



पेंशन निधि विनियामक और विकास प्राधिकरण
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

वार्षिक रिपोर्ट Annual Report 2022-2023

वार्षिक रिपोर्ट

Annual Report

2022-2023



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बी-14/ए, छत्रपति शिवाजी भवन, कुतुब संस्थागत क्षेत्र,
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पेंशन निधि विनियामक और विकास प्राधिकरण
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY



Letter of Transmittal

F. No: PFRDA-09/02/0001/2023-ANNUAL RPT Dept

August 31, 2023

The Secretary
Department of Financial Services
Ministry of Finance
Government of India
Parliament Street, Jeevandeep Building
New Delhi-110001

Subject: Annual Report of PFRDA for FY 2022-23

Sir,

In accordance with the provision of Section 46 (2) of the Pension Fund Regulatory and Development Authority Act, 2013, I have the pleasure of transmitting copies of the Annual Report of the Pension Fund Regulatory and Development Authority on the working of the Authority for the financial year ended on March 31, 2023.

Yours Sincerely,


(Dr. Deepak Mohanty)

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STATEMENT OF GOALS AND OBJECTIVES

Under Rule 9(2) (C) of Pension Fund Regulatory and Development Authority
(Reports, Returns and Statements) Rules, 2015

OBJECTIVE

The broad objectives of the PFRDA are contained in the
Preamble go the PFRDA Act 2013 as under:

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

VISION

*To be a model regulator
for the promotion and development
of an organized pension system
to serve the old age income needs of
people on a sustainable basis.*

CHAIRMAN'S MESSAGE

India has emerged from the pandemic years as one of the fastest growing major economies in the world ushering into "*Amrit Kaal*" with aspiration to attain greater heights.

Growth momentum remains strong despite global headwinds, inflation has moderated and the financial sector remains stable. Concurrently we are entering a phase where the demographic dividend is high. This will require robust old age income security to ensure a decent quality of living. In this context, pension becomes an important consideration. The challenge is to facilitate adequate pension coverage for all. The purpose of a pension as a financial product is twofold: first, it should act as a support system for the elderly, and second, it should be sufficient that the person's standard of living is maintained as they age. Given that it is a long-term financial instrument, it necessitates a consistent level of contribution during an individual's prime earning years to begin building a corpus by harnessing the power of compounding.

PFRDA took a number of initiatives to enhance pension coverage through the two flagship schemes: Atal Pension Yojana (APY) and National Pension System (NPS). The APY garnered 119 lakh subscribers during 2022-23 taking the total number to over 5 crore by end March 2023. NPS (non-govt. sector) also crossed a landmark of 10 lakh new subscribers during 2022-23. The total pension Assets under Management was close to Rs. 9 lakh crore at end-March 2023. The prudent management of funds has ensured a competitive return in the range of 8.8 to 12.7 percent between debt and equity schemes since inception.

The major initiatives during the year to benefit the interest of the subscribers include: integration with Digilocker, enhancing due diligence through the PRAN-PAN-VPA(UPI) link, the launch of NPS Prosperity Planner to allow the subscribers to plan for their future, allowing digital onboarding through CKYC, seamlessly transitioning the subscribers at the time of Exits to the Annuity Service Providers, introducing D-Remit feature via UPI, the launch of e-APY to digital onboard subscribers.

Following the announcement in the Union Budget 2023-24, PFRDA is in the process of reviewing the regulations and rationalising compliance through expert advice and stakeholder consultations.

It is my pleasure to share the Annual Report of the PFRDA for the financial year 2022-23. The report encompass all the major activities and initiatives of the Authority. I wish to underscore the commitment of the PFRDA to the overarching cause of making India a pensioned society to fulfil its objective of old age income security for all.

Deepak Mohanty
Chairperson

MEMBERS OF THE BOARD



Sh. Supratim Bandyopadhyay

Chairperson

From 21.02.2020 - 16.01.2023



Dr. Deepak Mohanty

Chairperson

From 20.03.2023 - Till Date



Sh. Pramod Kumar Singh

Whole Time Member - Law

From 03.03.2020 - 04.05.2022



Dr. Manoj Anand

Whole Time Member - Finance

From 01.10.2020 - Till Date



Ms. Annie George Mathew

(IA & AS 1988)

Additional Secretary (Pers),
Department of Expenditure

From 12.12.2014 - Till Date



Ms. Vandita Kaul

(IPoS 1989)

Additional Secretary,
Department of Financial Services,
Ministry of Finance

From 22.12.2021 - Till 27.05.2022.



Sh. Rahul Singh

(IAS 1996),

Joint Secretary (S&V),
Dept. of Personnel & Training

From 15.07.2022 - Till Date



Sh. Pankaj Sharma

(ICAS 2000)

Joint Secretary,
Dept. of Financial Services,
Ministry of Finance

From 27.05.2022 - Till Date.

SENIOR MANAGEMENT OF THE AUTHORITY

(As of March 31, 2023)

EXECUTIVE DIRECTOR

Shri Ananta Gopal Das
 Ms. Mamta Rohit
 Shri Ashok Kumar Soni
 Shri Venkateswarlu Peri
 Ms. Sumeet Kaur Kapoor
 Shri Rahul Ravindran

CHIEF GENERAL MANAGER

Shri Ashish Kumar
 Shri K. Mohan Gandhi
 Shri Mono Mohon Gogoi Phukon
 Shri Akhilesh Kumar
 Shri Pravesh Kumar
 Shri Vikas Kumar Singh
 Shri Sumit Kumar
 Shri P. Arumugarangarajan

GENERAL MANAGER

Shri Sachin Joneja
 Shri Ashish Kumar Bharati
 Ms. Gurminder Kaur
 Dr Purnima Sharma
 Ms. Manju Bhalla
 Dr Alpana Vats
 Shri K. R. Daulath Ali Khan

Chief Vigilance Officer

Shri Sushil Kumar

Ombudsman

Shri Arnab Roy

Annual Report Team

Shri Venkateswarlu Peri (Executive Director)
 Ms. Manju Bhalla (General Manager)
 Shri Sidhant Mohapatra (Assistant Manager)
 Ms. Akansha Chauhan (Junior Economist)

ABBREVIATIONS

AE	Advanced Economies
AIF	Alternative Investment Fund
APY	Atal Pension Yojana
APY-SP	APY-Service Provider
ASSOCHAM	Associated Chambers of Commerce and Industry of India
ASP	Annuity Service Provider
AUM	Assets under Management
BSE	Bombay Stock Exchange
CAB	Central Autonomous Bodies
CBO	Corporate Branch Office
CCI	Competition Commission of India
CEO	Chief Executive Officer
CG	Central Government
CGMS	Central Grievance Management System
CHO	Corporate Head Office
CII	Confederation of Indian Industry
COR	Certificate of Registration
CPI	Consumer Price Index
CPIO	Central Public Information Officer
CRA	Central Recordkeeping Agency
CSGL	Constituent Subsidiary General Ledger
DB	Defined Benefit
DDO	Drawing and Disbursing Office
DFS	Department of Financial Services
DTA	Directorate of Treasuries and Accounts
DTO	District Treasury Office
EMDE	Emerging Market and Developing Economies
EPF	Employee Provident Fund
EPFO	Employees' Provident Fund Organisation
EPS	Employees' Pension Scheme

ERM	Error Rectification Module
FAQ	Frequently asked Question
FICCI	Federation of Indian Chambers of Commerce & Industry
Fin-Tech	Financial Technology
FSDC	Financial Stability and Development Council
FY	Financial Year
GDP	Gross Domestic Product
G-Sec	Government security
H1	First Half of the year
H2	Second Half of the year
IMF	International Monetary Fund
IOS	iPhone Operating System
IPIN	Internet Personal Identification Number
TPIN	Telephonic Personal Identification number
IRDAI	Insurance Regulatory and Development Authority of India
KYC	Know Your Customer
MFI	Micro Finance Institution
MIS	Management Information System
Mobile app	Mobile Application
MPC	Monetary Policy Committee
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NCFE	National Centre for Financial Education
NISM	National Institute of Securities Market
NLAO	NPS Lite Account office
NPS	National Pension System
NPSCAN	NPS Contribution Accounting Network
NPST	National Pension System Trust
NSDL	National Securities Depository Limited
NSE	National Stock Exchange
OECD	Organization for Economic Cooperation and Development
OPGM	Online PRAN Generation Module

OTP	One Time Password
PAC	Pension Advisory Committee
PAN	Permanent Account Number
PAO	Pay and Accounts Office
PrAO	Principal Accounting Office
PF	Pension Fund
PFM	Pension Fund Manager
PHDCCI	PhD Chamber of Commerce and Industry
PoP	Point of Presence
PoP-SE	Point of Presence-Sub Entity
PoP-SP	Point of Presence-Service Provider
PRAN	Permanent Retirement Account Number
QR code	Quick Response code
RA	Retirement Advisor
RBI	Reserve Bank of India
RRB	Regional Rural Bank
RTI	Right to Information
SCF	Subscriber Contribution File
SEBI	Securities and Exchange Board of India
SG	State Government
SHCIL	Stock Holding Corporation of India Ltd
SOT	Statement of Transactions
STS	Server to Server
TB	Trustee Bank
TGFIFL	Technical Group on Financial Inclusion and Financial Literacy
UOS	Unorganised Sector
WEO	World Economic Outlook
WPI	Wholesale Price Index
WTM	Whole Time Member

PART I

Policies and Programmes

The introduction of the National Pension System (NPS) in India marked a paradigm shift from a defined benefit to a defined contribution system. The Preamble to PFRDA Act, 2013 sets out the objective of providing old-age income security in India. The National Pension System (NPS) is designed to have a systemic approach toward designing and implementing a coherent and financially sustainable pension system.

The pension sector is impacted by global and domestic developments. At the same time, pension assets impact the economy in different ways by channelizing resources to the capital market and infrastructure. The global and domestic developments are reflected in economic growth, inflation, commodity prices, as well as monetary and fiscal policy responses which in turn impact all segments of the financial market, be it the equity market, government securities market, or corporate bond market. This part of the report briefly reviews the global and domestic economy before delving into the developments in the global and domestic pension markets.

1.1 Global Economic Scenario

The signs of a soft landing for the global economy in early 2023 have diminished due to stubbornly high inflation and financial sector turmoil. Central banks' efforts to raise interest rates and declining food and energy prices have helped reduce inflation, but underlying price pressures persist due to tight labour markets in several economies.

The rapid rise in policy rates has had side effects, including vulnerabilities in the banking sector and concerns of contagion in the broader financial sector according to the World Economic Outlook, April 2023.

Continuing from 2022, high debt levels limit fiscal policymakers' ability to respond to new challenges. Commodity prices, which surged after the Russia-Ukraine conflict, had moderated, but the war and geopolitical tensions remain. While infectious COVID-19 strains caused outbreaks, economies such as China, which were heavily impacted, are recovering and easing supply chain disruptions. However, the financial sector turmoil increases uncertainty and presents downside risks.

The baseline forecast, assuming containment of financial sector stresses, predicts global growth to decline from 3.4 percent in 2022 to 2.8 percent in 2023, with a slow rise to 3.0 percent over five years, the lowest medium-term forecast in decades. Advanced economies are expected to experience a pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In an alternative scenario with further financial sector stress, global growth could fall to about 2.5 percent in 2023, the weakest since the global downturn of 2001.¹

The risks to the outlook are heavily skewed to the downside, with an increased chance of a hard landing. Financial sector stress, contagion, sovereign debt distress, intensifying conflict in Ukraine, and persistent core inflation could worsen the situation.

¹Source: - World Economic Outlook, April 2023

Geo-economic fragmentation into blocs could lead to significant output losses and affect foreign direct investment.

Emerging market and developing economies (EMDEs) – As per the World Economic Outlook report, April 2023, economic prospects are better for EMDEs than for advanced economies, although regional differences in these prospects are greater. In 2023 and 2024, the average growth rate is predicted to be 3.9 percent and 4.2 percent respectively. The projection for 2023 is much lower than the 4.7 percent forecast from January 2022 and is slightly lower (by 0.1 percentage point) than in the January 2023 WEO Update.

