping agency shall cause to transfer the netted fund to the designated branch of the Trustee Bank.
5. The funds accepted under this Agreement shall be credited to be held in a separate investment account in the name of the National Pension System Trust with the designated branch with due notice to the National Pension System Trust. All receipts, payments, income, expenses, sale proceeds, purchase, cost of transactions of investments shall be debited or credited, as the case may be, to this account.
6. For the removal of doubts, while the account of the pension fund with the Trustee Bank where from the investments are to be made and the expenses to be incurred in connection with the investment thereof by

pension fund on behalf of the National Pension System Trust shall be maintained by the pension fund, the National Pension System Trust shall maintain the account as per the agreement with the Trustee Bank.

7. The pension fund shall maintain scheme wise bank account with the Trustee Bank to receive funds from the National Pension System Trust account maintained with the Trustee bank and remit funds into the same National Pension System Trust account as per instructions of the central recordkeeping agency from time to time.
8. Where and as applicable, the pension fund shall cause to transfer the withdrawal amount to the subscribers Bank account or in any other manner that is prescribed by the Authority/ National Pension System trust from time to time.

SCHEDULE IX

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(PENSION FUND) REGULATIONS, 2015

[See regulation 10(1)(c)]

CUSTODIAL AGREEMENTS

Before obtaining the certificate of commencement of business, the pension fund shall undertake to enter into a custodian agreement with the National Pension System custodian to carry out the custodial services for the schemes of the fund with the prior approval of the National Pension System Trust as detailed below.

1. Securities shall be purchased by the pension fund on behalf of, and in the name of the National Pension System Trust. The National Pension System Trust shall be the registered owners of these securities and funds. However, individual National Pension System subscribers' shall remain beneficial owners of these assets and funds.
2. The pension fund shall interface with the National Pension System custodian to receive detailed information and reports from the custodian. Accordingly, the pension fund shall provide electronic interconnectivity to custodian.
3. The pension fund shall ensure Scheme wise segregation of securities account.
4. The pension fund shall not hypothecate, pledge and lend any assets or property of the Fund without the approval of the National Pension System Trust.
5. The pension fund shall enter into transactions relating to securities only in dematerialised form. The pension fund shall, for securities purchased in physical form get the securities transferred in the name of the National Pension System Trust on account of the scheme in dematerialised form except for authorised investments that are available only in physical form.
6. The pension fund shall obtain from the custodian of the scheme, from time to time, such financial reports, proxy statements and other information relating to the business and affairs of the scheme as the Investment Manager may reasonably require in order to discharge its duties and obligations, or to comply with the Authority's guidelines or directions, or any applicable law, rules and regulations.

SCHEDULE X

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(PENSION FUND) REGULATIONS, 2015

[See regulation 22 (9)]

INVESTMENT AND RISK MANAGEMENT COMMITTEE

1 INVESTMENT COMMITTEE

1. Pension fund shall constitute an Investment Committee consisting of two directors, the Chief Executive Officer and the Chief Investment Officer or Fund Manager in case CEO and CIO are the same official.
2. Pension fund shall draw up an investment policy and place the same before the board of directors for its approval. In framing such a policy, the board will be guided by issues relating to liquidity, prudential norms, exposure limits, stop loss limits in securities trading, management of all investment and market risks, management of assets liabilities mismatch, investment audits and investment statistics and the provisions of the Authority's guidelines or directions.
3. The investment policy as approved by the board will be implemented by the Investment Committee, which shall keep the board informed periodically about its activities.

4. The board shall review its investment policy and its implementation on an half- yearly basis or at such short intervals as it may decide and make such modifications in its existing investment policy as are necessary to bring them in tune with the requirements of law and regulations in regard to protection of subscribers' interest and pattern of investment laid down by the Authority.
5. The details of the investment policy or its review as periodically decided by the board shall be submitted to the National Pension System Trust within thirty days of its decision thereto. The National Pension System Trust may call for further information from time to time from the pension fund as it deems necessary and in the interest of the subscribers.
6. The Investment Committee shall also review the changes, if any, in its team and any other matter relating to investments and forward its recommendation to the Board of Directors of Pension Fund.
7. The Investment Committee may engage services of investment professionals, as may be required.

II RISK MANAGEMENT COMMITTEE

1. Pension fund shall constitute a Risk Management Committee which shall consist of at least one independent director, the Chief Executive Officer, Chief Investment Officer or fund manager in case CEO and CIO are the same official and the Risk or Compliance Officer. The director should not be the same as the one on the Investment Committee.
2. The pension fund shall draw up a Risk Policy and place the same before its board of directors for its approval. In framing such a policy, the Board shall be guided by:
 - (a) Risk management functions
 - (b) Disaster recovery and business contingency plans
 - (c) Insurance cover against risks
 - (d) Ensuring a risk adjusted return to subscribers consistent with the protection, safety and liquidity of such funds.
3. The Risk policy as approved by the Board will be implemented by the Risk Management Committee, which shall keep the Board informed periodically about its activities.
4. The Board shall review the Risk policy on a half-yearly basis or at such intervals as it may be decided and make such modifications in its existing risk policy as are necessary to bring them in tune with the requirements of law and regulations. The Board shall periodically update the National Pension System Trust on the same.
5. The Risk Management Committee may engage services of risk management professionals, as may be required.

SCHEDULE XI

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

(PENSION FUND) REGULATIONS, 2015

[See regulation 10(1)(a)]

INVESTMENT MANAGEMENT AGREEMENT (Format)

Before obtaining the certificate of commencement of business, the pension fund shall enter an agreement with the National Pension System Trust *inter alia* containing the following clauses:

1. The pension fund shall act as the Investment Manager of the schemes with respect to the investment and reinvestment of the investible funds including cash, securities and other properties comprising the assets of each scheme in accordance with the investment policies, guidelines or directions issued by the Authority from time to time.
2. The pension Fund shall assume day to day investment management of the Schemes and, in that capacity, make investment decisions and manage the Scheme in accordance with the provisions of the Act , rules, guidelines, directions, notifications, circulars or regulations thereunder.
3. The pension fund shall invest funds made available to it by the Trustee Bank within the time lines specified by the Authority or the National Pension System Trust from time to time.
4. The pension fund shall exercise all due diligence, prudence, promptness and vigilance in carrying out its duties and in protecting the rights and interests of the subscribers.
5. The pension fund shall avoid all nature of speculative transactions or dealing in investments..
6. The pension fund shall be responsible for the acts of omissions or commissions, if any, by its employees or the persons whose services have been procured by the pension fund and shall remain liable to compensate for the same at all times.
7. The pension fund shall deploy well qualified professionals/officers with track record of integrity to manage the funds.
8. The pension fund shall manage the Fund schemes independently of other activities and take adequate steps to ensure that the interests of the subscribers are not being compromised in any manner.

9. The pension fund shall (i) not undertake any other business activities except activities relating to pension fund for schemes regulated by the Authority or any other activity as permitted by the Authority and (ii) not be entitled to charge any fees on investment of its own assets in its schemes.
10. The pension fund shall maintain books and records and comply with the disclosure requirements specified by the Authority or National Pension System Trust from time to time and as detailed in Schedule III.
11. The valuation of the schemes would be done in accordance with the regulations, guidelines or directions issued by the Authority from time to time.
12. The pension fund shall submit a periodical report on the functioning of the fund to the National Pension System Trust or at such intervals and in such manner as may be required or called for by the National Pension System Trust or the Authority. Pension fund shall also send any additional reports, information or data, without fail as may be required or called for by the Pension System Trust or Authority from time to time. Besides the above pension fund shall submit to the National Pension System Trust, reports on quarterly basis or at such intervals in specified formats of its activities and the compliances with the guidelines.
13. The pension fund shall provide electronic interconnectivity to the Authority, National Pension System Trust, central recordkeeping agency, custodian, Trustee Bank and other service providers as advised or specified by the Authority or National Pension System Trust from time to time. The pension fund will need to be able to adapt to future changes including changes on account of technology advancements, changes in system specifications including number of subscribers, number of schemes, and services and functional obligations prescribed by the Authority.
14. The pension fund shall not give any undue or unfair advantage to any associates or deal with any of the associates of the pension fund in any manner detrimental to interest of the subscribers.
15. The pension fund shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction
16. The pension fund must take prior approval of National Pension System Trust for any proposed transactions or engagement of a related party and must provide reasons for the proposed transactions or engagement except investments of National Pension System Trust funds within the specified threshold limit. It shall make disclosure of such transactions undertaken to the National Pension System Trust in its periodic reports.
17. The pension fund shall not purchase or sell securities through any broker which is average of 5 per cent or more of the aggregate purchases and sale of securities under all schemes made by the pension fund unless the pension fund has recorded in writing the justification for exceeding the limit of 5 per cent and reports of all such investments are sent to the Authority the National Pension System Trust on a quarterly basis:
18. Provided that the aforesaid limit of 5 per cent shall apply for a annually .
19. Pension fund shall enter into such agreements with the permission of the Authority as is necessary for effective discharge of its responsibilities.
20. Pension fund shall provide information regarding performance, NAV history, portfolio composition under its schemes, scheme financials, to subscribers on a periodic basis as specified by the Authority, the National Pension System Trust from time to time including uploading of such information in electronic form on the website of the pension fund.
21. Pension fund shall ensure that the pension fund complies with all the provisions of the guidelines and that the investments made by the fund managers are in the interest of subscribers.
22. The pension fund shall not invest any part of the pension fund outside the territory of India either directly or indirectly.
23. The pension fund shall constitute an Investment Committee and a Risk Committee. The constitution and functions of the Investment / Monitoring Committee are as set forth in Schedule VI
24. The pension fund shall provide the National Pension System Trust with the reports specified in Schedule VII and must take reasonable steps to ensure that these reports are complete and accurate in all material respects to the extent the necessary information is within the reasonable control of the Pension Fund.
25. The pension fund shall discharge its duties with adequate care, caution, prudence, promptness and due diligence and shall be liable to indemnify the National Pension System Trust for any loss or damages caused to the National Pension System Trust out of bad faith, negligence, fraud, misconduct and or misdemeanor, improper or unethical practices, infringement of intellectual property rights, breach of fiduciary duty, breach of trust, breach of confidentiality, breach of contract, inaction, or any breach of applicable law, guidelines, rules, regulations or directions issued by the Authority or of the provisions of the Act, regulations or guidelines on the part of pension fund or its employees, agents or subagents.
26. The pension fund is authorised and responsible to collect interest on maturity, redemption and sale proceeds relating to the investments, on due dates and credit them to the appropriate accounts of the National Pension System Trust in time. While doing so, it shall be the duty of the pension fund to inform the relevant institutions and authorities that the interest received by the National Pension System Trust is not liable for deduction of tax at source under the Income-tax Act.
27. Despite the above, if any tax is deducted at source (TDS) on such investments, it shall be the entire responsibility of the pension fund to obtain the refund of such tax within the financial year on behalf of the National Pension System Trust, at its own cost and expense, failing which the pension fund shall reimburse the

National Pension System Trust, of the said amounts, being deducted as tax, upon being notified by the National Pension System Trust.

28. The pension fund is authorised to execute on behalf of the National Pension System Trust all writings, forms, returns, applications, documents, as may be necessary to be filed with a company, organisation, institution, authority, government body or department, etc. in any manner relating to the management of the National Pension System Trust investments in such manner as the pension fund may deem fit in accordance with the applicable law and for the benefit of subscribers' only and to protect their interest.
29. The pension fund shall exercise the voting rights on behalf of the National Pension System Trust as per the voting policy of the Authority in co-ordination with the National Pension System Trust.
30. The funds shall be credited to a separate investment account in the name of the National Pension System Trust with the designated branch of the Trustee Bank. All receipts, payments, income, expenses and cost of transactions of investments shall be debited or credited to this account. The pension fund shall not be entitled to recovery of its remuneration/fee/charges, if any, from this account.
31. The Investment account of the pension fund with the designated branch of the Trustee Bank shall be operated by the pension fund, whereas the National Pension System Trust shall maintain the account as per the agreement with Trustee Bank.
32. Without prejudice to any other clauses of the agreement all/any securities and other assets acquired by pension fund on behalf of the National Pension System Trust be kept at custodian facilities as detailed in the Schedule IX.
33. The pension fund is authorised to take such legal proceedings on behalf of the National Pension System Trust as may be necessary for the protection of the National Pension System Trust's investments including interest income and to engage advocates, counsel or other representatives for the effective execution of the claims on behalf of the National Pension System Trust as per the National Pension System Trust guidelines. If the National Pension System Trust requires the pension fund To undertake any proceedings with respect to securities or investments which involve payment of money or render the pension fund materially liable for the payment of money or incurring liability of some form, the National Pension System Trust shall provide indemnity to the pension fund mutually agreed by the parties. However, no such indemnity will be provided to the pension fund if the reasons for payment of money by the pension fund were on account of any failure, inaction, delay, error, omission or commission on the part of pension fund.
34. The National Pension System Trust may authorise the pension fund to engage the services of independent legal and/or tax consultants and any other consultants, as may be required for the fund management or any allied activity excluding core functions of pension fund, as may be specified by the Authority, the National Pension System Trust from time to time:
Provided that the National Pension System Trust may specify from time to time the limit on the expense that may be incurred towards such external consultants.
35. Upon request by the pension fund, the National Pension System Trust shall deliver to it such proxies, power of attorney or other instruments as may be necessary in connection with the performance by the pension fund or it's sub-agent, custodian their respective obligations under this agreement or for the operation of the bank account.
36. Conflicts of Interest- The pension fund must pro-actively identify and disclose any conflicts of interest that arise or may arise. These may relate to the pension fund itself or to service providers engaged by the pension fund. The pension fund must promptly advise the National Pension System Trust as to how these conflicts of interest are to be managed prior to taking any action affected by these conflicts of interest.
37. The pension fund shall ensure, at all times, separation between its staff responsible for investments, settlement and book-keeping, distribution and sales, if any. The pension fund shall ensure, at all times, adequate firewalling between the investments of the sponsor and the pension fund. Notwithstanding the above, the National Pension System Trust or the Authority shall be fully empowered to give directions to the pension fund to forthwith remove such issue or /instances of conflict of interest without causing any prejudice to the investments in any manner.
38. The pension fund shall provide information on outsourcing arrangements, if any, to the National Pension System Trust, provided that core functions of the pension fund shall not be outsourced in any manner. The pension fund shall not absolve itself of any responsibility for the outsourced activities and shall be liable for the same.
39. The pension fund shall ensure access to all records, data or any other relevant material to the National Pension System Trust or to the representatives of the Authority for ensuring necessary supervision (both on-site and off-site) at all times including inspection of records.
40. Confidentiality -Except as required by law or regulation , the pension fund may not directly or indirectly disclose to any other person, or use or permit to be disclosed without the prior written consent of the other party and each party must keep all such information confidential, except where publicly available . The confidentiality shall also extend to such other information as may be provided to the pension fund by other intermediaries like Trustee Bank, central recordkeeping agency in relation to National Pension System. The pension fund shall also execute a separate non-disclosure agreement to give further effect to this clause.
This obligation on the part of the pension fund shall survive till ten years after the termination/expiry of this registration certificate.

41. The National Pension System Trust or the Authority may use the information, correspondence and documentation, facts, figures, data and deliverables provided by the pension fund, in any appropriate manner as deemed fit, for its own purposes. Nothing in this clause shall prevent the pension fund from disclosure of pertinent information to subscribers particularly the NAV value and composition of portfolio under the schemes.
42. **Privacy**-The pension fund must comply with all applicable privacy laws or data protection laws in force from time to time, including the privacy code and any guidelines issued by Government of India, and agree to co-operate in the resolution of any complaint under or relating to any of those laws, codes or guidelines.
43. **Security**-The pension fund must have appropriate security policy and standards to protect information within its control from unauthorised access and will ensure that its officers or supervised agents comply with those policies and standards.
44. **Non- exercise of any of the rights**, available to the National Pension System Trust or the Authority under this regulation shall not be construed as waiver by the Authority or National Pension System Trust of such rights and pension fund shall remain liable for non-performance or breach of this agreement to National Pension System Trust.
45. **Proper Instructions**
The National Pension System Trust shall certify to the pension fund the names and signatures and scope of authority of all persons authorised to give proper instructions or any other notice, request, direction, instruction, certificate or instrument on behalf of the National Pension System Trust. Such certificate may be accepted and relied upon by the pension fund as conclusive evidence of the facts set forth therein and may be considered in full force and effect until receipt of similar certificate to the contrary.
46. The pension fund shall certify to the National Pension System Trust the names and signatures and scope of authority of all persons authorised to receive proper instructions or any other notice, request, direction, instruction, certificate or instrument on behalf of the pension fund. The service of any notice, request, direction, instruction, certificate or instrument on such authorised persons shall be deemed to be effective notice or service to the pension fund.
47. The National Pension System Trust and pension fund may vary their respective authorized persons by notice to the other.
48. The pension funds shall submit to the exclusive jurisdiction of the Securities Appellate Tribunal at New Delhi only.
49. **Exclusivity**-The key personnel of the pension fund shall exclusively service only the pension fund company and the schemes managed by them under the agreement. Any change in the key personnel shall be duly intimated to the National Pension System Trust or the Authority. Key personnel shall include the Chief Executive Officer, CEO cum Chief Investment Officer, Chief Investment Officer/Fund Manager, Compliance Officer and Operations Manager within 15 days of change.
50. Where the pension fund or any its nominees, officers, servants have by any acts of omission or commission on its/their part, committed any breach of the Act, regulations or guidelines or have failed to discharge its duty with due care and diligence or have failed to observe or perform any representation, warranty or undertaking given under the agreement, thereby causing any loss to the fund, in any manner, either directly or indirectly, then besides any liability as provided elsewhere under this agreement, the pension fund shall be liable in terms of the provisions of the Act and the regulations.
51. **Ownership and Intellectual Property rights** -The ownership rights, intellectual property rights and all other rights relating to ownership of all the record, data, statistical returns and information whether in electronic form, or physical form or in any other form obtained collected and/or required to be maintained by the pension fund and relating to the schemes managed by the pension fund shall vest in the Authority. No person other than the Authority shall have any ownership rights or any other rights over any data or information in the possession of the pension fund. The pension fund will not, without the prior permission of Authority, produce / share such data or information as evidence or for any other purpose except as required by the due process of law. It shall be the responsibility and duty of the pension fund to maintain absolute confidentiality of such records/data/information and to produce these as and when called for by the Authority.

HEMANT G. CONTRACTOR, Chairperson
[ADVT-III/4/Exty./203/15/(52)]



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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वित्त मंत्रालय

(वित्तीय सेवाएं विभाग)

अधिसूचना

नई दिल्ली, 26 जून, 2015

सा.का.नि. 519(अ).—केन्द्रीय सरकार, पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) की धारा 42 की उपधारा (1) के साथ पठित धारा 51 की उपधारा (2) के खंड (छ) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निम्नलिखित नियम बनाती है, अर्थात् :—

1. संक्षिप्त नाम और प्रारंभ:

(1) इन नियमों का संक्षिप्त नाम पेंशन निधि विनियामक और विकास प्राधिकरण (लेखों और अभिलेखों की वार्षिक विवरणी का प्ररूप) नियम, 2015 है।

(2) ये राजपत्र में प्रकाशन की तारीख से प्रवृत्त होंगे।

2. परिभाषाएं—इन नियमों में, जब तक कि संदर्भ से अन्यथा अपेक्षित न हो,—

(क) "अधिनियम" से पेंशन निधि विनियामक और विकास प्राधिकरण अधिनियम, 2013 (2013 का 23) अभिप्रेत है;

(ख) "प्ररूप" से उपावद्ध कोई प्रारूप अभिप्रेत है;

(ग) "अनुसूची" से प्रारूप से उपावद्ध कोई अनुसूची अभिप्रेत है;

(घ) पदों और शब्दों के, जो इन नियमों में प्रयुक्त हैं और परिभाषित नहीं हैं किंतु अधिनियम में परिभाषित हैं, वहीं अर्थ होंगे जो अधिनियम में हैं।

3. लेखों और अन्य संबंधित अभिलेखों की वार्षिक विवरणी—प्राधिकरण प्रत्येक वर्ष की 31 मार्च को समाप्त होने वाली वारह मास की किसी अवधि के अवसान पर, उक्त अवधि के संदर्भ तुलन-पत्र, आय और व्यय के लेखे तथा प्राप्तियां और संदाय में नीचे के विनिर्दिष्ट प्ररूपों में तैयार करेगा, अर्थात् :—

(क) प्ररूप "क" में तुलन-पत्र;

(ख) प्ररूप "ख" में आय और व्यय का लेखा;

(ग) प्ररूप "ग" में प्राप्ति और संदाय का लेखा ।

4. लेखा आदि का अनुरक्षण—प्राधिकरण नियम 3 में निर्दिष्ट तुलन-पत्र, आय और व्यय लेखा तथा प्राप्ति और संदाय लेखा वित्तीय वर्ष, जिससे वह संबंधित है, के पश्चातवर्ती पांच वर्ष की न्यूनतम अवधि के लिए सुरक्षित रखेगा ।