In low-income developing nations, GDP is expected to increase by an average of 5.1 percent between 2023 and 2024, but projected per capita income growth is only expected to increase by an average of 2.8 percent, which is lower than the average for middle-income economies (3.2 percent) and therefore falls short of the trajectory required for living standards to catch up to those in middle-income economies.²

1.1.1 Inflation

Global headline inflation has been decreasing since mid-2022, primarily driven by a decline in fuel and energy commodity prices. Central banks worldwide have been raising interest rates since 2021 to curb demand and reduce underlying (core) inflation according to the WEO April 2023. This tighter monetary policy has resulted in a slowdown in new home

construction in many countries. While inflation excluding food and energy prices has also been declining, both headline and core inflation rates remain significantly higher than pre-2021 levels and above target for most inflation-targeting countries.

Inflation expectations remained anchored in 2022, with professional forecasters maintaining projected inflation rates similar to pre-pandemic levels. Major central banks have emphasized the need for a restrictive monetary policy stance and signalled that interest rates will remain higher for an extended period to address stubborn inflation. However, as of early 2023, financial markets anticipated less policy tightening than central banks indicated, leading to potential risks of significant market repricing. This divergence is notable in the case of the United States. Financial sector turbulence and tightening credit conditions have influenced market-implied policy rate paths, introducing volatility and uncertainty.

1.1.2 Global Commodities Prices

The World Bank commodity price index dropped by 32 percent from its peak in June 2022, marking the sharpest decrease since the start of the COVID-19 pandemic. This decline can be attributed to several factors, including a slowdown in global economic activity, favorable winter weather conditions, and the redirection of trade for key commodity exports from Russia and Ukraine. Despite the decline, the prices of major commodity groups and the majority of individual commodities remain above the average levels observed from 2015 to 2019. After a 45 percent increase in 2022,

²Source: - World Economic Outlook, April 2023

commodity prices are projected to fall by 21 percent in 2023, with stability expected in 2024. This decline in prices for 2023 represents the most significant drop since the pandemic.^{3,4}

1.1.3 Global Financial Environment

As per the Global Financial Stability Report (GFSR) April 2023, the resilience of the global financial system has been tested during FY2022-23, leading to a significant increase in financial stability risks. Market participants have exposed themselves to liquidity, duration, and credit risk, often using financial leverage to boost returns.

The regulatory changes have made the financial system more resilient but concerns persist about hidden vulnerabilities.

The challenges of stress in financial markets are complicating the task of central banks, especially considering the persistence of inflationary pressures. The normalization of central bank balance sheets poses challenges for sovereign debt markets, as liquidity is generally poor, debt levels are high, and additional supply of sovereign debt must be absorbed by private investors.

Large emerging markets have managed the tightening of monetary policy relatively smoothly so far but could face significant challenges if current strains in financial markets persist. Sovereign debt sustainability metrics have worsened globally, especially in frontier and low-income countries, with many already facing severe strains. Households

accumulated significant savings during the pandemic but now face heavier debt-servicing burdens, making them more vulnerable to default.⁵

Given the significant risks to global macro-financial stability, multilateral efforts should be strengthened to diplomatically resolve geopolitical tensions and prevent economic and financial fragmentation.

1.1.4 Bond and Equity Markets

As per the GFSR April 2023, During the pandemic, the US Federal Reserve, Bank of England, and European Central Bank significantly increased their securities holdings. However, they have now begun to reduce their balance sheets, which could pose challenges for sovereign debt markets.

In the United States, the issuance of US Treasury securities is expected to increase in 2023 and 2024, while the Federal Reserve's balance sheet is shrinking through quantitative tightening. Accordingly, the private sector will need to absorb more short- and medium-term securities. A similar situation was observed in the United Kingdom and the euro area, where the private sector will need to absorb more government securities amid higher funding needs.

Low market liquidity has probably made gyrations in the international markets more pronounced. This problem is most noticeable in the markets for sovereign bonds, which probably reflects both the high level of uncertainty and the impact of the quantitative

³Source: - Commodity Markets Outlook, April 2023

⁴Source: - Commodity Markets Outlook, April 2023

⁵Source: - Global Financial Stability Report, April 2023

tightening in the euro area, the US, and the UK. Heightened uncertainties have caused the already thin market depth to become considerably thinner.⁶

1.2 Domestic Economy

The Indian economy has made a strong recovery after the pandemic, surpassing many other nations and positioning itself to return to pre-pandemic growth in the fiscal year 2023. However, India is facing the challenge of controlling inflation, which has been exacerbated by issues in Europe. The government and the Reserve Bank of India (RBI) had implemented measures, and the easing of global commodity prices had helped bring retail inflation below the RBI's upper tolerance target in November 2022. The current account deficit (CAD) continues to widen due to elevated global commodity prices and the strong growth momentum of the Indian economy. Even as the global economy is expected to slow down or potentially enter a recession in 2023, 2022 marked a special milestone in the history of India as it was the 75th year of India's Independence and India becoming the world's fifth-largest economy.

1.2.1 Macro-Economic Developments in India

The Economic Survey 2022-23 states that the impact of the pandemic on India led to a significant contraction in GDP in the FY2021. However, in FY2022, the Indian economy began to recover. India was on a fast-paced path to pre-pandemic growth in FY2023. However, the conflict in Europe forced a revision of expectations for economic growth

and inflation in FY2023. Rising international commodity prices and local weather conditions contributed to inflation, while the government implemented measures to restrain it. The RBI, like other central banks, raised repo rates and reduced liquidity.

The tightening of monetary policies, including the appreciation of the US dollar against various currencies, including the rupee, added to domestic inflationary pressures and widened the current account deficit (CAD). Although global commodity prices eased, they remained higher compared to pre-conflict levels, further enlarging India's CAD due to its growth momentum. However, India's forex reserves are deemed sufficient to finance the CAD and manage rupee volatility in FY2023.

India's exports surged in FY2022, increasing its share in the global merchandise exports market. However, global economic growth has slowed due to synchronized monetary tightening, leading to a negative growth in global trade in the second half of 2022. Geopolitical frictions, inflationary pressures, and subdued demand are expected to further suppress global trade in 2023, potentially affecting India's exports and leading to sluggish export growth in FY2024 compared to earlier expectations in the current year. The Indian economy's foundation is strong as it begins its Amrit Kaal, the 25-year journey leading up to its centenary as a modern, independent country.

1.2.2 Inflation

In FY2023, consumer price inflation in India experienced three phases. It rose until April

⁶Source: - Global Financial Stability Report, April 2023

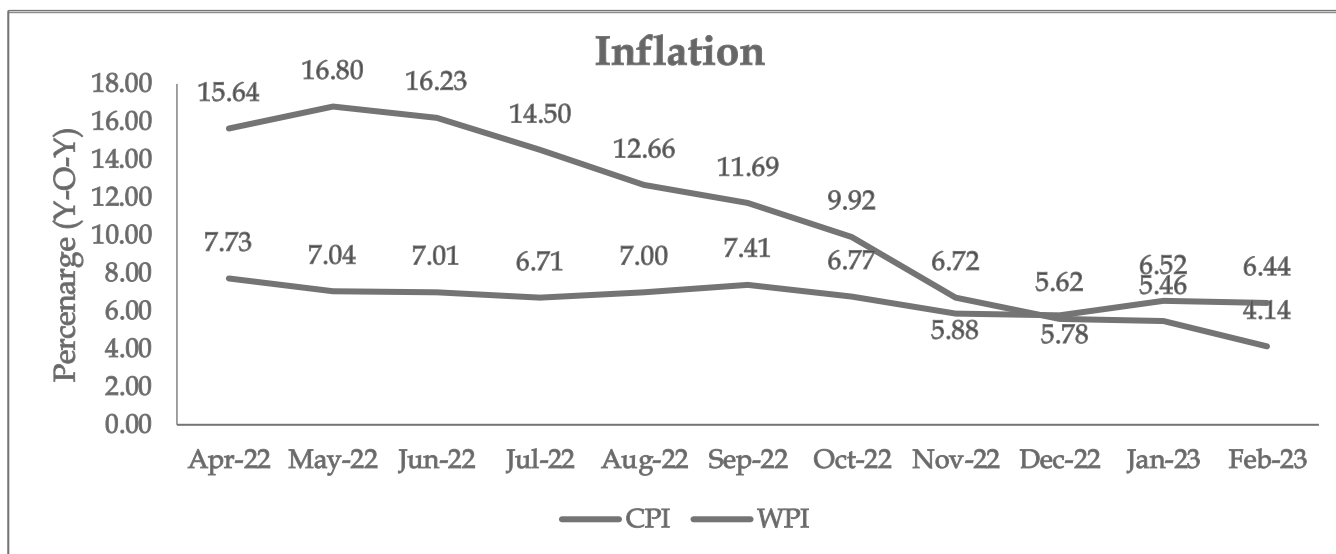
2022, reaching 7.8 percent, then remained around 7.0 percent until August 2022, and finally declined to approximately 5.7 percent by December 2022. The initial rise was mainly attributed to the impact of the Russia-Ukraine war and crop harvest shortfalls due to excessive heat. However, the Government of India and the Reserve Bank of India (RBI) implemented effective measures to curb inflation and bring it within the RBI's tolerance limit. In contrast, major Western countries that provided stimulus during the pandemic continued to grapple with high inflation rates.

The divergence between the Wholesale Price Index (WPI) and Consumer Price Index (CPI) inflation widened in May 2022, primarily due to differences in the indices' relative weights and the lagged effect of imported input costs on retail prices. However, the gap between the two measures has since reduced, indicating a tendency towards convergence. Core inflation,

an important measure of demand-pull inflation, remains persistent. Retail inflation rates have varied significantly among different states and union territories in India.

The RBI's Monetary Policy Committee increased the policy repo rate by 250 basis points between May 2022 and March 2023, reaching 6.25 percent. The central government implemented fiscal measures such as reducing excise duty on petrol and diesel, imposing export restrictions on wheat products, levying export duty on rice, reducing import duties and cess on pulses, tariff rationalization, implementing stock limits on edible oils and oilseeds, maintaining buffer stock for onion and pulses, and rationalizing import duties on raw materials used in manufacturing products. India's retail inflation rate peaked at 7.8 percent in April 2022, and the overshoot of inflation above the upper end of the target range was relatively low compared to other countries.⁷

Chart 1.1: Inflation - CPI & WPI



Data Source: Cogencis

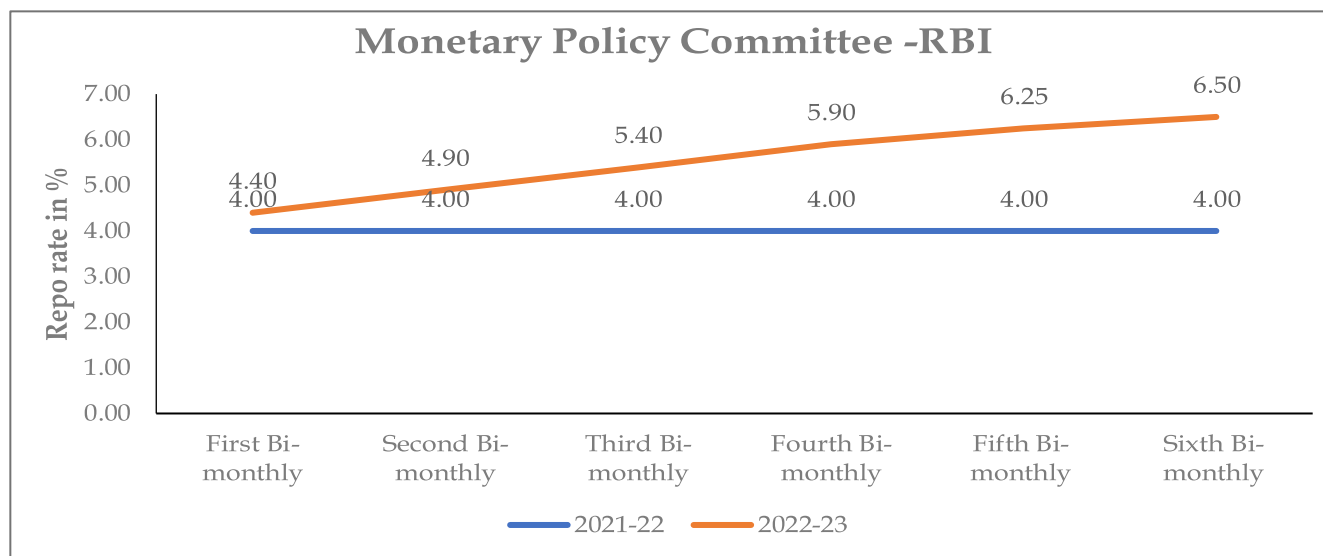
⁷Economic Survey 2022-23

1.2.3 Monetary Management

At the advent of FY 2022-23, During the MPC meetings in FY2022-23, CPI headline inflation data was considered by the committee. With CPI headline inflation ruling persistently above the tolerance band, the MPC decided to remain resolutely focused on aligning inflation with the target as it remains essential to reining in the generalisation of price pressures and anchor inflation expectations. The MPC opined that while the policy rate has been increased by a cumulative 250 basis points since May 2022. In August, CPI headline inflation stood at 7.0 percent. The MPC projected that inflation would remain above the upper tolerance level of 6 percent in the first three quarters of 2022-23. To anchor inflation expectations, restrain price pressures, and preempt second-round effects, the MPC decided to raise the policy repo rate by 50 basis