5. प्राधिकृत हस्ताक्षरकर्ता—तुलन-पत्र, आय और व्यय लेखा तथा प्राप्ति और संदाय लेखा और उनसे उपाबद्ध अनुसूचियां प्राधिकरण के मुख्य लेखा अधिकारी, अध्यक्ष और दो सदस्यों द्वारा हस्ताक्षरित होंगी ।

फार्म ए

[नियम 3 (क) देखें]

पेंशन निधि विनियामक और विकास प्राधिकरण

दिनांक 31.03.201 की स्थिति के अनुसार तुलनपत्र

(यूनिट-भारतीय रुपये)

देयता	अनुसूची	चालू वर्ष	गत वर्ष	आस्ति	अनुसूची	चालू वर्ष	गत वर्ष
1. आधारभूत/ पूँजीगत निधि	1			1. अचल आस्ति कुल ब्लॉक घटाएं : मूल्यह्रास निवल ब्लॉक	8		
2. आरक्षित एवं अधिशेष निधियां	2			2. निर्धारित से निवेश/ अक्षय निधि	9		
3. निर्धारित की गई/ अक्षय निधि	3			3. अन्य निवेश	10		
4. जमानती ऋण एवं उधार	4			4. वर्तमान आस्ति, ऋण, अग्रिम आदि	11		
5. गैर-जमानती ऋण एवं उधार	5			5. विविध व्यय (उस सीमा तक जहां उसे बट्टे खाते नहीं डाला गया हो या समायोजित नहीं किया गया हो।			
6. आस्थगित ऋण देयता	6						
7. वर्तमान देयता एवं प्रावधान	7						
जोड़				जोड़			
महत्वपूर्ण लेखा नीति	24						
आकस्मिक देयता एवं लेखा पर नोट	25						

नोट :- तुलनपत्र की सभी अनुसूचियां खाते का भाग होंगी।

स्थान:

दिनांक :

मुख्य लेखा अधिकारी

सदस्य

सदस्य

अध्यक्ष

MINISTRY OF FINANCE
(Department of Financial Services)
NOTIFICATION

New Delhi, the 26th June, 2015

G.S.R. 519(E).—In exercise of the powers conferred by clause (h) of sub-section (2) of Section 51, read with sub-section (1) of Section 42 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Central Government, in consultation with the Comptroller and Auditor-General of India, hereby makes the following rules, namely:—

1. **Short title and commencement.**—(1) These rules may be called the Pension Fund Regulatory and Development Authority (Form of Annual Statement of Accounts and Records) Rules, 2015.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. **Definitions.**—In these rules, unless the context otherwise requires,
 - (a) “Act” means the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013);
 - (b) “Form” means a form appended to these rules;
 - (c) “Schedule” means a Schedule appended to the Form;
 - (d) words and expressions used in these rules and not defined, but defined in the Act shall have the meanings respectively assigned to them in the Act.
3. **Annual statement of accounts and other relevant records.**—At the expiration of a period of twelve months ending with the 31st March of every year, the Authority shall prepare with reference to that period, a balance-sheet, an income and expenditure account and receipt and payment account in the Forms as specified below, namely:—
 - (a) the Balance-Sheet in Form “A”;
 - (b) the Income and Expenditure Account in Form “B”;
 - (c) the Receipt and Payment Account in Form “C”.
4. **Maintenance of accounts, etc.**—The Authority shall preserve the Balance-Sheet, the Income and Expenditure Account and the Receipt and Payment Account referred to in rule 3, for a minimum period of five years following the financial year to which they relate.
5. **Authorised Signatory.**—The Balance-Sheet, Income and Expenditure Account and Receipt and Payment Account and the Schedules appended thereto shall be signed by the Chief Account Officer of the Authority, Chairperson and two members of the Authority.

FORM A

[See rule 3 (a)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

BALANCE SHEET AS AT 31.03.201 _____

(Unit—INDIAN RUPEE)

Liabilities	Schedule	Current year	Previous year	Assets	Schedule	Current year	Previous year
1. Corpus / Capital fund	1			1. Fixed assets	8		
				Gross Block			
				Less : Depreciation			
				Net Block			
2. Reserves and surplus	2			2. Investments from Earmarked / Endowment Fund	9		
3. Earmarked/ Endowment funds	3			3. Investments-Others	10		
4. Secured loans and borrowings	4			4. Current assets, Loans, Advances etc.	11		
5. Unsecured loans and borrowings	5			5. Miscellaneous expenditure (to the extent not written off or adjusted)			
6. Deferred credit liabilities	6						
7. Current liabilities and provisions	7						

Total				Total			
Significant Accounting Policy	24						
Contingent Liabilities and Notes on Accounts	25						

Note :- All Schedules to Balance Sheet shall form part of Account.

Place:

Date :

Member

Member

Chief Accounts Officer

Chairperson

FORM B

[See rule 3(b)]

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED AT 31ST MARCH, 201_____

(Unit INDIAN RUPEE)

Expenditure	Schedule	Current year	Previous year	Income	Schedule	Current year	Previous year
1. Establishment Expenses	20			1. Income from Sales/Services	12		
2. Other Administrative expenses etc.	21			2. Grants/Subsidies	13		
3. Expenditure on Grants, Subsidies etc.	22			3. Fee/Subscription	14		
4. Interest	23			4. Income from Investments (Income on investment from earmarked/ endowment Funds transferred to Funds)	15		
5. Depreciation (Net Total at the year end – corresponding to Schedule 8)				5. Income from Royalty, Publications etc.	16		
				6. Interest Earned	17		
				7. Other Income	18		
				8. Increase/(decrease) in stock of Finished goods and Work-in-progress	19		
Total				Total			
Balance being excess of Income over Expenditure							
Transfer to Special Reserve (specify each)							
Transfer to/from General Reserve							
BALANCE BEING SURPLUS/ (DEFICIT) CARRIED TO CORPUS/CAPITAL FUND							
Significant Accounting Policy	24						
Contingent Liabilities and Notes on Accounts	25						

Notes :- All Schedules to Income and Expenditure Account shall form part of account.

Place:

Date :

Member

Member

Chief Accounts Officer

Chairperson

FORM C
[See rule 3(c)]
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 201

(Unit – INDIAN RUPEE)

Receipts	Current year	Previous year	Payment	Current year	Previous year
1. Opening Balances			1. Expenses		
(a) Cash in hand			(a) Establishment Expenses (Schedule)		
(b) Bank Balances			(b) Administrative		
(i) In Current accounts			2. Grants Utilised		
(ii) In Time Deposit accounts			(a) Swavalamban Contribution		
(iii) In Saving Bank deposit accounts			(b) Swavalamban Promotion		
2. Grants Received			(c) Grant to National Pension system Trust		
(i) From Government of India			(d) Others		
(a) Grant-in-aid Salaries			3. Investments and deposits made		
(b) Grant-in-aid-General			(a) Out of earmarked/Endowment funds		
(c) Grant-in-aid-Swavalamban Contribution			(b) Out of Own Funds (Investments-Others)		
(d) Grant-in-aid-Swavalamban Promotional and Development activities			4. Expenditure on Fixed Assets and Capital Work-in-progress		
(e) Others			(a) Purchase of Fixed Assets		
(ii) From State Government			(b) Expenditure on Capital Work-in-progress		
(a) Grant-in-aid Salaries			5. Refund of surplus money/Loans		
(b) Grant-in-aid-General			(a) Recoverable from National pension system trust		
(c) Grant-in-aid-Swavalamban Contribution			(b) To the State Government		
(d) Grant-in-aid-Swavalamban Promotional and Development activities			(c) To other providers of funds		
(e) Others			6. Finance Charges (Interest)		
(iii) From Other Sources (details) (Grants for Capital and revenue expenditure to be shown separately)			(a) Bank charges		
3. Income on Investments			(b) Others		
(a) Earmarked/Endowment Funds			(a) Prepaid		
(b) Own Funds (other investment)			(b) Loan/ Advance to employees		
4. Interest Received			(c) Security Deposits		
(a) On Bank deposits			8. Closing Balances		
(b) Loans, Advances etc.			(a) Cash in hand		
(c) Others			(b) Bank Balances		
5. Other Income (Specify)			(i) In Current accounts		
(a) Fees for Miscellaneous services			(ii) In Time Deposit accounts		
(b) Miscellaneous Income			(iii) In Saving Bank Deposit		
6. Amount Borrowed					
7. Any Other receipts					
(a) Security/Earnest Money Deposit					
(b) Refund of Advance					
(c) Others					
Total			Total		

Place:

Date :

Member

Member

Chief Accounts Officer
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 1

ATTACHED TO AN

D FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 201_____

CORPUS/CAPITAL FUND

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
Balance as at the beginning of the year		
Add : Opening Balance of unutilized corpus fund		
Less : Closing Balance of unutilised corpus fund		
Add/Deduct : Balance of net income/expenditure transferred from the Income and Expenditure		
Add : Government Grant to be received from Government/transferred from the Income and Expenditure Account Balance as at the year end		

Place:

Date :

Member

Member

Chief Accounts Officer

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 2

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST
MARCH, 201_____RESERVES AND SURPLUS

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
1. Capital Reserve		
(a) At the beginning of the year		
(b) Addition during the year		
(c) Less : Deductions during the year		
2. Revaluation Reserve		
(a) At the beginning of the year		
(b) Addition during the year		
(c) Less : Deductions during the year		
3. Special Reserve		
(a) At the beginning of the year		
(b) Addition during the year		
(c) Less : Deductions during the year		
4. General Reserve		
(a) At the beginning of the year		
(b) Addition during the year		
(c) Less : Deductions during the year		
Total		

Place:

Date :

Member

Member

Chief Accounts Officer
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 3

ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201

EARMARKED/ENDOWMENT FUNDS

(Unit - INDIAN RUPEE)

Particulars	Fund wise break up		Current year	Previous year
	Fund XX	Fund YY		
1. Opening balance of the funds				
2. Additions to the funds				
(a) Donations/grants				
(b) Income on Investments made on account of funds				
(c) Other Additions (specify nature)				
Total (1+2)				
3. Utilisation/Expenditure towards objectives of funds				
(a) Capital Expenditure				
(i) Fixed assets				
(ii) Others				
Total				
(b) Revenue Expenditure				
(i) Salaries, Wages and allowances, etc.				
(ii) Rent				
(iii) Other Administrative expenses				
Total				
Total (3)				
Net balance at the year end (1+2-3)				
Notes:- (1) Disclosures shall be made under relevant heads based on conditions attaching to the grants. (2) Plan Funds received from the Central/State Governments are to be shown as separate Funds and not to be mixed up with any other Funds.				

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

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PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 4

ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201

SECURED LOANS AND BORROWINGS

(Unit - INDIAN RUPEE)

Particulars	Current year	Previous year
1. Central Government		
2. State Government		
3. Financial Institutions		
(a) Term Loans		
(b) Interest accrued and due		
4. Banks		
(a) Term Loans		
-Interest accrued and due		
(b) Other Loans (specify)		
-Interest accrued and due		
5. Other Institutions		
6. Debentures and Bonds		
7. Others		
Total		
Note : Amount due within one year		

Place:

Date :

Member

Member

Chief Accounts Officer

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 5

ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201

UNSECURED LOANS AND BORROWINGS

(Unit - INDIAN RUPEE)

Particulars	Current year	Previous year
1. Central Government		
2. State Government		
3. Financial Institutions		
4. Banks		
(a) Term Loans		
(b) Other Loans (specify)		
5. Other Institutions		
6. Debentures and Bonds		

7. Fixed deposits		
8. Others (specify)		
Total		
Note : Amount due within one year		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 6****ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201**_____**DEFERRED CREDIT LIABILITIES**

(Unit - INDIAN RUPEE)

Particulars	Current year	Previous year
1. Acceptances secured by hypothecation of Capital Equipment and Other Assets		
2. Others		
Total		
Note : Amount due within one year		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 7****ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201**_____**CURRENT LIABILITIES AND PROVISIONS**

(Unit - INDIAN RUPEE)

Particulars	Current year	Previous year
<u>CURRENT LIABILITIES</u>		
1. Acceptances		
2. Sundry Creditors		
3. Advances Received		

4. Interest Accrued but not Due on :					
(a) Secured Loans / Borrowings					
(b) Unsecured Loans / Borrowings					
5. Statutory Liabilities :					
(a) Overdue					
(b) Others					
6. Other Current Liabilities					
(a) Unutilised grant as at 31st March payable to GOI					
(c) Others					
TOTAL					
PROVISIONS					
1. For Taxation					
2. Gratuity					
3. Trade Warranties/Claims					
4. Accumulated Leave encashment					
5. Pension Contribution Payable					
7. Leave salary payable					
8. Others (specify)					
TOTAL					
GRAND TOTAL					

Place:

Date :

Chief Accounts Officer

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

Member

Member

SCHEDULE 7

Chairperson

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.201

CURRENT LIABILITIES AND PROVISIONS

(Rupee - Indian Rupee)		Particulars	
Previous year	Current year		
		1. Advances Received	
		2. Sundry Creditors	
		3. Acceptances	

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 8

ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201

FIXED ASSETS

(Unit – INDIAN RUPEE)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/Valuation as at beginning of the year	Additions during the year	Deductions during the year	Cost/Valuation as at the year-end	As at beginning of the year	For the year	On Deductions during the year	Total upto year end	As at the Current year	As at the previous year
FIXED ASSETS										
1. Land :										
(a) Freehold										
(b) Leasehold										
2. Buildings :										
(a) On Freehold Land										
(b) On Leasehold Land										
(c) Ownership Flats/ Premises										
(d) Superstructures on Land not belonging to the entity										
3. Plant Machinery and Equipment										
4. Vehicle										
5. Furniture and Fixtures										
6. Office equipments										
7. Computer/ Peripherals										
8. Electrical Installations										
9. Library Books										
10. Other Fixed Assets										
TOTAL OF CURRENT YEAR										
PREVIOUS YEAR										
Capital Work-in-progress										
Total										
Note to be given as to cost of assets on hire purchase basis included above.										

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 9****ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201 _____****INVESTMENTS FROM EARMARKED / ENDOWMENT FUNDS**

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
1. Government securities		
2. Other approved securities		
3. Shares		
4. Debentures and Bonds		
5. Subsidiaries and Joint ventures		
6. Others (to be specified)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 10****ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201 _____****INVESTMENTS-OTHERS**

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
1. Government securities		
2. Other approved securities		
3. Shares		
4. Debentures and Bonds		
5. Subsidiaries and Joint ventures		
6. Others (to be specified)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 11

ATTACHED TO AND FORMING PART OF BALANCE-SHEET AS AT 31.03.201 _____
CURRENT ASSETS, LOANS AND ADVANCES

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
(A). CURRENT ASSETS		
1. Inventories :		
(a) Stores and Spares		
(b) Loose Tools		
(c) Stock-in-Trade		
Finished Goods		
Work-in-Progress		
Raw Materials		
2. Sundry Debtors :		
(a) Debts Outstanding for a period exceeding six months		
(b) Others		
3. Cash in hand		
4. Bank Balances :		
(a) with Scheduled Banks :		
(iv) On Current Accounts		
(v) On Time Deposit Accounts		
(vi) On Savings Bank Deposit Accounts		
(b) with Non-Scheduled Banks :		
(iv) On Current Accounts		
(v) On Time Deposit Accounts		
(vi) On Savings Bank Deposit Accounts		
5. Post Office-Savings Accounts		
6. Others		
TOTAL (A)		
(B). LOANS, ADVANCES AND OTHER ASSETS:		
1. Loans:		
(a) Staff		
(b) Other Entities engaged in activities/objectives similar to that of the Entity		
(c) Others (specify)		
2. Advances and Other Amounts Recoverable in cash or in kind or for value to be received:		
(a) On Capital Account		
(b) Prepayments		
(c) Security Deposits		
(d) Others		
3. Income Accrued :		
(a) On Investments from Earmarked/Endowment Funds		
(b) On Investments – Others		
(c) On Loans and Advances		
(d) Others (includes income due unrealized ₹ _____)		
4. Claims Receivable		
Total (B)		
Grand Total (A) + (B)		

Place:

Date :

Member

Member

Chief Accounts Officer

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 12**

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____

INCOME FROM SALES/SERVICES

(Unit— INDIAN RUPEE)

Particulars	Current year	Previous year
(1) <u>Income from Sales</u>		
(a) Sale of Finished goods		
(b) Sale of Raw Material		
(c) Sale of Scraps		
(2) <u>Income from Services</u>		
(a) Labour and Processing Charges		
(b) Professional/Consultancy Services		
(c) Agency Commission and Brokerage		
(d) Maintenance Services (Equipment/Property)		
(e) Others (Specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 13**

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____

GRANT / SUBSIDIES

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
<u>Irrevocable Grants and Subsidies Received</u>		
1. Central Government		
2. State Government		
3. Government agencies		
4. Institution / Welfare bodies		
5. International Organisations		
6. Others (specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 14

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____FEES / SUBSCRIPTIONS

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
6. Entrance Fees		
7. Annual Fees /Subscriptions		
8. Seminar /Program Fee		
9. Consultancy Fees		
10. Licence fees		
7. Others (specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 15

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____INCOME FROM INVESTMENTS

(Income on Investments from Earmarked/Endowment Funds transferred to Funds)

(Unit – INDIAN RUPEE)

Particulars	Investment from Earmarked Fund		Investment - Others	
	Current year	Previous year	Current year	Previous year
1. Interest				
(a) On Govt. securities				
(b) Other Bonds/Debentures				
(c) Others				
2. Dividend				
(a) On Shares				
(b) On Mutual Funds				
(c) Others				
3. Rents				
4. Others (specify)				
Total				
Transferred to Earmarked/Endowment Funds				

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

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PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 16

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____
INCOME FROM ROYALTY, PUBLICATION ETC.

Particulars	(Unit – INDIAN RUPEE)	
	Current year	Previous year
1. Income from Royalty		
2. Income from Publications		
3. Others (specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 17

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____
INTEREST EARNED

Particulars	(Unit – INDIAN RUPEE)	
	Current year	Previous year
1. On Term Deposits Accounts		
(a) with Scheduled Bank		
(b) with Non Scheduled Bank		
(c) with Institutions		
(d) Others		
2. On Savings Bank Deposit Accounts:		
(a) with Scheduled Bank		
(b) with Non Scheduled Bank		
(c) Post Office Savings Accounts		
(d) Others		
3. On Loans:		
(a) Employees / Staff		
(b) Others		
4. Interest on Debtors and Other Receivables		
Total		
Tax deducted at source to be indicated		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 18****ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____****OTHER INCOME****(Unit – INDIAN RUPEE)**

Particulars	Current year	Previous year
1. Profit on Sale/Disposal of Assets (a) Owned Assets (b) Assets acquired out of grants or received free of cost		
2. Export Incentives Realized		
3. Fees for Miscellaneous Services		
4. Miscellaneous Income		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 19****ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____****INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS AND WORK IN PROGRESS****(Unit – INDIAN RUPEE)**

Particulars	Current year	Previous year
(a) Closing Stock - Finished Goods - Work-in-progress		
(b) Less : Opening Stock - Finished Goods - Work-in-progress		
Net Increase/(Decrease) [(a)-(b)]		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 20**

**ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____**

ESTABLISHMENT EXPENSES

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
1. Salaries and Wages		
2. Allowances and Bonus		
3. Contribution to Provident Fund		
4. Contribution to Other Fund (specify)		
5. Staff Welfare expenses		
6. Expenses on Employee's Retirement and Terminal Benefits		
7. Leave Salary		
8. Tution fees reimbursement		
9. Medical Reimbursement		
10. Gratuity Contribution		
11. Others (Specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 21**

**ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____**

OTHER ADMINISTRATIVE EXPENSES

(Unit – INDIAN RUPEE)

Particulars	Current year	Previous year
1. Purchases		
2. Labour and processing expenses		
3. Cartage and Carriage inwards		
4. Electricity and Power		
5. Water charges		
6. Insurance		

7. Repair and Maintenance		
8. Excise Duty		
9. Rent, Rates and Taxes		
10. Vehicles Running and Maintenance		
11. Postage, Telephone and Communication Charges		
12. Printing and Stationary		
13. Traveling and Conveyance expenses		
14. Expenses on Seminar/Workshops/Meetings and conferences		
15. Subscription expenses		
16. Expenses on Fees		
17. Auditors Remuneration		
18. Hospitality expenses		
19. Professional Charges		
20. Books and Periodicals		
21. Recruitment expenses		
22. Provision for Bad and Doubtful Debts/Advances		
23. Incentive to Aggregator		
24. Swavalamban Government Contribution		
25. Swavalamban promotion		
26. Incentive to Point of presence		
27. Irrecoverable balances Written off		
28. Packing charges		
29. Freight and Forwarding expenses		
30. Distribution expenses		
31. Advertisement and Publicity expenses		
32. Others (Specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 22

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____
EXPENDITURE ON GRANT SUBSIDIES ETC.

(Unit – INDIAN RUPEE)		
Particulars	Current year	Previous year
1. Grants given to Institutions / Organisations / National Pension System Trust		
2. Subsidies given to Institutions / Organisations		
3. Others (Specify)		
Total		

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 23

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDING AT 31.03.201 _____
INTEREST

(Unit – INDIAN RUPEE)			
Particulars		Current year	Previous year
1. On Fixed Loans			
2. On Other Loans			
3. Bank charges			
4. Others (Specify)			
Total			

Place:

Date :

Chief Accounts Officer

Member

Member

Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 24

ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING AT
31.03.201 _____
SIGNIFICANT ACCOUNTING POLICIES

- 1.
- 2.
- 3.
- 4.
- 5.