points to 5.9-percent in September. In December, the MPC noted that CPI inflation in October persisted above the tolerance band, and real GDP grew by 6.3 percent in Q2:2022-23. Despite the expectation of moderated inflation in H1:2023-24, it was still projected to remain above the target. In response, the MPC increased the policy repo rate by 35 basis points to 6.25 percent to continue with the withdrawal of accommodation. By February, CPI headline inflation had eased to 5.7 percent in December 2022, primarily driven by deflation in vegetable prices. However, inflationary pressures persisted in other food items and the core category. The MPC recognized inflation as a significant risk to the outlook and increased the policy repo rate by 25 basis points to 6.50 percent. The MPC also decided to remain focused on the withdrawal of accommodation to ensure that inflation progressively aligns with the target, while supporting growth.⁸

Chart 1.2: Movement in the Repo Rate during FY 2021-22 and FY 2022-23 is presented below:



Data Source: Cogencis

⁸RBI MPC Reports for FY 2022-23

1.3 Indian Financial Markets

As per the Monetary policy report of RBI in April 2023, domestic financial markets evolved in an orderly manner. During H2:2022-23, money market interest rates hardened while bond yields were largely range-bound. In H2, equity markets saw back-and-forth action. The value of the Indian Rupee against the US dollar decreased. Bank lending and deposit rates increased in reaction to changes in monetary policy. Even though there were hints of a downturn starting in December 2022, bank credit growth maintained in double digits from 2022 to 2023.

1.3.1 G-Sec Market

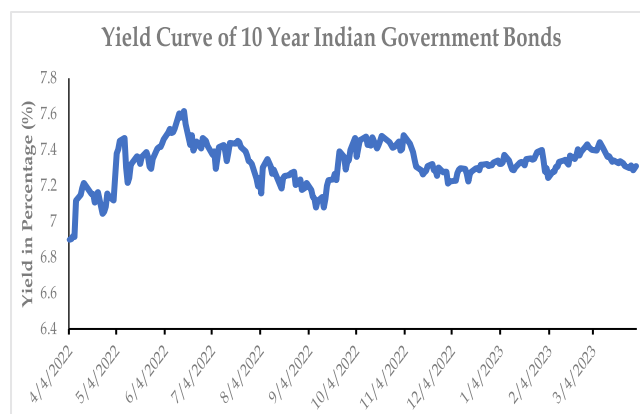
In the second half of the year 2022-23, the yields on G-Secs remained range-bound. In October 2022, yields increased due to higher-than-expected domestic CPI inflation for September. However, they moderated in November 2022. As per RBI Monetary Policy Report, April 2023, the 10-year benchmark yield decreased by 7 basis points in Q3: 2022-23 and closed at 7.33 percent. In Q4: 2022-23, yields initially softened in February due to a lower market borrowing program by the central government. Overall, the 10-year benchmark yield fell by 3 bps to 7.31 percent at the end of March 2023. Yields on T-bills increased across tenors in line with policy repo rate increases and a moderation in surplus liquidity. In terms of trading volume, G-secs saw an increase in H2: 2022-23 compared to the corresponding period of the previous year, while T-bills experienced a decline. The weighted average yield on traded maturities for G-secs and T-bills increased by 107 bps and 293 bps, respectively, in H2: 2022-23 compared to the previous year. The level of yields softened by

11 bps on average, while the slope flattened by 70 bps. The curvature decreased by 66 bps, driven by less hardening in the mid-segment of the yield curve compared to the short and long segments.

The Reserve Bank issued Sovereign Green Bonds (SGrBs) totaling ₹16,000 crore in two tranches, following the announcement in the Union Budget for 2022-23. The proceeds from the bonds are designated for financing environmentally friendly projects. Additionally, switch auctions amounting to ₹49,387 crore were conducted by the Reserve Bank to facilitate debt consolidation on behalf of the Central Government. The weighted average maturity (WAM) of the outstanding stock of G-secs remained similar at 11.94 years, while the weighted average coupon (WAC) increased to 7.26 percent by the end of March 2023.

The average spread of cut-off yields on state government securities (SGS) over G-sec yields of comparable maturities was 30 bps in H2; 2022-23. The inter-state spread on 10-year tenor securities (fresh issuances) averaged 4 bps in H2; 2022-23.

Chart 1.3: 10-Year G-Sec Bond Yield (Percent)



Data Source: Cogencis

1.3.2 Corporate Bond Market

During the second half of the year 2022-23, corporate bond yields and spreads followed the movement of G-Secs yields and increased. The average yield on AAA-rated 3-year bonds issued by NBFCs and corporates rose by 57 basis points (bps) to 8.12% and by 49 bps to 8.07 percent, respectively, in March 2023 compared to September 2022 as per RBI Monetary Policy Report April, 2023. The average yield on issuances by PSUs, financial institutions (FIs), and banks increased by 46 bps to 7.75 percent. Risk premiums, measured by the spread over 3-year G-sec yields, also rose. NBFCs saw their risk premium increase from 42 bps to 73 bps, corporates from 45 bps to 68 bps, and PSUs, FIs, and banks from 15 bps to 36 bps during H2. The increase in risk premiums was observed across different tenors and ratings.

Banks utilized the bond market to raise capital for their growing balance sheets due to increased credit demand. The majority of resource mobilization in the corporate bond market (98.7 percent) occurred through private placements. FPIs slightly reduced their outstanding investments in corporate bonds from ₹1.14 lakh crore at end-September 2022 to ₹1.04 lakh crore at end-March 2023, leading to a decrease in the utilization of approved limits from 17.9 percent to 15.5 percent. The daily average secondary market trading volume during H2 (until February 2023) was ₹5,332 crore, which was 7.7 percent higher than the corresponding period of the previous year.⁹

⁹RBI MPC Reports for FY 2022-23

1.3.3 Equity Market

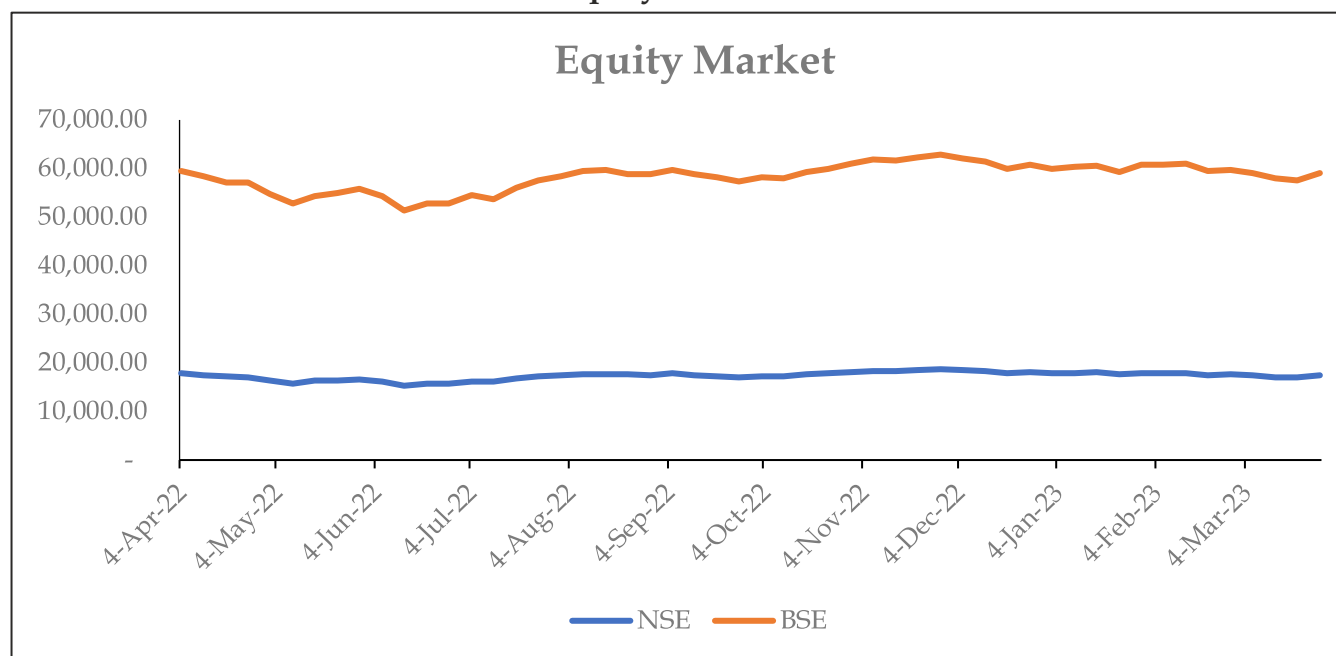
During the second half of the year 2022-23, domestic equity markets in India started positively with strong buying by FPIs and robust corporate earnings. As per the Monetary Policy Report, April 2023, The BSE Sensex, the benchmark index, reached an all-time high of 63,284 on December 1, 2022. However, market sentiments dampened in early Q4 due to rising US Federal Reserve terminal rate projections and tight labor market conditions. In March 2023, the Indian equities faced pressure due to spillovers from the banking turmoil in the US and Europe. Despite this, the BSE banking index (Bankex) managed to gain 0.9 percent in March 2023, in contrast to declines in US and European banking benchmarks.

Overall, the BSE Sensex gained 2.7 percent in H2 and closed at 58,992 on March 31, 2023. The volatility in the equity market trended downwards, as reflected by the decrease in the India VIX (which measures short-term expected volatility of Nifty 50) from 20 at end-September 2022 to 12.9 at end-March 2023. Compared to most emerging market economies (EMEs), the Indian equity markets remained resilient during the year. FPI flows to EMEs rebounded in H2, and foreign investors were net buyers in the Indian equity market in October-November 2022. However, they turned net sellers in December-February due to expectations of further monetary tightening by the US Federal Reserve and a sell-off in shares of a large Indian business conglomerate. Foreign investors became net buyers again in March 2023.

On the other hand, DIIs were net buyers, and retail participation through the SIP route remained steady, contributing to the market's resilience. In H2, FPIs and DIIs were net buyers with investments amounting to ₹25,027 crore

and ₹1.10 lakh crore, respectively. However, the activity in the domestic primary market was subdued in H2 as issuers reconsidered IPOs due to volatile market conditions.¹⁰

Chart 1.4 Equity Indices movement



Data Source: Cogencis

1.4 Economy-July Update

According to RBI's monthly bulletin of July, torrential monsoon rains caused landslides and floods in north-west India. However, it's important to note that June was globally the hottest on record, with surface air temperatures crossing the critical 1.5 degrees Celsius threshold set by the Paris Agreement. Climate scientists attribute this to accumulating global warming and a powerful El Nino pattern in the Pacific Ocean. There are concerns that El Nino may persist into 2024, leading to unprecedented heat. The International Maritime Organisation's

pledge for net zero emissions by 2050 might have missed the target of limiting warming to 1.5 degrees Celsius.