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 25****ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING AT
31.03.201****CONTINGENT LIABILITIES AND NOTES TO ACCOUNTS**

- 1.
- 2.
- 3.
- 4.
- 5.

[F. No. 11/8/2014-PR]

Dr. SHASHANK SAKSENA, Economic Advisor

THE PENSION FUND REGULATORY AND DEVELOPMENT
AUTHORITY BILL, 2013

ACT
ARRANGEMENT OF CLAUSES

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CLAUSES

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Bill No. 25-F of 2011

THE PENSION FUND REGULATORY AND DEVELOPMENT
AUTHORITY BILL, 2013

(AS PASSED BY THE HOUSES OF PARLIAMENT)

A N
BILL ACT

to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-fourth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Pension Fund Regulatory and Development Authority Act, 2013.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

Short title,
extent and
commence-
ment.

Definitions.

2. (1) In this Act, unless the context otherwise requires,—

(a) "Authority" means the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3;

(b) "central recordkeeping agency" means an agency registered under section 27 to perform the functions of recordkeeping, accounting, administration and customer service for subscribers to schemes;

(c) "Chairperson" means the Chairperson of the Authority;

(d) "document" shall include any matter written, expressed or described upon any substance by means of letters, figures or marks, or by more than one of those means, in printed or in electronic version, which is intended to be used, or which may be used, by the Interim Pension Fund Regulatory and Development Authority, or Authority or an intermediary or any other entity connected with the National Pension System, for the purpose of recording that matter;

(e) "individual pension account" means an account of a subscriber, executed by a contract setting out the terms and conditions under the National Pension System;

(f) "Interim Pension Fund Regulatory and Development Authority" means the Interim Pension Fund Regulatory and Development Authority set up by the Central Government through Resolutions No. F. No. 5/7/2003-ECB&PR, dated the 10th October, 2003 and F. No. 1(6)/2007-PR, dated the 14th November, 2008;

(g) "intermediary" includes pension fund, central recordkeeping agency, National Pension System Trust, pension fund adviser, retirement adviser, point of presence and such other person or entity connected with collection, management, recordkeeping and distribution of accumulations;

(h) "member" means a member of the Authority and includes its Chairperson;

(i) "National Pension System" means the contributory pension system referred to in section 20 whereby contributions from a subscriber are collected and accumulated in an individual pension account using a system of points of presence, a central recordkeeping agency and pension funds as may be specified by regulations;

(j) "National Pension System Trust" means the Board of Trustees who hold the assets of subscribers for their benefit;

(k) "notification" means a notification published in the Official Gazette;

(l) "pension fund" means an intermediary which has been granted a certificate of registration under sub-section (3) of section 27 by the Authority as a pension fund for receiving contributions, accumulating them and making payments to the subscriber in the manner as may be specified by regulations;

(m) "Pension Regulatory and Development Fund" means the fund constituted under sub-section (1) of section 40;

(n) "point of presence" means an intermediary registered with the Authority under sub-section (3) of section 27 as a point of presence and capable of electronic connectivity with the central recordkeeping agency for the purposes of receiving and transmitting funds and instructions and pay out of funds;

(o) "prescribed" means prescribed by rules made under this Act;

(p) "regulated assets" means the assets and properties, both tangible and intangible, owned, leased or developed by and other rights belonging to, the central recordkeeping agency;

(q) "regulations" means the regulations made by the Authority under this Act;

(r) "scheme" means a scheme of pension fund approved by the Authority under this Act;

(s) "Securities Appellate Tribunal" means a Securities Appellate Tribunal established under sub-section (1) of section 15K of the Securities and Exchange Board of India Act, 1992;

(i) "subscriber" includes a person who subscribes to a scheme of a pension fund;

(u) "Subscriber Education and Protection Fund" means the fund constituted under sub-section (1) of section 41;

10 of 1949. (v) "Trustee Bank" means a banking company as defined in the Banking Regulation Act, 1949.

(2) Words and expressions used and not defined in this Act, but defined in—

4 of 1938. (i) the Insurance Act, 1938;

1 of 1956. (ii) the Companies Act, 1956;

42 of 1956. (iii) the Securities Contracts (Regulation) Act, 1956; and

15 of 1992. (iv) the Securities and Exchange Board of India Act, 1992,

shall have the meanings respectively assigned to them under those Acts.

CHAPTER II

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

3. (1) With effect from such date as the Central Government may, by notification, appoint, there shall be established, for the purposes of this Act, an Authority to be called the Pension Fund Regulatory and Development Authority.

Establishment and incorporation of Authority.

(2) The Authority shall be a body corporate by the name aforesaid, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued.

2 of 1985. (3) The head office of the Authority shall be in the National Capital Region referred to in clause (f) of section 2 of the National Capital Region Planning Board Act, 1985.

(4) The Authority may establish offices at other places in India.

4. The Authority shall consist of the following Members, namely:—

Composition of Authority.

(a) a Chairperson;

(b) three whole-time members; and

(c) three part-time members,

to be appointed by the Central Government from amongst persons of ability, integrity and standing and having knowledge and experience in economics or finance or law with at least one person from each discipline.

5. (1) The Chairperson and every whole-time member shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for reappointment:

Term of office and conditions of service of Chairperson and members of Authority.

Provided that no person shall hold office as a Chairperson after he has attained the age of sixty-five years:

Provided further that no person shall hold office as a whole-time member after he has attained the age of sixty-two years.

(2) A part-time member shall hold office as such for a term not exceeding five years from the date on which he enters upon his office.

(3) The salary and allowances payable to, and other terms and conditions of service of, the members other than part-time members shall be such as may be prescribed.

(4) The part-time members shall receive such allowances as may be prescribed.

(5) The salary, allowances and other conditions of service of a member shall not be varied to his disadvantage after his appointment.

(6) Notwithstanding anything contained in sub-section (1) or sub-section (2), a member may—

(a) relinquish his office, by giving in writing to the Central Government, a notice of not less than thirty days; or

(b) be removed from his office in accordance with the provisions of section 6.

6. (1) The Central Government may remove from office the Chairperson or any other member who—

Removal of members from office.

(a) is, or at any time has been, adjudged as insolvent; or

(b) has become physically or mentally incapable of acting as a member; or

(c) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or

(d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or

(e) has, in the opinion of the Central Government, so abused his position as to render his continuance in office detrimental to the public interest.

(2) No such Chairperson or other member shall be removed under clause (d) or clause (e) of sub-section (1) unless he has been given a reasonable opportunity of being heard in the matter.

Restriction on
future
employment
of members.

7. (1) The Chairperson and the whole-time members shall not, for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government, accept—

(a) any employment either under the Central Government or under any State Government; or

(b) any appointment in any regulated entity in the pension sector.

(2) The Chairperson and the whole-time members of the Interim Pension Fund Regulatory and Development Authority holding the office as such before the commencement of this Act, shall not, on and after such commencement, accept any appointment in any regulated entity in the pension sector for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government.

Administrative
powers of
Chairperson.

8. The Chairperson shall have the powers of general superintendence and direction in respect of all administrative matters of the Authority.

Meetings of
Authority.

9. (1) The Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including quorum at such meetings) as may be provided by regulations.

(2) The Chairperson or, if for any reason, he is unable to attend a meeting of the Authority, any other member chosen by the members present from amongst themselves at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes by the members present and voting, and in the event of an equality of votes, the Chairperson or in his absence, the person presiding shall have a second or casting vote.

(4) If any member, who is a director of a company and who as such director, has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Authority, he shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and such disclosure shall be recorded in the proceedings of the Authority, and the member shall not take part in any deliberation or decision of the Authority with respect to that matter.

Vacancies,
etc., not to
invalidate
proceedings of
Authority.

10. No act or proceeding of the Authority shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Authority; or

(b) any defect in the appointment of a person acting as a member of the Authority;

or

(c) any irregularity in the procedure of the Authority not affecting the merits of the case.

Officers and
employees of
Authority.

11. (1) The Authority may appoint such officers and other employees as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and other conditions of service of officers and other employees of the Authority appointed under sub-section (1) shall be such as may be determined by regulations.

CHAPTER III

EXTENT AND APPLICATION

12. (1) This Act shall apply to—

Extent and
application.

- (a) the National Pension System;
- (b) any other pension scheme not regulated by any other enactment.

(2) Every pension scheme referred to in clause (b) shall conform to the regulations made by the Authority within such time as may be specified in the regulations.

(3) Notwithstanding anything contained in sub-section (1), the provisions of this Act shall not apply to—

- (a) the schemes or funds under—

46 of 1948.

- (i) the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948;

19 of 1952.

- (ii) the Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

4 of 1966.

- (iii) the Seamen's Provident Fund Act, 1966;

Assam Act X
of 1955.

- (iv) the Assam Tea Plantations Provident Fund and Pension Fund Scheme Act, 1955; and

Jammu and
Kashmir Act
XV of 1961.

- (v) the Jammu and Kashmir Employees' Provident Funds Act, 1961;

4 of 1938.

- (b) contracts referred to in sub-section (11) of section 2 of the Insurance Act, 1938;

- (c) any other pension scheme, which the Central Government may, by notification, exempt from the application of this Act;

61 of 1951.

- (d) persons appointed before the 1st day of January, 2004 to public services in connection with the affairs of the Union, or to All-India Services constituted under section 2A of the All-India Services Act, 1951;

- (e) persons appointed to public services in connection with the affairs of any State, or such Union territories as may be specified by notification by the Central Government.

(4) Notwithstanding anything contained in sub-section (3), any State Government or administrator of a Union territory may, by notification, extend the National Pension System to its employees.

(5) Notwithstanding anything contained in clause (c) of sub-section (3), the Central Government may, by notification, extend the application of this Act to any other pension scheme [including any other pension scheme exempted and notified under clause (c) of sub-section (3)].

(6) Any person governed under any of the schemes or funds referred to in sub-section (3) may, at his option, also join the National Pension System.

CHAPTER IV

TRANSFER OF ASSETS, LIABILITIES, ETC., OF INTERIM PENSION FUND REGULATORY AND
DEVELOPMENT AUTHORITY

13. On and from the date of establishment of the Pension Fund Regulatory and Development Authority,—

- (a) all the assets and liabilities of the Interim Pension Fund Regulatory and Development Authority shall stand transferred to, and vested in, the Authority.