Amidst this heatwave, global growth momentum is showing signs of stalling, particularly in manufacturing and investment. International trade is also affected by supply chain re-engineering due to industrial and trade policies. The US economy is displaying strength, with signs of labour market improvement, while European manufacturing economies are experiencing contractions. China's reopening hasn't driven expected global growth, but emerging market economies in Latin America and Asia are growing solidly.

¹⁰RBI MPC Reports for FY 2022-23

Inflation globally has been moderating due to easing commodity prices, but core inflation remains stubborn due to strong momentum in service prices. Central banks are vigilant about labour market risks to inflation and are ready to raise interest rates further. There are concerns about a possible deep recession or systemic financial crisis due to financial tightening and high levels of household and government debt.

The World Bank revised its global GDP forecast for 2023 to 2.1 percent, while lowering India's real GDP forecast to 6.3 percent. The OECD raised its global GDP forecast for 2023 to 2.7 percent and increased India's real GDP growth projection to 6.0 percent for FY23-24. However, the RBI maintained its projection for India's real GDP growth at 6.5 percent for the same period.

According to DEA's Annual Economic Review, India's provisional GDP estimates for FY23 surpassed the consensus estimate, with a strong final quarter performance leading to a growth rate of 7.2 per cent, higher than the 7 per cent estimate in February. This growth momentum has continued into the current year, with various forecasting agencies revising their growth estimates for FY24 upwards. The key driver of India's economic success has been the strength of its domestic demand, which rebounded significantly since the pandemic-induced contraction in FY21. Employment levels rose, contributing to increased inclusivity and further strengthening domestic demand.

Inflation posed a major challenge in FY23, but India managed to mitigate it to a lesser extent compared to other emerging market economies and advanced economies. The management of repo rate increases and fiscal

and administrative measures helped ease inflation without crushing domestic demand. Additionally, the decline in global commodity prices reduced import costs, supporting economic activity.

As of June 2023, the price of Brent crude oil decreased to USD 74.3 per barrel, the MSCI Index for the world and India increased by approximately 3.8 percent and 1.2 percent, respectively, but the MSCI Index for emerging markets showed a marginal dip. The yields for the 1-year, 5-year, and 10-year benchmark government securities remained flat at 6.9 percent, 7.0 percent, and 7.1 percent, respectively, in June 2023.

In India, the monsoon's onset affects growth and headline inflation, and agricultural development has been crucial in transforming the country into a leading food exporter. Manufacturing and services are expanding, but consumption expenditure is limited due to elevated price pressures. The Indian economy is expected to remain resilient despite global challenges, with positive foreign direct investments and portfolio flows. However, India managed to breach the inflation target to a lesser extent compared to other EMDEs and advanced economies AEs. The country's average inflation was lower, possibly due to greater supply easing. The RBI did not have to raise policy rates as much as other central banks.

India's increase in repo rates, along with fiscal and administrative measures by the government, helped ease inflation without crushing domestic demand. Credit growth rose in FY23, contributing to the improving profitability of banks. External demand worked well for the economy until the first

quarter of FY23, with services exports continuing to surge. The decline in global commodity prices reduced import costs, supporting economic activity. The disciplined fiscal stance of the central government also contributed to economic growth.

India's real GDP grew at 6.1 percent in Q4 of FY2022-23, surpassing pre-pandemic levels for all components of the economy in Q4 of FY2022-23. The GVA growth was 6.5 percent in the same quarter, with the manufacturing sector recovering and growing at 4.5 percent. The PMI for manufacturing activity reflected expansionary momentum, while the PMI for services showed a slight decrease but still reflected expansion. The composite PMI remained unchanged. The growth in the IIP increased to 4.2 percent in April 2023, and the growth in the combined Index of Eight Core Industries (IIP Core) remained flat at 3.5 percent in the same month.

In its meeting in June 2023, the MPC kept the policy repo rate unchanged at 6.50 percent for the second consecutive month. The projection for India's real GDP growth for FY23-24 remained unchanged at 6.5 percent, and CPI inflation is projected at 5.1 percent for the same period. CPI headline inflation for May 2023 decreased to 4.3 percent, and core inflation decreased to 5.0 percent. The WPI inflation declined to (-) 3.5 percent for the same month. The external sector had mixed performance, with merchandise exports affected by monetary tightening, while services exports, including IT and professional services, continued to surge. The current account deficit narrowed, and India became the 5th largest forex reserve holder in the world, providing stability to the currency.

The endeavour of a prudent fiscal stance of the central government contributed to lower fiscal deficit and increased welfare spending without compromising on capital expenditure. The economy carried its momentum into the current fiscal year, with high-frequency indicators reflecting a healthy state of the economy. However, potential factors like geopolitical stress, global financial system volatility, and weak global demand could challenge India's growth outlook for FY24.

Despite facing unprecedented global challenges, India's macroeconomic management has led to enhanced stability and a quicker recovery path compared to other countries. Investments in supply-side infrastructure and digital advancements position India for sustained economic growth. Nevertheless, maintaining economic stability and addressing challenges remains crucial for continued progress.

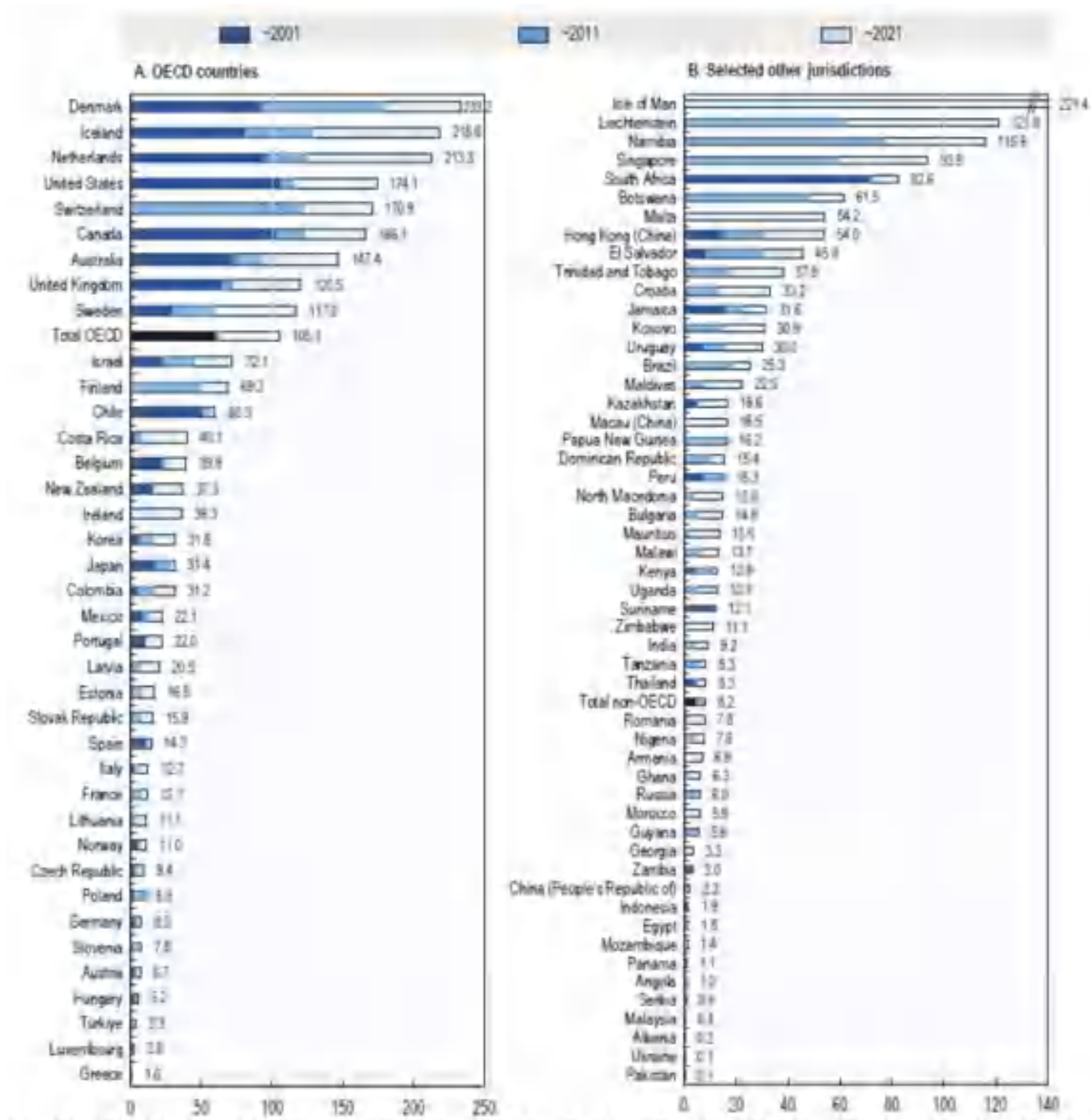
1.5 Review of Global Pension Markets

Globally, funded and private pension plans have amassed significant assets to support future pension benefits. At the end of 2021, pension assets in the OECD reached USD 58.9 trillion, and when considering non-OECD reporting jurisdictions, the total rose to USD 60.6 trillion. This marks a growth of over 7 percent compared to the end of 2020 when pension assets amounted to USD 54.3 trillion in the OECD and USD 56.3 trillion in the broader OECD area.

Pension funds accounted for the majority of these assets, amounting to USD 37.7 trillion or 64 percent of assets in the OECD and USD 38.5 trillion in the OECD and beyond by the end of 2021. Various countries employ different

vehicles for retirement savings, including provisions in employers' books, pension insurance contracts, or products offered by banks and investment companies.¹¹

Chart 1.5 Total assets in funded and private pension plans, in 2001, 2011 and 2021 (or nearest year available)



Source: - Pension Markets in Focus, 2022

¹¹Source: - Pension Markets in Focus, 2022

1.5.1 Pension Fund Assets in the OECD

Over the past two decades, pension assets have outpaced GDP growth, indicating the increasing significance of retirement savings worldwide. The ratio of total OECD pension assets to total OECD GDP rose from 59 percent at the end of 2001 to 64 percent at the end of 2011 and further to 105 percent at the end of 2021. In fact, the value of pension assets in the OECD area surpassed the combined GDPs of all OECD countries by the end of 2021. Nine OECD countries had pension assets exceeding their GDP at the end of 2021, compared to six in

2011 and two in 2001. Denmark currently holds the top position in terms of pension assets relative to GDP (233 percent at the end of 2021), followed by Iceland (219 percent) and the Netherlands (213 percent). Furthermore, non-OECD jurisdictions like Liechtenstein (121 percent) and Namibia (116 percent) have also experienced substantial growth in pension assets, surpassing their respective GDPs.¹²

Chart 1.6: Nominal and real investment rates of returns of funded and private pension plans in 2019, 2020 and 2021

A. Selected OECD countries							B. Selected other jurisdictions								
	Nominal				Real				Nominal				Real		
	2019	2020	2021	2019	2020	2021		2019	2020	2021	2019	2020	2021		
Australia	7.6	0.3	15.1	-5.9	0.6	10.6	Albania	3.9	3.5	3.4	2.8	2.4	-3.3		
Austria	11.0	2.5	7.4	9.2	1.4	3.0	Angola	5.5	6.0	5.8	-3.7	-3.0	-1.0		
Belgium	14.3	4.1	7.7	13.4	-3.7	1.9	Armenia	13.3	11.2	2.8	12.5	7.3	-3.6		
Canada	9.1	6.3	10.1	6.7	5.6	5.0	Botswana	8.0	0.8	-	5.7	1.3	-		
Chile	15.2	5.7	3.7	11.9	-2.7	-5.3	Bulgaria	6.7	2.5	-5.1	2.8	2.3	-3.8		
Colombia	15.2	9.0	9.2	11.0	7.2	3.4	Croatia	8.4	0.9	5.4	7.0	1.6	-0.9		
Costa Rica	13.5	9.1	16.0	11.8	5.1	12.3	Dominican Republic	10.2	9.8	17.5	6.3	4.0	8.1		
Czech Republic	1.7	1.1	0.8	1.4	-1.2	-5.5	Egypt	13.3	14.3	12.0	5.8	6.4	5.8		
Denmark	10.9	9.2	6.3	10.1	6.7	3.1	El Salvador	6.2	4.2	5.5	6.2	4.3	3.6		
Estonia	8.4	4.0	11.9	6.6	4.8	-0.1	Georgia	7.3	10.3	10.2	0.3	7.7	1.2		
Finland	11.5	4.7	14.7	10.5	4.5	10.9	Ghana	-	-	1.6	-	-	-4.6		
Germany	4.7	2.9	4.1	3.1	3.2	-1.1	Guyana	1.8	0.9	0.8	-0.3	-0.1	-4.8		
Greece	10.3	2.1	5.8	9.5	4.5	0.7	Hong Kong (China)	12.2	11.7	-0.3	9.1	12.7	-2.1		
Hungary	9.4	3.9	2.4	5.2	1.1	-3.7	India	7.6	13.4	7.1	0.3	8.8	1.4		
Iceland	13.9	12.6	15.0	11.6	8.7	9.4	Indonesia	8.2	8.7	5.9	5.3	7.0	-4.0		
Ireland	20.0	5.0	17.9	18.5	6.0	11.7	Kazakhstan	6.3	10.3	10.3	0.9	2.7	1.7		
Israel	11.4	5.0	14.7	10.8	5.8	11.8	Kenya	-	6.2	8.8	-	0.6	2.9		
Italy	6.0	2.8	4.3	5.5	3.0	0.4	Kosovo	6.4	3.3	10.1	7.1	3.2	3.2		
Japan	1.6	1.0	12.3	1.1	1.8	12.7	Liechtenstein	10.0	3.2	8.8	9.8	4.0	5.2		
Korea	-	3.0	3.0	-	2.4	-0.7	Macao (China)	8.1	6.0	0.5	3.4	6.8	1.6		
Latvia	9.8	2.3	7.7	7.4	2.8	-0.2	Malawi	13.0	13.1	19.0	1.3	5.1	-		
Lithuania	10.0	5.4	10.1	7.1	5.2	6.8	Maldives	5.1	5.1	5.0	3.7	6.5	5.0		
Luxembourg	7.7	2.8	6.2	6.0	2.3	-0.0	Malta	-	3.0	8.5	-	2.8	5.8		
Mexico	13.3	12.7	7.1	10.2	8.3	0.0	Morocco	-	-	5.0	-	-	1.7		
Netherlands	15.9	3.7	7.9	12.8	6.6	2.1	Mozambique	16.8	-	-	12.9	-	-		
Norway	9.6	7.5	8.1	8.1	5.0	2.7	Namibia	-	6.8	18.9	-	4.3	11.9		
Poland	0.9	-3.0	25.5	-2.7	4.1	15.8	Nigeria	11.4	18.3	-5.2	-3.5	2.2	-3.1		
Portugal	7.9	3.9	4.3	7.4	4.1	1.5	North Macedonia	10.6	3.8	9.6	10.1	1.8	4.6		
Slovak Republic	6.4	2.7	6.3	3.3	1.1	0.4	Pakistan	10.3	10.5	5.0	-3.0	2.4	-3.1		
Slovenia	-5.6	2.1	3.7	3.9	3.2	1.3	Panama	6.4	5.3	3.4	6.5	7.0	0.7		
Spain	-8.5	1.3	7.9	7.7	1.8	1.2	Paraguay	12.1	8.6	4.5	10.1	6.3	3.1		
Sweden	11.3	5.9	-	9.4	5.4	-	Romania	11.4	7.0	6.2	7.1	4.9	1.6		
Switzerland	10.2	4.2	7.8	10.0	6.1	6.2	Russia	8.1	5.1	-	4.9	0.2	-		
Turkey	20.2	19.6	22.9	7.4	4.3	-0.7	Serbia	8.1	2.1	2.4	6.1	0.8	5.9		
United States	12.1	9.3	10.3	9.8	7.8	-3.0	Singapore	3.9	-1.9	3.9	3.1	3.9	-1.1		
							South Africa	5.2	0.1	-	1.2	-2.7	-		
							Suriname	11.2	18.5	20.6	6.7	-3.2	-3.5		
							Thailand	3.1	-1.0	4.2	2.2	-3.0	2.0		
							Trinidad and Tobago	8.5	3.3	-	6.1	2.5	-		
							Uganda	8.9	13.0	14.3	5.2	9.1	11.1		
							Ukraine	12.6	9.3	-	8.2	4.1	-		
							Uruguay	12.9	10.0	12.1	3.8	0.5	3.8		
							Zambia	10.0	13.4	15.3	-4.5	-4.8	-3.0		
							Zimbabwe	-	-	29.8	-	-	-12.2		

Source: - Pension Markets in Focus, 2022
All the figures marked in blue are negative returns.

Source: - Pension Markets in Focus, 2022

All the figures marked in blue are negative returns.

¹²Source: - Pension Markets in Focus, 2022

Over the last two decades, pension plans obtained net investment gains in real terms in most jurisdictions, despite the rising inflation in 2021 and shocks in financial markets (such as in Q1 2020 at the beginning of the pandemic). The annual investment performance of pension plans was positive on average in real terms.

In 2021, major stock markets experienced gains, with higher closing levels compared to the beginning of the year. The Nikkei 225 increased by 6 percent, FTSE 100 by 14 percent, DAX by 16 percent, and S&P 500 by 27 percent. Energy, real estate, and the tech sector performed well in the S&P 500. However, the value of some bond holdings may have declined for pension plans by the end of 2021, as certain bond indices showed a decrease during the year.

While pension plans achieved investment gains in nominal terms in most reporting jurisdictions, these gains were insufficient to offset rising inflation in 28 jurisdictions. Inflation reached a 30-year high of 6.6 percent in the OECD area by December 2021. Some countries, such as Suriname, Zimbabwe, Angola, and Ghana, experienced negative real net investment rates of return along with high inflation rates. Turkey had the lowest real investment rate of return in the OECD area (-9.7 percent), accompanied by an inflation rate of 36.1 percent.

Nevertheless, it's important to consider the long-term investment performance of pension plans, as saving for retirement is a long-term endeavour. Despite shocks in financial markets, pension plans have achieved net

investment gains in real terms in most jurisdictions over the past two decades. On average, the annual investment performance of pension plans was positive in real terms in 41 out of 44 reporting jurisdictions over the last 10 years and in 16 out of 18 reporting jurisdictions over the last 20 years.

1.5.2 Investments Trends

Pension assets can be invested in bonds and equities either directly or indirectly through collective investment schemes (CIS). The relative importance of equities and bonds varied considerably across countries in 2021. Although there was in general a greater preference for bonds, the reverse was true in 14 OECD countries and 13 other jurisdictions where equities outweighed bonds. Public sector bonds, as opposed to corporate bonds, represented a larger share of the combined direct bond holdings (i.e., excluding investment via collective investment schemes) in several jurisdictions.¹³

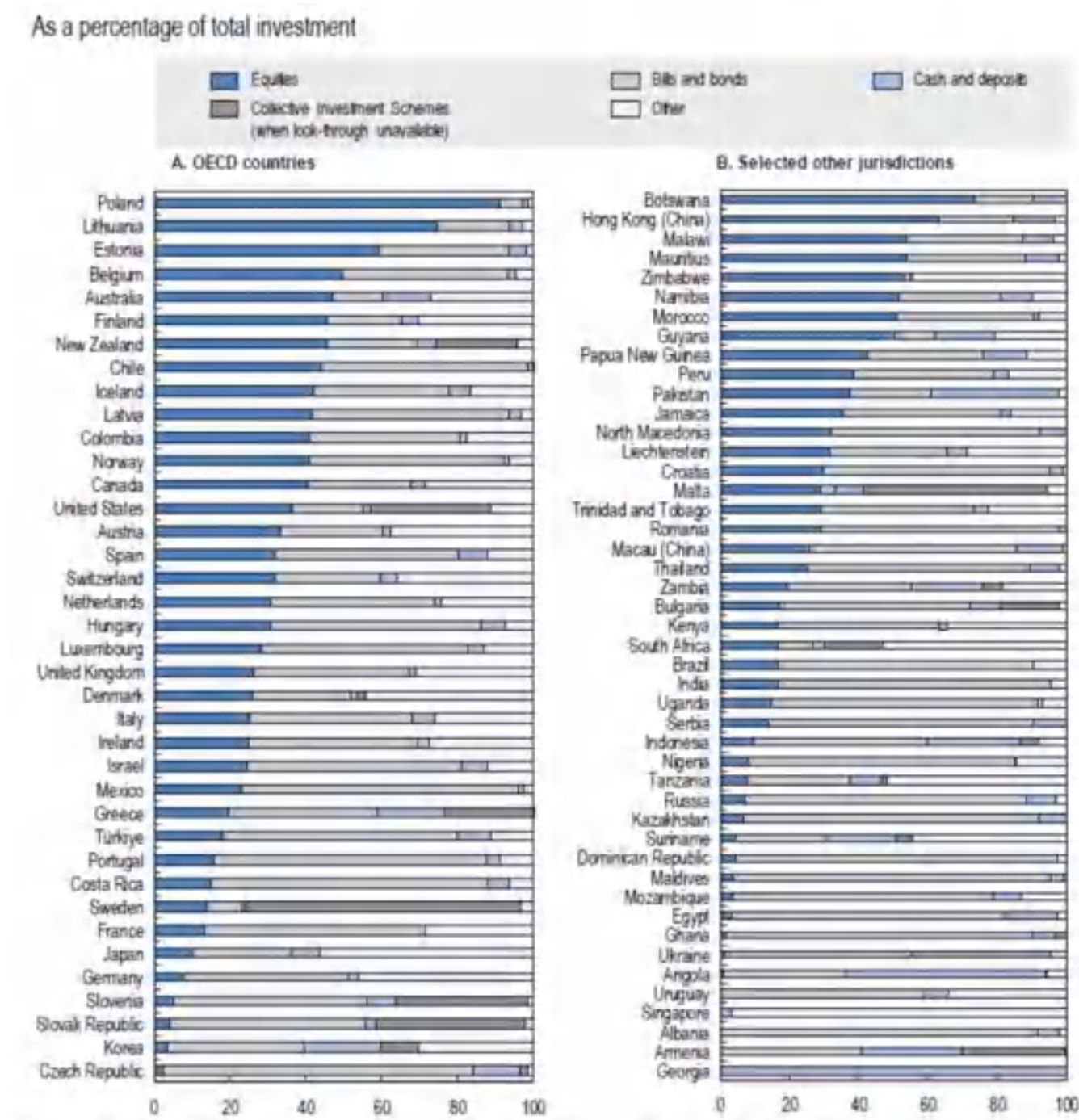
Several reasons may account for the high proportion of investments in government bonds in some countries. One of them may be a lack of other investment opportunities domestically. Another reason may be the need for a fixed and guaranteed income stream. Government bonds may be perceived as safer assets compared to others, entailing less uncertainty. Investment regulations in some countries may also require pension providers to invest a certain proportion of their assets in certain instruments. Cash and deposits also accounted for a significant share of pension assets in some jurisdictions. The proportion of pension assets invested in loans, real estate

¹³Source: - Pension Markets in Focus, 2022

(land and buildings), unallocated insurance contracts, private investment funds and other alternative investments (Shown as others) varies widely across jurisdictions. Many jurisdictions set limits on investments of

pension assets in less traditional asset classes such as real estate.

Chart 1.7 Allocation of assets in funded and private pension plans in selected asset classes and investment vehicles, 2021 or latest year available



Source: - Pension Markets in Focus, 2022

At the end of 2021, there was a slight shift observed in the allocation of pension assets among reporting jurisdictions. There was a small increase of 2 percentage points in the proportion of pension assets invested in equities, while the proportion allocated to bonds decreased by a similar extent. This shift may have been driven by the rising value of equities in portfolios or a strategic reallocation to take advantage of recovering stock markets. Over the last 10 and 20 years, there has been a more noticeable trend of reducing investments in bonds. On average, among reporting jurisdictions, the proportion of investments in bonds declined by 8 percentage points over the last decade and by 17 percentage points over the last two decades. However, it's important to note that the decrease in bond investments was not always fully compensated by an equivalent increase in equity investments. For example, in Switzerland, pension funds reduced their bond investments by 10 percentage points between 2011 and 2021, while only allocating 6 percentage points to equities. Some of the reallocated funds may have been directed towards other types of investments.