Explanation.—The assets of the Interim Pension Fund Regulatory and Development Authority shall be deemed to include all rights and powers, all properties,

Transfer of
assets, liabilities,
etc., of Interim
Pension Fund
Regulatory and
Development
Authority.

whether movable or immovable, including, in particular, cash balances, deposits and all other interests and rights in, or arising out of, such properties as may be in the possession of the Interim Pension Fund Regulatory and Development Authority and all books of account and other documents relating to the same; and liabilities shall be deemed to include all debts, liabilities and obligations of whatever kind;

(b) without prejudice to the provisions of clause (a), all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the Interim Pension Fund Regulatory and Development Authority immediately before that day, for or in connection with the purpose of the said Regulatory Authority, shall be deemed to have been incurred, entered into or engaged to be done by, with or for, the Authority;

(c) all sums of money due to the Interim Pension Fund Regulatory and Development Authority immediately before that day shall be deemed to be due to the Authority; and

(d) all suits and other legal proceedings instituted or which could have been instituted by or against the Interim Pension Fund Regulatory and Development Authority immediately before that day may be continued or may be instituted by or against the Authority.

CHAPTER V

DUTIES, POWERS AND FUNCTIONS OF AUTHORITY

Duties,
powers and
functions of
Authority.

14. (1) Subject to the provisions of this Act and any other law for the time being in force, the Authority shall have the duty, to regulate, promote and ensure orderly growth of the National Pension System and pension schemes to which this Act applies and to protect the interests of subscribers of such System and schemes.

(2) Without prejudice to the generality of the provisions contained in sub-section (1), the powers and functions of the Authority shall include—

(a) regulating the National Pension System and the pension schemes to which this Act applies;

(b) approving the schemes, the terms and conditions thereof and laying down norms for the management of the corpus of the pension funds, including investment guidelines under such schemes;

(c) registering and regulating intermediaries;

(d) issuing to an intermediary, on application, a certificate of registration and renewing, modifying, withdrawing, suspending or cancelling such registration;

(e) protecting the interests of subscribers by—

(i) ensuring safety of the contribution of subscribers to various schemes of pension funds to which this Act applies;

(ii) ensuring that the intermediation and other operational costs under the National Pension System are economical and reasonable;

(f) establishing mechanism for redressal of grievances of subscribers to be determined by regulations;

(g) promoting professional organisations connected with the pension system;

(h) adjudication of disputes between intermediaries and between intermediaries and subscribers;

(i) collecting data and requiring the intermediaries to collect such data and undertaking and commissioning studies, research and projects;

(j) undertaking steps for educating subscribers and the general public on issues relating to pension, retirement savings and related issues and training of intermediaries;

(k) standardising dissemination of information about performance of pension funds and performance benchmarks;

(l) regulating the regulated assets;

(m) levying fees or other charges for carrying out the purposes of this Act;

(n) specifying by regulations the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by intermediaries;

(o) calling for information from, undertaking inspection of, conducting inquiries and investigations including audit of, intermediaries and other entities or organisations connected with pension funds;

(p) exercising such other powers and functions as may be prescribed.

5 of 1908.

(3) Notwithstanding anything contained in any other law for the time being in force, while exercising the powers under clause (o) of sub-section (2), the Authority shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit, in respect of the following matters, namely:—

(i) the discovery and production of books of account and other documents, at such place and at such time as may be specified by the Authority;

(ii) summoning and enforcing the attendance of persons and examining them on oath;

(iii) inspection of any book, register and other document of any person or intermediary referred to in section 26, at any place;

(iv) issuing commissions for the examination of witnesses or documents;

(v) any other matter which may be prescribed.

(4) Without prejudice to the provisions contained in sub-sections (1), (2) and (3) and section 16, the Authority may, by order, for reasons to be recorded in writing, in the interest of subscribers, take any of the following measures, pending investigation or inquiry, namely:—

(i) restrain persons from participating in any scheme;

(ii) restrain any office bearer of an intermediary from acting as such;

(iii) impound and retain the proceeds under the scheme in respect of any activity which is under investigation;

(iv) attach, after passing an order, on an application made for approval, by the Judicial Magistrate of first class having jurisdiction, for a period not exceeding one month, one or more bank account or accounts of any intermediary or any person associated with the scheme in any manner involved in violation of any of the provisions of this Act or the rules or the regulations made thereunder:

Provided that only the bank account or accounts or any transaction entered therein, relating to the proceeds actually involved in the violation of any of the provisions of this Act or the rules or the regulations made thereunder shall be allowed to be attached;

(v) direct any intermediary or any person associated with the scheme in any manner not to dispose of or alienate an asset forming part of any activity which is under investigation:

Provided that the Authority shall, either before or after, passing such orders, under this section, give to such intermediaries or persons concerned an opportunity of being heard.

Power to issue
directions.

15. Save as otherwise provided in section 14, if after making, or causing to be made, an inquiry, the Authority is satisfied that it is necessary—

(i) in the interests of subscribers or orderly development of National Pension System or a pension scheme to which this Act applies; or

(ii) to prevent the affairs of any intermediary or other persons or entities referred to in section 27 being conducted in a manner detrimental to the interests of subscribers; or

(iii) to secure the proper management of any such intermediary or person or entity,

it may issue such directions to such intermediaries or entities or to any person or class of persons referred to in section 27, or associated with the pension fund, as it may deem fit:

Provided that the Authority shall, either before or after passing such orders, give an opportunity of being heard to such intermediaries, entities or persons concerned.

Power of
investigation.

16. (1) Where the Authority has a reasonable ground to believe that—

(a) the activities of the pension fund are being conducted in a manner detrimental to the interest of the subscriber; or

(b) any intermediary or any person associated with the schemes of the pension fund has violated any of the provisions of this Act or the rules or the regulations made or directions issued by the Authority thereunder,

it may, at any time, by order in writing, direct any person (hereafter in this section referred to as the Investigating Authority) specified in the order to investigate the affairs of such intermediary or persons associated with the pension fund and to report thereon to the Authority.

(2) Without prejudice to the provisions contained in sections 235 to 241 of the Companies Act, 1956, it shall be the duty of every manager, managing director, officer and other employee of the company, in case of a company and every intermediary or persons or entity referred to in section 27 or every person associated with the pension fund to preserve and to produce to the Investigating Authority or any person authorised by him in this behalf, all the books, registers, other documents and record of, or relating to, the company or, as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.

1 of 1956.

(3) The Investigating Authority may require any intermediary or any person or entity associated with the pension fund in any manner to furnish such information to, or produce such books, or other documents, or record before him or any person authorised by him in this behalf as he may consider necessary if the furnishing of such information or the production of such books, or register, or other documents, or record is relevant or necessary for the purposes of its investigation.

(4) The Investigating Authority may keep in its custody any books, registers, other documents and record produced under sub-section (2) or sub-section (3) for six months and thereafter shall return the same to any intermediary or any person associated or entity with the pension fund by whom or on whose behalf the books, registers, other documents and record are produced:

Provided that the Investigating Authority may call for any book, register, other documents and record if they are required again:

Provided further that if the person on whose behalf the books, registers, other documents and record are produced requires certified copies of the books, registers, other documents or record produced before the Investigating Authority, it shall give certified copies of such books, registers, other documents or, as the case may be, record to such person or on whose behalf the books, registers, other documents and record were produced.

(5) Any person, directed to make an investigation under sub-section (1), may examine on oath any intermediary or any person associated with the pension fund in any manner, in relation to the affairs of his business and may administer an oath accordingly and for that purpose may require any of those persons to appear before him personally.

(6) Notes of any examination under sub-section (5) shall be taken down in writing and shall be read over to, or by, and signed by, the person examined, and may thereafter be used in evidence against him.

(7) If any person fails without reasonable cause or refuses—

(a) to produce to an Investigating Authority or any person authorised by him in this behalf any book, register, other document or record which it is his duty under sub-section (2) or sub-section (3) to furnish; or

(b) to furnish any information which it is his duty under sub-section (3) to furnish; or

(c) to appear before the Investigating Authority personally when required to do so under sub-section (5) or to answer any question which is put to him by the Investigating Authority in pursuance of that sub-section; or

(d) to sign the notes of any examination referred to in sub-section (6),

he shall be punishable with imprisonment for a term which may extend to one year, or with fine, which may extend to twenty-five crore rupees, or with both, and also with a further fine which may extend to ten lakh rupees for every day after the first day during which the failure or refusal continues.

17. (1) Where the Authority, in consequence of information in its possession, has reason to believe that—

Search and seizure.

(a) any person who has been required under sub-section (3) of section 16 to produce, or cause to be produced, any books, accounts or other documents in his custody or power has omitted or failed to produce, or cause to be produced, such books, accounts or other documents; or

(b) any person to whom a requisition to produce any books, accounts or other documents as aforesaid has been or might be issued will not, or would not, produce or cause to be produced, any books, accounts or other documents which will be useful for, or relevant to, an investigation under sub-section (1) of section 16; or

(c) a contravention of any provision of this Act has been committed or is likely to be committed by an intermediary; or

(d) any claim which is due to be settled by the intermediary, has been or is likely to be rejected or settled at a figure higher than a reasonable amount; or

(e) any claim which is due to be settled by an intermediary, has been or is likely to be rejected or settled at a figure lower than a reasonable amount; or

(f) any illegal fees and charges have been transacted or are likely to be transacted by an intermediary; or

(g) any books, accounts, papers, receipts, vouchers, survey reports or other documents, belonging to an intermediary are likely to be tampered with, falsified or manufactured,

it may authorise any officer of the Authority, not below the rank equivalent to that of a Gazetted Officer of the Government (hereafter referred to as the authorised officer), to—

(i) enter and search any building or place where he has reason to suspect that such books, accounts or other documents, or any books or papers relating to any claim, rebate or commission or any receipts, vouchers, reports or other documents are kept;

National Pension System having the features mentioned in clauses (c) to (g) of sub-section (2) and also having the additional feature that the subscriber shall be free to withdraw part or all of his money at any time from the additional account.

Central
Record-
keeping
Agency.

21. (1) The Authority shall, by granting a certificate of registration under sub-section (3) of section 27, appoint a central recordkeeping agency:

Provided that the Authority may, in public interest, appoint more than one central recordkeeping agency.

(2) The central recordkeeping agency shall be responsible for receiving instructions from subscribers through the points of presence, transmitting such instructions to pension funds, effecting switching instructions received from subscribers and discharging such other duties and functions, as may be assigned to it under the certificate of registration or as may be determined by regulations.