1.6 Indian Demography and Old Age Income Security

Due to rising and unsustainable pension liabilities, in keeping with global practices and after deep deliberations on the issue, the Government made a conscious move to shift from the defined benefit pension scheme to the defined contribution pension scheme. The New Pension Scheme, now renamed as National Pension System (NPS), was introduced by the Government through a notification No. 5/7/2003-ECB & PR dated December 22, 2003, and it was made

mandatory for Central Government employees (except armed forces) who joined service w.e.f. January 1, 2004.

The NPS, which was initially introduced for the Central government subscribers, has now been adopted by all the state governments (except West Bengal and Tamil Nadu) and most of the Central and State autonomous bodies. NPS has also been extended to the private and unorganized sectors voluntarily since May 2009.

The Government of India vide notification dated January 31, 2019, has notified the increase in its contribution to central government employees' NPS accounts from 10 percent to 14 percent with effect from April 1, 2019. As per the notification, "The monthly contribution would be 10 percent of the Basic Pay plus Dearness Allowance (DA) to be paid by the employee and 14 percent of the Basic Pay plus DA by the Central Government". Greater freedom in choosing pension funds and patterns of investment to central government employees has also been notified along with compensation for non/delayed deposit of NPS contribution.

1.7 Indian Pension Landscape

The landscape of the Indian pension system includes non-contributory social pension schemes financed by the Government to provide a minimum level of protection like the National Social Assistance Programme (NSAP), mandatory defined benefit pension scheme on a pay-as-you-go basis like Civil Service Pension for employees who joined service before 2004, Employees' Provident Fund (EPF) and Employees' Pension Scheme (EPS) under the EPFO, other statutory

provident funds like Coal Mines, Seamen's and Assam Tea Plantations schemes; the National Pension System (NPS) for the Central government employees joining on or after January 1, 2004, on a mandatory basis, employees of those state governments who have joined NPS, NPS for all citizens on voluntary basis covering both employees and self-employed including those in the unorganized sector, Public Provident Fund, retirement and superannuation plans offered by insurance companies and mutual funds.

The fiscal stress of the defined benefit pension system was the major factor driving pension reforms for Government employees and the introduction of NPS for Government employees. Owing to the financial and practical difficulties of extending coverage to the unorganized sector through mandatory schemes like EPF (especially for organized sector workers), voluntary retirement savings are seen as an important policy tool to extend the coverage of pension provision in India. An

important policy measure to achieve higher coverage of the unorganized sector workers under the pension system is the extension of the NPS, which is a financially self-sufficient, low cost and efficient system.

To encourage people from the unorganized sector to voluntarily save for their old age, the Government launched the co-contribution scheme - NPS Lite/Swavalamban scheme in September 2010 (the fresh enrolment under NPS lite Swavalamban scheme is stopped w.e.f 01/04/2015). Subsequently, Atal Pension Yojana (APY) was launched on May 9, 2015, by the Prime Minister, and the scheme is being implemented with effect from June 1, 2015, with a focus on the unorganized sector. The Subscribers under APY shall get a Government guaranteed pension of Rs. 1000, Rs.2000, Rs. 3000, Rs. 4000 or Rs. 5000 depending upon the contribution level opted by them. The number of subscribers and Assets under Management under NPS is given in the table below:

Table no 1.1: Number of Subscribers under NPS/APY

(As on March 31, 2023)

Sector	No. of subscribers (In Lakh) (as on March 31, 2022)	No. of subscribers (in Lakh) (as on March 31, 2023)	Growth (In percent) (Y-o-Y)	Share (In percent)
Central Government	22.84	23.97	4.95	3.79
State Government	55.77	60.96	9.31	9.64
Corporate	14.05	16.82	19.72	2.66
All Citizen	22.92	29.57	29.02	4.67
NPS Lite*	41.87	41.76	-	6.60
APY	362.77	459.47	26.66	72.64
Grand Total	520.21	632.55	21.60	100.00

Source: - NPS Trust

*Fresh Registrations have been stopped w.e.f 01/04/2015

As on March 31, 2023, a total of 632.55 lakh subscribers have been enrolled under the NPS and APY and recorded a year-on-year growth of 21.60 percent. APY, a defined benefit pension scheme, had 459.47 lakh subscribers as on March 31, 2023, with year-on-year growth of 26.66 percent.

As on the end of March 2023, 418 banks are registered as APY – Service Providers, which include Public Sector Banks, Private Banks, Foreign Banks, Regional Rural Banks, District Commercial Banks, Schedule Commercial Banks, Urban Commercial Banks, Payment Banks, Small Finance Bank and Department of Post.

Table 1.2: Assets under Management under NPS/APY

(As on March 31, 2023)

Sector	AUM (Rs. crore) (as on March 31, 2022)	AUM (Rs. crore) (as on March 31, 2023)	AUM Growth (In percent) (Y-o-Y)	AUM Share (In percent)
Central Government	2,18,577	2,57,638	17.87	28.68
State Government	3,69,427	4,49,186	21.59	50.00
Corporate	90,634	1,17,281	29.40	13.06
All Citizen	32,346	42,623	31.77	4.74
NPS Lite*	4,687	4,915	4.86	0.55
APY	20,923	26,700	27.61	2.97
Grand Total	7,36,594	8,98,343	21.96	100.00

Source: - NPS Trust

*Fresh Registrations have been stopped w.e.f 01/04/2015

As on March 31, 2023, a total AUM under NPS and APY was at Rs. 8,98,343 Crores and recorded a year-on-year growth of 21.96 percent.

**Table 1.3: Performance Highlights of National Pension System/
Atal Pension Yojana during FY 2022-23**

(In Numbers)

Measures	At the end of FY 2021-22	At the end of FY 2022-23	Growth (In per cent)
Government Subscribers	78,60,657	84,93,114	8.05
All Citizen + Corporate Subscribers	36,96,583	46,39,314	25.50
APY Subscribers	3,62,76,704	4,59,47,302	26.67
No. of POP-SPs#	2,49,756	2,13,271*	-
No. of APY-SPs	410	418	1.95
No. of CABs	651	663	1.84
No. of SABs	1,578	1,705	8.05
No. of Corporate	10,370	12,795	23.38
No. of officials trained (FY wise)	40,826	41,019	0.47
<p># Data considered state-wise highest number of POP-SPs of NSDL, K-fintech CRAs and CAMS CRA. * These are the number of active PoP-SPs Other represented figures are registered with CRAs.</p>			

- The number of Service Providers for APY is 418 during the last year.
- All employees of Central Government along with CABs and State Governments along with SABs which have adopted NPS are to be mandatorily covered under NPS. This year 12 new CABs and 127 SABs have been brought under NPS taking the total number of CABs and SABs to 663 and 1705, respectively.
- The corporate sector offers NPS to their employees on a mandatory or voluntary basis. At the end of March 2023, as per CRAs reports, a total of 12,795 Corporate is registered under NPS against 10,370 Corporate at the end of March 2022, with an increase of 23.38 percent.

Government support for these schemes in the form of tax benefits and guarantees for APY

increases the appeal of these schemes. However, considering the vast uncovered population of the country, a lot more needs to be done. The major challenge in extending the NPS to all citizens is increasing awareness and financial literacy among potential subscribers. PFRDA has been taking several steps to increase awareness through different mass media and capacity-building programmes. Further, to ensure dissemination of NPS awareness, PFRDA has aggressively undertaken promotional and developmental activities by engaging a dedicated agency for imparting training and capacity building for officials of Service Providers.

To improve ease of access to NPS for the potential subscribers and service providers, PFRDA has been further enhancing the technology across the value chain, whether it is e-NPS, Mobile apps, or e-KYC. These channels have been driving efficiencies. Through e-NPS,

a person can conveniently register and contribute online. An online contribution facility under NPS is also available for existing subscribers. e-NPS facilitates the opening of an Individual Pension Account under NPS and making initial and subsequent contributions to the Tier I as well as Tier II/Tax Saver account online. This feature also enables the subscribers to change their Pension Funds, asset class, allocation ratio, and scheme options after authentication. NPS subscribers can initiate withdrawal/Partial Withdrawal requests from Tier II/Tier I accounts by using their login credentials and OTP authentication on their registered mobile number.

The online PRAN generation module (OPGM) is offered to stakeholders for the onboarding of NPS subscribers to enable instant PRAN generation with minimal documentation. However, such accounts are deemed to be irregular till complete documentation is verified and recorded with the Central Record Keeping Agencies (CRAs). Intermediaries registered with PFRDA are permitted to use the Video-based Customer Identification Process (VCIP) for onboarding, exit, or any other service request related to NPS.

NPS subscribers are provided with various convenient options to deposit their voluntary contributions through the associated Nodal Offices, PoPs, e-NPS, or through NPS Mobile Applications. An additional option/mode of contribution, namely Direct Remittance (D-Remit), is introduced wherein the existing NPS Subscribers under Government/All Citizens Model can deposit their voluntary contributions by creating a Virtual ID linked to their PRANs and providing the same day NAV on investments. Through D Remit, not only one-time contributions can be made, but also periodic NPS contributions can be automated

for any defined amount and any defined date from the Subscribers bank account. The option of contribution to NPS through D-Remit has also been extended to NRI-NPS subscribers who can contribute to their NPS accounts from funds in their NRO/NRE accounts. At the time of withdrawal/Exit, the proceeds of NPS shall be credited into the NRO/NRE account of NRI subscribers, and repatriation would be as per applicable FEMA guidelines.

1.8. A Brief on the Review of the Objectives of PFRDA during the year

The preamble to the PFRDA Act 2013 lays down the objectives of the Authority as the promotion of old age income security, through regulation and development and protection of the interests of the subscribers to schemes of Pension Funds and for matters connected therewith or incidental thereto.

PFRDA has been actively engaged in the promotion and development of NPS (all its variants) and Atal Pension Yojana, regulation, and supervision of all intermediaries under NPS towards the overall objective of provision of old age income security and protection of subscriber's interest. While engaged in these activities, in keeping with the preamble of the PFRDA Act 2013 and the best global practices, the PFRDA endeavours to achieve the following broad objectives/outcomes:

- Increasing Coverage
- Security
- Efficiency
- Adequacy
- Sustainability

Increasing Coverage

The provision of old age income security to all sections of the population has been one of the

important objectives of the Authority. While the PFRDA Act 2013 mandates regulation of NPS, several variants of NPS have been introduced to cover different sections of the population like Central Government, State Government, Corporate, All-Citizen, NPS Lite, Atal pension Yojana (a GOI scheme administered by PFRDA). The Authority has been engaged in expanding coverage through the creation of mass awareness through print, electronic and social media, engaging a training agency for imparting training and capacity building for officials of banks, post offices, POPs, Nodal Offices, the appointment of retirement advisors, facilitating ease of onboarding and transaction through e-NPS, etc.

Security

PFRDA has put in place an extensive framework of regulations under the PFRDA Act 2013 to ensure the security of pension assets to minimize the risk to the pension funds that have been accumulated to provide retirement benefits. These regulations include strenuous eligibility criteria for selection, detailed Corporate Governance frameworks, fit and proper criteria, extensive code of conduct, detailed roles and responsibilities, and penalty structures for all intermediaries, including Pension Funds, to ensure the security of assets. These regulations have been reviewed and strengthened from time to time. In order to further strengthen the IT supervisory processes, the PFRDA is focusing on the implementation of cyber security and will ensure coverage.

Efficiency

The Authority has endeavoured to optimize the efficiency of the system by maximizing

returns to the subscribers subject to acceptable risks. This has been done through a review of the investment guidelines from time to time to optimize the returns.

Efficiency also relates to the efficiency of the labor and capital markets, as each interacts with the pension system through direct contributions to pensions (through longer working lives and contributions, lower costs of capital, or greater financial inclusion) as well as through indirect contributions to jobs and investment. PFRDA has been actively engaged in financial inclusion through awareness creation for APY subscribers in particular and NPS in general.

For capital markets, efficiency relates to capital market depth through the development of non-bank financial capital to fund productive investment and maximize the benefits of wider capital market reforms. PFRDA has been part of inter-regulatory groups and committees in furtherance of these objectives.