(3) All the assets and properties owned, leased or developed by the central recordkeeping agency, shall constitute regulated assets and upon expiry of certificate of registration or earlier revocation thereof, the Authority shall be entitled to appropriate and take over the regulated assets, either by itself or through an administrator or a person nominated by it in this behalf:

Provided that the central recordkeeping agency shall be entitled to be compensated the fair value, to be ascertained by the Authority, of such regulated assets as may be determined by regulations:

Provided further that where the earlier revocation of the certificate of registration is based on violation of the conditions in the certificate of registration or the provisions of this Act or regulations, unless otherwise determined by the Authority, the central recordkeeping agency shall not be entitled to claim any compensation in respect of such regulated assets.

Point of
presence.

22. (1) The Authority may, by granting a certificate of registration under sub-section (3) of section 27, permit one or more persons to act as a point of presence for the purpose of receiving contributions and instructions, transmitting them to the Trustee Bank or the central recordkeeping agency, as the case may be, and paying out benefits to subscribers in accordance with the regulations made by the Authority from time to time in this regard.

(2) A point of presence shall function in accordance with the terms of its certificate of registration and the regulations made under this Act.

Pension funds.

23. (1) The Authority may, by granting a certificate of registration under sub-section (3) of section 27, permit one or more persons to act as a pension fund for the purpose of receiving contributions, accumulating them and making payments to the subscriber in such manner as may be specified by regulations.

(2) The number of pension funds shall be determined by regulations and the Authority may, in public interest, vary the number of pension funds:

Provided that at least one of the pension funds shall be a Government company.

Explanation.—For the purposes of this sub-section, the expression "Government company" shall have the meaning assigned to it in section 617 of the Companies Act, 1956.

1 of 1956.

(3) The pension fund shall function in accordance with the terms of its certificate of registration and the regulations made under this Act.

(4) The pension fund shall manage the schemes in accordance with the regulations.

Certain
restrictions on
foreign
companies or
individual or
association of
persons.

24. The aggregate holding of equity shares by a foreign company either by itself or through its subsidiary companies or its nominees or by an individual or by an association of persons whether registered or not under any law of a country outside India taken in aggregate in the pension fund shall not exceed twenty-six per cent. of the paid-up capital of such fund or such percentage as may be approved for an Indian insurance company under the provisions of the Insurance Act, 1938, whichever is higher.

4 of 1938.

43 of 1961. *Explanation.*—For the purposes of this section, the expression “foreign company” shall have the meaning assigned to it in clause (23A) of section 2 of the Income-tax Act, 1961.

25. No pension fund shall, directly or indirectly invest outside India, the funds of subscribers.

Prohibition of investment of funds of subscribers outside India.

26. The central recordkeeping agency, points of presence and pension funds, shall satisfy the eligibility norms as may be specified by the regulations, including minimum capital requirement, past track-record including the ability to provide guaranteed returns, costs and fees, geographical reach, customer base, information technology capability, human resources and such other matters.

Eligibility norms of the central record-keeping agency, etc.

CHAPTER VII

REGISTRATION OF INTERMEDIARIES

27. (1) No intermediary, including a pension fund or a point of presence to the extent regulated under this Act, shall commence any activity relating to a pension fund except under and in accordance with the conditions of a certificate of registration granted by the Authority in accordance with the provisions of this Act and the regulations:

Registration of central record-keeping agency, pension fund, point of presence, etc.

Provided that any intermediary, including any point of presence, who had been associated with a pension scheme and appointed to act as such by the Interim Pension Fund Regulatory and Development Authority immediately before the establishment of the Authority under this Act for which no registration certificate was necessary prior to such establishment, and may continue to do so for a period of six months from such establishment or, if he has made an application for such registration within the said period of six months till the disposal of such application.

(2) Every application for grant of a certificate of registration under this Act shall be in such form and manner and shall be accompanied by such fees as may be determined by regulations.

(3) The Authority may, after considering the application and subject to such terms and conditions as it may specify, grant a certificate of registration as a central recordkeeping agency, point of presence, pension fund or such other intermediary, as the case may be.

(4) The Authority may, by order, suspend or cancel a certificate of registration granted under sub-section (3) in such manner as may be determined by regulations:

Provided that no order under this sub-section shall be made unless the person concerned has been given a reasonable opportunity of being heard.

CHAPTER VIII

PENALTIES AND ADJUDICATION

28. (1) Any person, who is required under this Act or any rules or regulations made thereunder,—

(a) to obtain a certificate of registration from the Authority for carrying on any activity under this Act, carries on such activities without obtaining such certificate of registration, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or one crore rupees, whichever is less;

(b) to comply with the terms and conditions of a certificate of registration fails to do so, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or one crore rupees, whichever is less;

(c) to furnish any information, document, books, returns or report to the Authority, fails to furnish the same within the time specified by the Authority, he shall be liable to a penalty which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher;

Penalty for failure by an intermediary or any other person to comply with provisions of this Act, rules, regulations and directions.

(d) to maintain books of account or records, fails to maintain the same, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or five times the amount of profits made or losses avoided, whichever is higher.

(2) If any person, who is required under this Act or any rules or regulations made thereunder, to enter into an agreement with his client, fails to enter into such agreement, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or five times the amount of profits made or losses avoided, whichever is higher.

(3) If any intermediary registered with the Authority, after having been called upon by the Authority, in writing, to redress the grievances of subscribers, fails to redress such grievances within the time stipulated by the Authority, he shall be liable to a penalty of not more than one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

(4) If any person, who is registered under this Act as an intermediary, fails to segregate moneys of the client or clients or uses the moneys of a client or clients for self or for any other client, he shall be liable to a penalty not exceeding one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

(5) Whoever fails to comply with any provision of this Act, the rules or the regulations made or the directions issued by the Authority under the provisions of this Act for which no separate penalty has been provided, he shall be liable to a penalty which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

Crediting sums realised by way of penalties to Subscriber Education and Protection Fund.

29. All sums realised by way of penalties under this Act shall be credited to the Subscriber Education and Protection Fund established under sub-section (1) of section 41.

Power to adjudicate.

30. (1) For the purposes of adjudging under section 28, the Authority shall appoint any of its officers not below the rank specified by regulations to be an adjudicating officer for holding an inquiry as may be determined by regulations, after giving the person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

(2) While holding an inquiry, the adjudicating officer shall have the power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which, in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to comply with the provisions of section 28, he may recommend such penalty as he thinks fit in accordance with the provisions of that section, to the member in charge of investigation and surveillance.

(3) The penalty shall be imposed by a member other than the member in charge of investigation and surveillance:

Provided that while adjudging the quantum of penalty under section 28, the member shall have due regard to the following factors, namely:—

- (a) amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;
- (b) amount of loss caused to a subscriber or group of subscribers; and
- (c) the repetitive nature of the default.

Attachment of assets and supersession of management of intermediary.

31. (1) Any person aggrieved may apply to the Authority for an interim measure of protection in respect of any of the following matters, namely:—

- (a) the retention, preservation, interim custody or sale of any asset or property which is regulated by the provisions of this Act;
- (b) securing any pension fund, moneys and other assets and properties owned by or under the control of the pension fund;

(c) interim injunction or appointment of an administrator; and

(d) such other interim measures as may appear to the Authority to be just and necessary,

and the Authority shall have power to make such orders including an order for attachment of assets of the pension fund as it deems fit in this regard.

(2) Where, on a complaint received by the Authority or *suo motu*, the Authority, after conducting an inquiry, comes to a conclusion that the governing board or board of directors, by whatever name called, or the persons in control of any intermediary to the extent regulated under this Act are indulging in any activity which is in contravention of the provisions of this Act or regulations, it may supersede the governing board or board of directors or management of the intermediary in accordance with the provisions of the regulations.

(3) In case the governing board or board of directors or management of an intermediary is superseded under sub-section (2), the Authority may appoint an Administrator to manage the affairs of the intermediary in accordance with the provisions contained in the regulations.

32. (1) Without prejudice to any award of penalty by the member under this Act, if any person contravenes or attempts to contravene or abets the contravention of the provisions of this Act or of any rules or regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years, or with fine, which may extend to twenty-five crore rupees or with both. Offences.

(2) If any person fails to pay the penalty imposed by the member or fails to comply with any of the directions or orders issued by the member, he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to ten years, or with fine, which may extend to twenty-five crore rupees, or with both.

33. (1) The Central Government may, on the recommendation by the Authority, if satisfied, that any person, who is alleged to have violated any of the provisions of this Act or the rules or the regulations made thereunder, has made a full and true disclosure in respect of alleged violation, grant to such person, subject to such conditions as it may think fit to impose, immunity from prosecution for any offence under this Act, or the rules or the regulations made thereunder and also from the imposition of any penalty under this Act with respect to the alleged violation: Power to grant immunity.

Provided that no such immunity shall be granted by the Central Government in cases where the proceedings for the prosecution for any such offence have been instituted before the date of receipt of application for grant of such immunity:

Provided further that the recommendation of the Authority under this sub-section shall not be binding upon the Central Government.

(2) An immunity granted to a person under sub-section (1) may, at any time, be withdrawn by the Central Government, if it is satisfied that such person had, in the course of the proceedings, not complied with the condition on which the immunity was granted or had given false evidence, and thereupon such person may be tried for the offence with respect to which the immunity was granted or for any other offence of which he appears to have been guilty in connection with the contravention and shall also become liable to the imposition of any penalty under this Act to which such person would have been liable, had no such immunity been granted.

34. Notwithstanding anything contained in—

(i) the Wealth-tax Act, 1957;

(ii) the Income-tax Act, 1961; or

(iii) any other enactment for the time being in force relating to tax on wealth, income, profits or gains,

Exemption from tax on wealth, income, profits and gains.

27 of 1957.

43 of 1961.

the Authority shall not be liable to pay wealth-tax, income-tax or any other tax in respect of its wealth, income, profits or gains derived.

Cognizance of offences by court.

35. (1) No court shall take cognizance of any offence punishable under this Act or any rules or regulations made thereunder, save on a complaint made by the Authority.

(2) No court inferior to that of a Court of Session shall try any offence punishable under this Act.

Appeal to Securities Appellate Tribunal.

36. (1) Any person aggrieved by an order made by the Authority or by an adjudicating officer under this Act may prefer an appeal before the Securities Appellate Tribunal which shall have jurisdiction over the matter.

(2) Every appeal under sub-section (1) shall be filed within a period of forty-five days from the date of receipt of the order appealed against and it shall be in such form and manner and shall be accompanied by such fee as may be prescribed:

Provided that the Securities Appellate Tribunal may entertain an appeal after the expiry of the said period, if it is satisfied that there was sufficient cause for not preferring the appeal within that period.

(3) On receipt of an appeal under sub-section (1), the Securities Appellate Tribunal may, after giving the parties to the appeal, an opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifying or setting aside the order appealed against.

(4) The Securities Appellate Tribunal shall send a copy of every order made by it to the Authority, the parties to the appeal and to the adjudicating officers concerned.

(5) The appeal filed before the Securities Appellate Tribunal under sub-section (1) shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal finally within six months from the date on which the appeal is presented to it.

(6) Without prejudice to the provisions of sections 15T and 15U of the Securities and Exchange Board of India Act, 1992, the Securities Appellate Tribunal shall deal with an appeal under this section in accordance with such procedure as may be prescribed. 15 of 1992.

Civil Court not to have jurisdiction.

37. No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which an adjudicating officer appointed under this Act or a Securities Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Appeal to Supreme Court.

38. Any person aggrieved by any decision or order of the Securities Appellate Tribunal under this Act may file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Securities Appellate Tribunal to him on any question of law arising out of such order:

Provided that the Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

CHAPTER IX

FINANCE, ACCOUNT AND ADUIT

Grants by Central Government.

39. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority grants of such sums of money as that Government may think fit for being utilised for the purposes of this Act.

Constitution of Pension Regulatory and Development Fund.

40. (1) There shall be constituted a fund to be called the Pension Regulatory and Development Fund and there shall be credited thereto—

(a) all Government grants, fees and charges received by the Authority;

(b) all sums received by the Authority from such other source as may be decided upon by the Central Government.

(2) The Fund shall be applied for meeting—

(a) the salaries, allowances and other remuneration of the Chairperson and other members and officers and other employees of the Authority;

(b) other expenses of the Authority in connection with the discharge of its functions and for the purposes of this Act.

41. (1) The Authority shall establish a fund to be called the Subscriber Education and Protection Fund.

Constitution of Subscriber Education and Protection Fund.

(2) There shall be credited to the Subscriber Education and Protection Fund the following amounts, namely:—

(a) grants and donations given to the Subscriber Education and Protection Fund by the Central Government, State Governments, companies or any other institutions for the purposes of the Subscriber Education and Protection Fund;

(b) the interest or other income received out of the investments made from the Subscriber Education and Protection Fund;

(c) the sums realised by way of penalties by the Authority under section 28.

(3) The Subscriber Education and Protection Fund shall be administered and utilised by the Authority for protection of the interests of subscribers in accordance with regulations made for the purpose.

42. (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

Accounts and audit.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any other person appointed by him in connection with the audit of the accounts of the Authority shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority.

(4) The accounts of the Authority as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit-report thereon, shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

CHAPTER X

MISCELLANEOUS

43. (1) Without prejudice to the foregoing provisions of this Act, the Authority shall, in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy, other than those relating to technical and administrative matters, as the Central Government may give, in writing to it, from time to time:

Power of Central Government to issue directions.

Provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government, whether a question is one of policy or not, shall be final.

Power of
Central
Government
to supersede
Authority.

44. (1) If at any time the Central Government is of the opinion that—

(a) on account of circumstances beyond the control of the Authority, it is unable to discharge the functions or perform the duties imposed on it by or under the provisions of this Act; or

(b) the Authority has persistently defaulted in complying with any direction issued by the Central Government that the Central Government is entitled to issue under this Act or in the discharge of the functions or performance of the duties imposed on it by or under the provisions of this Act and as a result of such default the financial position of the Authority or the administration of the Authority has deteriorated; or

(c) circumstances exist which render it necessary in the public interest so to do, the Central Government may, by notification and for reasons to be specified therein, supersede the Authority for such period, not exceeding six months, as may be specified in the notification:

Provided that before issuing any such notification, the Central Government shall give a reasonable opportunity to the Authority to make representations against the proposed supersession and shall consider the representations, if any, of the Authority.

(2) Upon the publication of a notification under sub-section (1) superseding the Authority,—

(a) the Chairperson and other members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Authority shall, until the Authority is reconstituted under sub-section (3), be exercised and discharged by the Central Government; and

(c) all properties owned or controlled by the Authority shall, until the Authority is reconstituted under sub-section (3), vest in the Central Government.

(3) On or before the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government shall reconstitute the Authority.

(4) The Central Government shall, as soon as may be, cause a copy of the notification issued under sub-section (1) and a full report of any action taken by it, to be laid before each House of Parliament.

Establishment
of Pension
Advisory
Committee.

45. (1) The Authority may, by notification, establish with effect from such date as it may specify in the notification, a Committee to be known as the Pension Advisory Committee.

(2) The Pension Advisory Committee shall consist of not more than twenty-five members, excluding *ex officio* members, to represent the interests of employees' associations, subscribers, commerce and industry, intermediaries, and organisations engaged in pension research.

(3) The Chairperson and the members of the Authority shall be the *ex officio* Chairperson and *ex officio* members of the Pension Advisory Committee.

(4) The objects of the Pension Advisory Committee shall be to advise the Authority on matters relating to the making of the regulations under section 52.

(5) Without prejudice to the provisions of sub-section (4), the Pension Advisory Committee may advise the Authority on such matters as may be referred to it by the Authority and also on such matters as the Committee may deem fit.

Furnishing of
returns, etc.,
to Central
Government.

46. (1) The Authority shall furnish to the Central Government at such time and in such form and manner as may be prescribed, or as the Central Government may direct to furnish such returns, statements and other particulars in regard to any proposed or existing programme for the promotion and development of the pension industry as the Central Government may, from time to time, require.

(2) Without prejudice to the provisions of sub-section (1), the Authority shall, within nine months after the close of each financial year, submit to the Central Government a report giving a true and full account of its activities including the activities for promotion and development of schemes of pension funds regulated under this Act during the previous financial year.

(3) Copies of the reports received under sub-section (2) shall be laid, as soon as may be, after they are received, before each House of Parliament.

45 of 1860.

47. The Chairperson and other members and officers and other employees of the Authority shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

Members, officers and employees of Authority to be public servants.

48. No suit, prosecution or other legal proceedings shall lie against the Central Government or the Authority or any officer of Central Government or any member, officer or other employees of the Authority for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

Protection of action taken in good faith.

49. (1) The Authority may, by general or special order in writing, delegate to any member, officer of the Authority or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section 52) as it may deem necessary.

Delegation of powers.

(2) The Authority may, by a general or special order in writing, also form committees of the members and delegate to them the powers and functions of the Authority as may be specified by the regulations.

50. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director”, in relation to a firm, means a partner in the firm.

51. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

Power to make rules.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the salary and allowances payable to and the other conditions of service of the Chairperson and whole-time members under sub-section (3) of section 5;

(b) the allowances payable to part-time members under sub-section (4) of section 5;

(c) the additional functions which may be performed by the Authority under clause (p) of sub-section (2) of section 14;

(d) any other matter in respect of which the Authority may exercise the powers of a civil court under clause (v) of sub-section (3) of section 14;

(e) the procedure to be followed by the authorised officer under sub-section (10) of section 17;

(f) the form and manner in which an appeal may be filed before the Securities Appellate Tribunal and the fee which shall accompany such appeal, under sub-section (2) of section 36;

(g) the procedure to be followed by the Securities Appellate Tribunal in dealing with an appeal, under sub-section (6) of section 36;

(h) the form in which annual statement of accounts shall be maintained by the Authority under sub-section (1) of section 42;

(i) the time within which and the form and manner in which returns and reports are to be made by the Authority to the Central Government under sub-section (1) of section 46;

(j) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules.

Power to
make
regulations.

52. (1) The Authority may, by notification, make regulations consistent with this Act and the rules made thereunder for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) the time and places of meetings of the Authority and the procedure to be followed at such meetings (including the quorum at such meetings) under sub-section (1) of section 9;

(b) the terms and other conditions of service of the officers and other employees of the Authority under sub-section (2) of section 11;

(c) the regulations to be made by the Authority in respect of pension schemes referred to in clause (b) of sub-section (1) of section 12 and the time within which such schemes should conform to the regulations, made under sub-section (2) of that section;

(d) the establishing of mechanisms for redressing grievances of subscribers under clause (f) of sub-section (2) of section 14;

(e) the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by intermediaries under clause (n) of sub-section (2) of section 14;

(f) amendment to the National Pension System referred to in sub-section (1) of section 20;

(g) the conditions of its purpose, frequency and limits for withdrawals from individual pension account referred to in clause (b) of sub-section (2) of section 20;

(h) the conditions subject to which the subscriber shall exit from the National Pension System referred to in clause (h) of sub-section (2) of section 20;

(i) the conditions subject to which the subscriber shall purchase an annuity referred to in clause (i) of sub-section (2) of section 20;

(j) the duties and functions of central recordkeeping agency under sub-section (2) of section 21;

(k) the determination of compensation of fair value of the regulated assets payable to central recordkeeping agency under proviso to sub-section (3) of section 21;

(l) the manner of receiving contributions and instructions and transmitting them to the Trustee Bank or central recordkeeping agency, as the case may be, and

paying out the benefits to the subscribers, under sub-section (1), and the regulations governing functioning of points of presence under sub-section (2) of section 22;

(m) the manner in which a pension fund may receive contributions, accumulate them and make payments to the subscriber under sub-section (1), the number of pension funds under sub-section (2), the functioning of the pension fund under sub-section (3), and the manner of managing the schemes by the pension fund under sub-section (4) of section 23;

(n) the form and manner in which an application for grant of certificate of registration shall be made and the fee which shall accompany such application under sub-section (2) of section 27;

(o) the conditions subject to which a certificate of registration may be granted to an intermediary under sub-section (3) of section 27;

(p) the procedure and manner of suspension or cancellation of certificate of registration of intermediaries under sub-section (4) of section 27;

(q) the procedure for holding inquiry by an adjudicating officer under sub-section (1) of section 30;

(r) the supersession of the governing board or board of directors of the intermediary under sub-section (2) of section 31;

(s) the management of affairs of the intermediary by an Administrator under sub-section (3) of section 31;

(t) the manner of administering and utilising the Subscriber Education and Protection Fund under sub-section (3) of section 41;

(u) the delegation of powers and functions of the Authority to committees under sub-section (2) of section 49;

(v) establishment, duties and functioning of the National Pension System Trust;

(w) any other matter which is required to be or may be specified by regulations or in respect of which provision is to be or may be made by regulations.

53. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

Rules and regulations to be laid before Parliament.

54. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear it to be necessary for removing the difficulty:

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

55. The provisions of this Act shall be in addition to and not in derogation of the provisions of any other law for the time being in force.

Application of other laws not barred.

Savings.

56. Anything done or any action taken by the Interim Pension Fund Regulatory and Development Authority and Central Government under the Resolutions of the Government of India in the Ministry of Finance number F. No. 5/7/2003-ECB&PR, dated the 10th October, 2003 and F.No.1(6)2007-PR, dated the 14th November, 2008 and notification number F. No. 5/7/2003-ECB & PR, dated the 22nd December, 2003, shall be deemed to have been done or taken under the corresponding provisions of this Act.

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to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

(As passed by the Houses of Parliament)