Adequacy

One of the important objectives of any pension system is to have adequate facilities in place to enable its subscribers to plan for their retirement, i.e., facilitating the accumulation of retirement benefit entitlements to enable them for old age income security. While NPS is a defined contribution scheme, without guarantee of any benefits, however, as a measure of good practice, Authority has endeavoured to work towards ensuring adequate retirement planning infrastructure through various measures, including review of investment guidelines for optimizing returns, increasing contributions through engaging with the Government for tax concessions, etc.

Sustainability

Sustainability is one of the focal points of any contributory pension system. Through NPS, there is an effort to offer pension products to a different segment of society in the country, which can sustain in the long run to achieve the ultimate goal of providing a secured old age income. NPS is a defined contribution scheme with an institutional framework and product design, and it empowers itself to sustain itself in the long run. The continued savings habit and investment discipline have an important role to play in achieving the endeavour of a sustainable pension system. PFRDA has initiated several steps to increase the awareness level of retirement savings/pension and to furtherance these objectives.

1.9. Intermediaries under NPS

The National Pension System (NPS) works under an unbundled architecture, with each function assigned to specialized entities in their field.

1.9.1 Intermediaries and Other Entities Associated with National Pension System and Other Pension Schemes Covered under the Act

The NPS architecture consists of Points of Presence (POP), Government Department Nodal Offices, Central Record-keeping Agency (CRA), Trustee Bank, Pension Funds (PFs), NPS Trust, Custodians, Annuity Service Providers, and Retirement Advisers.

1.9.1.1 Points of Presence (PoPs)

Points of Presence are banks and non-banking financial companies etc., registered with PFRDA for registration and servicing of the subscribers to the NPS. A PoP is the first point

of interaction between the subscriber and the NPS. The registered PoPs have authorized branches called POP-Service providers (PoP-SPs) to act as collection points and extend services to customers. The functions of the PoPs include subscriber registration, processing subscriber contributions, change in personal details, change in investment scheme/fund manager, processing subscriber shifting from one model to the other, issuing printed account statements, and processing of withdrawal/ exit request on superannuation, etc.

1.9.1.2 Government Nodal Offices

- (i) Central Government Nodal Offices
 - PrAO, PAO, and DDO

The Principal Accounts Office (PrAO), Pay and Accounts Office (PAO), and Drawing & Disbursing Office (DDO) under the Central Government or analogous offices under Central Government and Central Autonomous Bodies are intermediaries which interact with CRA on behalf of the Subscribers for NPS.

- (ii) State Government Nodal Offices
 - DTA, DTO, and DDO

The Directorate of Treasury and Accounts (DTA), District Treasury Office (DTO), and Drawing & Disbursing Office (DDO) under the State Governments or analogous offices under State Governments and State Autonomous Bodies are intermediaries which interact with CRA on behalf of the Subscribers for NPS.

Nodal Offices are the identified offices of Government agencies registered under the CRA system for various operational works under NPS. These offices are identified by a unique number, i.e., Pr.AO /PAO/ DDO registration number that is allotted to them by the CRA on successful registration. These

offices have a major role to play few of them are as below:

- Submission of Forms for subscriber registration
- Distribution of PRAN kits to subscribers
- Timely Uploading of the subscriber's contribution
- Providing timely and accurate information about the contributions of the subscribers
- Forwarding requests of the subscribers for necessary action
- Resolving grievances of the subscribers
- Forwarding approved withdrawal requests of the subscribers

1.9.1.3 Central Record-keeping Agency (CRA)

Protean eGov Technologies Ltd, K-fin Technologies Pvt. Ltd. And, Computer Age Management Services Ltd (CAMS) have been designated the CRAs for the NPS. Their main functions include:

- Maintaining subscriber records, administration, and customer service functions.
- Issuing a Permanent Retirement Account Number (PRAN) for each subscriber, maintaining the database of all PRANs, and recording transactions relating to each PRAN.
- Acting as the interface between the various intermediaries of the NPS system.
- This includes monitoring contributions by each member and instructions and communication of the same to the pension funds. Periodically, they also send a PRAN statement to each member.

- Providing a centralized grievance management system.
- Providing timely fund transfer-related information to the fund managers.
- Coordination with the Trustee Bank for remitting withdrawal funds to the subscribers' account and to the annuity service provider for the annuity scheme.

1.9.1.4 Trustee Bank

The Trustee Bank handles the flow of funds between various intermediaries under NPS. Presently, Axis Bank Ltd is the designated bank to facilitate fund transfers across subscribers, fund managers, and annuity service providers based on the instructions received from the CRA. The Trustee Bank receives funds from the Nodal Offices/PoPs/Aggregators and reconciles them with the Subscriber Contribution File. The Trustee Bank holds the funds in the name of the NPS Trust, and the subscribers are the beneficial owners.

1.9.1.5 Pension Funds (PFs)

These are professional pension fund managers appointed to invest, judiciously and prudently, the pension corpus in a portfolio of securities and manage them. Currently, the pension fund managers under NPS are -ICICI Prudential Pension Funds Management Company Ltd., LIC Pension Fund Ltd, Kotak Mahindra Pension Fund Ltd., SBI Pension Fund Private Ltd., UTI Retirement Solutions Ltd, HDFC Pension Management Co Ltd., Aditya Birla Sun Life Pension Management Limited, Tata Pension Management Limited, Max Life Pension Fund Management Limited, Axis Pension Fund Management Limited. Their functions include:

- Ensuring investment as per investment guidelines
- Investing the contributions in the schemes as per the instructions provided by CRA.
- Constructing the scheme portfolio.
- Maintenance of books and records, reporting to the Authority, and making disclosures.

1.9.1.6 Custodian of Securities

The securities purchased from the NPS corpus in the name of the NPS trust are held by the Custodian of Securities, who also facilitates securities transactions by making and accepting the delivery of securities. PFRDA has recently appointed Deutsche Bank as the new Custodian of its securities. The functions include:

- Having Custody of the Securities held in the name of NPS Trust, purchased out of NPS Corpus.
- Maintaining details of securities held.
- Collecting the benefits like dividends, rights, bonuses, etc., on securities.
- Informing about the actions of the issuers of securities held that may impact the benefits.

1.9.1.7 NPS Trust

NPS Trust is a trust set up under the Indian Trusts Act 1882, which holds the assets of the NPS for the benefit of subscribers. The Trust has the fiduciary responsibility of taking care of the funds and protecting the subscriber's interests. The NPS Trust monitors and supervises the functioning of the Pension Funds and interacts with other intermediaries like the Central Recordkeeping Agency (CRA), Trustee Bank, Custodians, and other entities.

1.9.1.8 Annuity Service Providers

Annuity Service Providers (ASPs) are insurance companies regulated by IRDAI and empanelled by the PFRDA to provide the annuity to the NPS subscribers from the bouquet of annuities offered by them. There are 15 ASPs empanelled by PFRDA at the end of March 2023.

1.9.1.9 Retirement Advisers

Retirement Adviser means any person being an individual, registered partnership firm, body corporate, or any registered trust or society which desires to engage in the activity of providing advice on the National Pension System or other pension scheme regulated by PFRDA to prospects/subscribers or other persons or group of persons and is registered as such under PFRDA (Retirement Adviser) Regulations, 2016. The list of Individual and Other than Individual Retirement Advisers is available on PFRDAs' website.

1.9.2. Types of Account

Under NPS following two types of accounts are available:

Tier-I account: Under the Tier-I account, the subscriber contributes his savings for retirement/ pension into this partially withdrawable account. Premature withdrawals are allowed subject to certain conditions.

Tier-II account: This is a voluntary investment account where the subscriber is free to deposit and withdraw the savings from this account whenever he/she wishes.

Under Tier II, there is a Tier II Tax Saving Scheme (TTS) account which is another variant

of an account specially designed for government employees to make them avail additional tax benefits. It will have three years lock-in period.

Besides NPS, PFRDA also administers and regulates the Atal Pension Yojana.

1.9.3. Outreach

To fulfilling PFRDA's mandate of creating awareness about the need for saving for retirement and retirement planning, PFRDA undertakes various activities, including imparting training through training agencies selected by PFRDA. These training agencies impart training to the Central and State Government Nodal Officers, Pay & Accounts

Offices (PAOs), Drawing & Offices (DDOs), Points of Presence/ Banks/ Post Offices/ Corporates involved in the registration of subscribers about the salient features of the NPS / APY, the process of joining, etc. Further, training workshops/ camps have been organized for subscribers across the sector and geography as a part of a wider financial consumer protection policy. NPS/APY training was imparted only through online mode, i.e., Video conferencing, and the appointed training agency conducted a total of 216 online training sessions for 41,019 participants during the FY 2022-23. Moreover, 7 training programs/workshops were conducted directly by PFRDA.

PART II

Investment of Funds under NPS

This chapter deals with the investments of funds under NPS, and other pension schemes covered under the Act, and the extent of exposure in the National Pension System, in different categories of investments including Government securities, debt securities and equities in accordance with Appendix II of the Pension Fund Regulatory and Development Authority (Reports, Returns and Statements) Rules, 2015.

2.1 Pension Funds

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.

Appointed and registered Pension Funds manage pension corpus through various schemes under National Pension System or any other Scheme. Pension Funds use their access codes to confirm receipt of netted assets and instructions regarding fund allocation, confirm allocation of funds and communicate the NAV of each scheme to CRA and the custodian on a regular basis.

Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 were notified on 14th May, 2015 and the Pension Funds had to abide by these regulations including any amendments thereunder.

2.1.1 Functions of the Pension Funds

The functions of the Pension Funds include, but are not limited to the points mentioned below:

- a. 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.
- b. The day-to-day management of the pension funds shall be done by the pension fund on behalf of the National Pension System Trust.
- c. 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.
- d. 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.
- e. The pension fund shall facilitate and co-ordinate with other intermediaries and other entities inter alia through agreements, technological platforms for undertaking its functional obligations.

- f. 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.
 - g. 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.
 - h. 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.
 - i. The pension fund shall adopt best governance practices for investments and risk management viz. constitution of Investment Committee and Risk Management Committee, its composition, functions, policy contents and other like matters as specified in Schedule X.
 - j. 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.
 - k. The pension fund shall ensure exclusivity and segregation of pension fund business activities from its sponsors.
 - l. 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.
 - m. 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.
- 2.1.2 List of Pension Funds (PFs) managing composite schemes for Government Sector NPS Schemes (i.e., Central Government (CG) and State Governments (SG) including autonomous bodies) and Atal Pension Yojana (APY).**
- i. LIC Pension Fund Limited
 - ii. SBI Pension Funds Private Limited
 - iii. UTI Retirement Solutions Limited
- 2.1.3 List of Pension Funds (PFs) for Private Sector NPS schemes**
- I. HDFC Pension Management Company Limited
 - ii. ICICI Prudential Pension Funds Management Company Limited
 - iii. Kotak Mahindra Pension Fund Limited
 - iv. Aditya Birla Sun Life Pension Management Limited
 - v. LIC Pension Fund Limited
 - vi. SBI Pension Funds Private Limited
 - vii. UTI Retirement Solutions Limited
 - viii. Tata Pension Management Limited
 - ix. Max Life Pension Fund Management Limited
 - x. Axis Pension Fund Management Limited
- Three new Pension Funds have been given certificate of registration to manage Private Sector NPS Schemes and have commenced their operations during FY 2022-2023. Tata Pension Management Limited, Max Life Pension Fund Management Limited and Axis

Pension Fund Limited commenced their operation on 22 August, 2022, 12 September, 2022 and 31 October, 2022 respectively.

Investment Management Fee has been revised w.e.f. 1st April, 2021 as per following slab structure of AUM managed by the PFs:

Table 2.1 – Investment Management Fee

Slab	% Per annum
Upto Rs. 10,000 Crore	0.09
>Rs. 10,000 Cr – Rs. 50,000 Crore	0.06
>Rs. 50,000 Cr – Rs. 1,50,000 Crore	0.05
Rs. 1,50,000 Crore and above	0.03

**UTI RSL to charge 0.07% under this slab.*

2.2 Schemes

The subscribers in NPS fall under the following sectors:

- Government Sector (Central Govt/State Govt including Autonomous Bodies)
- NPS Lite/Swavalamban
- Atal Pension Yojana (APY)
- All Citizen Sector
- Corporate Sector

Investments under NPS for the above schemes are made as prescribed under the investment guidelines issued by the Authority and equity exposure has been specified since inception for all the schemes /segments. The investment options under NPS vary from sector to sector.

2.2.1 Government Sector (Central Govt/ State Govt including Central Autonomous Bodies and State Autonomous Bodies)

As per the PFRDA's investment guidelines, following exposure limits have been decided for the Government sector including CABs/SABs under NPS:

Table 2.2 - Allocation of Assets in Government Sector

Particulars	Exposure Limits (In Percent)
Government Securities & related investments	Upto 65
Debt Instruments & related investments	Upto 45
Short term debt instruments & related investments	Upto 10
Equity & related investments	Upto 15
Asset backed, trust structured & Miscellaneous investments	Upto 5

Under the Government Sector, 03 public sector Pension Funds i.e., LIC Pension Fund Limited / SBI Pension Funds Private Limited / UTI Retirement Solutions Limited manage and invest the contributions in the ratio (among the 3 pension funds) as decided by the Authority from time to time.

Further, based on the Government's OM no. 1/3/2016-PR dated 31st January, 2019 and as per the Authority's recent circular dated 8th May, 2019; Government employees have been given the following options:

Choice of Pension Fund:

As in the case of subscribers in the private sector, the Government subscribers shall also be allowed to choose any one of the pension funds including private sector pension funds. They could change their option once in a year. However, the current provision of combination of the public sector pension funds will be available as the default option for both existing as well as new Government subscribers.

Choice of Investment Pattern:

The following option for investment choices shall be offered to Govt Employees:

- i. Existing scheme in which funds are allocated by the PFRDA among three Public Sector Undertaking fund managers based on their past performance in accordance with the guidelines of PFRDA for Government employees shall continue as default scheme for both existing and new subscribers.
- ii. Government employees who prefer a fixed return with minimum amount of risk shall be given an option to invest 100% of the funds in Government securities (Scheme G)
- iii. Government employees who prefer higher returns shall be given the options of the following two life-cycle based schemes:
 - a. Conservative life cycle fund with maximum exposure to equity capped at 25% - LC-25.
 - b. Moderate life cycle fund with maximum exposure to equity capped at 50% - LC-50

The Central Government subscribers under NPS may exercise one of the above choices of investment pattern twice in a financial year. For more details - PFRDA circular no. PFRDA/2019/12/REG-PF/1 dated 08th May, 2019 may be referred.

Some of the State Governments have also extended above choice of investments.

2.2.2 NPS-Lite

It is informed that fresh enrolments under NPS-Lite had been discontinued w.e.f 01.04.2015. However, for the existing NPS-Lite subscribers, as per the PFRDA's investment guidelines, following exposure limits have been decided for the NPS -Lite sector.

Table 2.3 - Allocation of Assets in NPS Lite Sector

Particulars	Exposure Limits (In Percent)
Government Securities & related investments	Upto 65
Debt Instruments & related investments	Upto 45
Short term debt instruments & related investments	Upto 10
Equity & related investments	Upto 15
Asset backed, trust structured & Miscellaneous investments	Upto 5

Under NPS-Lite, only 03 public sector Pension Funds i.e., LIC Pension Fund Limited / SBI Pension Funds Private Limited / UTI Retirement Solutions Limited manage and invest the contributions in the ratio (among the 3 pension funds) as decided by the Authority from time to time. Further, a single private sector Pension Fund i.e., Kotak Mahindra Pension Fund Limited has been chosen as one of the aggregator for managing the contributions. Under NPS- Lite scheme, no selection of Pension Fund or the asset allocation is offered to the subscribers.

2.2.3 Atal Pension Yojana (APY)

Atal Pension Yojana (APY), a Government pension scheme for citizens of India, is focused on the unorganised sector workers. Under the APY, guaranteed minimum pension of Rs. 1,000/- or 2,000/- or 3,000/- or 4,000/- or 5,000/- per month will be given at the age of 60 years depending on the contributions by the subscribers.

Under Atal Pension Yojana (APY), no selection of Pension Fund or the asset allocation is offered to the subscribers because it is a

guaranteed government scheme and the asset allocation is kept same as for the Government sector employees under NPS as per the following:

Table 2.4 - Allocation of Assets in Atal Pension Yojana Sector

Particulars	Exposure Limits (In Percent)
Government Securities & related investments	Upto 65
Debt Instruments & related investments	Upto 45
Short term debt instruments & related investments	Upto 10
Equity & related investments	Upto 15
Asset backed, trust structured & Miscellaneous investments	Upto 5

Under Atal Pension Yojana, 3 public sector Pension Funds i.e., LIC Pension Fund Limited / SBI Pension Funds Private Limited / UTI Retirement Solutions Limited manage and invest the contributions in the ratio (among the 3 pension funds) as decided by the Authority from time to time.

2.2.4 All Citizen Sector

The subscribers under All Citizen Sector may opt for any of the investment pattern i.e., **“Active Choice” or “Auto Choice”**.

As per the PFRDA's investment guidelines, following exposure limits have been decided for the All Citizen /Un-Organized Sector under NPS:

Table 2.5 - Allocation of Assets in All Citizen/UOS Sector

Particulars	Exposure Limits (In Percent)
Equity & related investments	Upto 75
Debt Instruments & related investments	Upto 100
Government Securities & related investments	Upto 100
Alternate Assets	Upto 5
Short term investments (money market, short duration mutual funds, & term deposits)	Upto 10

Option of change of Pension Fund and investment choice

Further, Pension Fund can be changed once in a financial year and Investment Option can be changed four times in a financial year by the subscriber.

2.2.5 Corporate Sector

For subscribers belonging to corporate sector – where the employer has adopted NPS for its employees, the investment options and choices have been kept flexible.

There are two types of schemes under this segment:

Corporate CG scheme: This scheme has been discontinued and it is not available under corporate segment but those corporates which were already covered under this scheme and have not changed this scheme are still continuing under this scheme.

As per the PFRDA's investment guidelines, following exposure limits have been decided for the Corporate CG sector under NPS:

Table 2.6 - Allocation of Assets in Corporate CG Sector.

Particulars	Exposure Limits (In Percent)
Government Securities & related investments	Upto 65
Debt Instruments & related investments	Upto 45
Short term debt instruments & related investments	Upto 10
Equity & related investments	Upto 15
Asset backed, trust structured & Miscellaneous investments	Upto 5

Under this Corporate CG scheme, investments are with 2 Pension Funds i.e., LIC Pension Fund Limited or SBI Pension Funds Private Limited.

Other scheme: (At present available under corporate segment):

Under this scheme, the employer may delegate the responsibility of selecting a Pension Fund and/or mode of investment to employees or the employer may select a Pension Fund and/or the Life Cycle Fund on behalf of its employees. These aspects related to NPS may form part of the employer-employee arrangement. As per the investment option exercised, the employer or the subscriber has to select any of the one registered Pension Fund and further selection of asset allocation among the four asset classes as per the following:

- **Asset class E** -Equity and related instruments
- **Asset class C** -Corporate debt and related instruments
- **Asset class G** -Government Bonds and related instruments
- **Asset Class A** -Alternative Investment Funds including instruments like CMBS, MBS, REITS, AIFs, InvITs etc.

The subscribers under this sector may opt for any of the investment pattern i.e. “Active Choice” or “Auto Choice”.

As per the PFRDA’s investment guidelines, following exposure limits have been decided for the corporate Sector under NPS:

Table 2.7 Allocation of assets in Corporate Sector

Particulars	Exposure Limits (In Percent)
Equity & related investments	Upto 75
Debt Instruments & related investments	Upto 100
Government Securities & related investments	Upto 100
Alternate Assets	Upto 5
Short term investments (money market, short duration mutual funds, & term deposits)	Upto 10

Option of change of Pension Fund and investment choice:

Further, Pension Fund can be changed once in a financial year and Investment Option can be changed four times in a financial year by the subscriber.

2.2.6 Tier II Tax Saver Scheme (TTS)

The scheme is only available for NPS subscribers belonging to the Central Government. There is a lock-in period of 3 years from the date of unitization of contributions by Central Recordkeeping Agencies to enjoy the tax benefits u/s 80C of Income Tax Act. No withdrawals will be allowed during the lock-in period, however, in case of death of subscriber, the corpus can be withdrawn by the nominee/legal heir. In case of closure of Tier-I account due to exit from NPS, contributions to NPS-TTS will not be

allowed until the completion of the lock-in period.

The following investment limits have been prescribed to the Pension Funds with respect to TTS:

Table 2.8 – Asset Class Limits in TTS

Asset Classes	Limits (In percent)
Equity	10 - 25
Debt	Upto 90
Cash/Money Market/Liquid mutual funds	Upto 20

Option of change of Pension Fund and investment choice

The subscribers do not have any choice of investment options under this scheme. However, the TTS subscribers are allowed to have maximum of 3 pension funds separately. However, the PF change will be allowed only after completion of lock-in period.

2.2.7 Details on Pension Funds

The details of the schemes wise asset under management in given in the table below:

Table 2.9 - Details of Asset under Management

(Amt in Rs. Crores)

Scheme	March 31, 2022	March 31, 2023	Absolute Growth	Growth (In percent)
CG	2,16,883.09	2,50,631.18		
SG	3,69,743.33	4,47,114.39		
Subtotal	5,86,626.42	6,97,745.57	1,11,119.15	18.94
Corporate CG	47,343.05	58,766.72		
E-I	30,303.85	43,261.38		
C-I	15,509.97	22,329.81		
G-I	27,630.39	40,375.85		
A-I	162.65	271.69		
E-II	1,424.50	1,681.16		
C-II	762.55	864.87		
G-II	1,214.08	1,419.11		
Total Tier II - TTS	6.75	12.53		
NPS Lite	4,686.74	4,914.52		
APY	20,922.60	26,700.12		
APY Fund Scheme	-	522.71		
Sub Total	1,49,967.13	2,01,120.47	51,153.33	34.11
Grand Total	7,36,593.55	8,98,866.04	1,62,272.48	22.03

The table above indicate that the asset under management for government sector NPS schemes (CG and SG) has grown by around

18.94 percent, and the asset under management of the schemes other than these two schemes has grown by around 34.11

percent. In terms of absolute growth, the government sector schemes increased by Rs. 1,11,119.15 crore whereas other than government sector schemes in aggregate increased by Rs. 51,153.33 crore.

As explained above, the different schemes are managed by different Pension Fund managers, the details of asset under management of various schemes under the respective Pension Funds are given below: -

Table 2.10 - Pension Fund wise and scheme-wise (CG, SG, NPS lite, APY, APY Fund Scheme & Corporate CG) Asset under Management as on 31st March 2023

Amount in Rs. Crore

Name of Pension Fund/ SCHEMES	CG	SG	NPS Lite	APY	APY Fund Scheme	Corporate CG	Grand Total
SBI Pension Funds Private Limited	87,438.96	1,53,441.33	1,993.03	9,076.54	177.70	55,830.59	3,07,958.15
LIC Pension Fund Limited	81,514.17	1,48,680.29	1,439.19	8,917.03	182.97	2,936.13	2,43,669.78
UTI Retirement Solutions Limited	81,678.05	1,44,992.77	1,405.35	8,706.56	162.04		2,36,944.77
Kotak Mahindra Pension Fund Limited			76.95				76.95
Total	2,50,631.18	4,47,114.39	4,914.52	26,700.12	522.71	58,766.72	7,88,649.66

Table 2.11 - Pension Fund wise vis-a-vis scheme-wise (E-I, C-I, G-I, A-I, E-II, C-II & G-II, TTS-II) Asset under Management as on 31st March 2023

Amount in Rs. Crore

Name of Pension Fund/ SCHEMES	Scheme -E-I	Scheme -C-I	Scheme -G-I	Scheme -E-II	Scheme -C-II	Scheme -G-II	Scheme -A-I	TTS	Grand Total
SBI Pension Funds Private Limited	10,849.19	6,220.59	12,949.83	374.67	204.96	390.79	54.10	3.73	31,047.85
LIC Pension Fund Limited	3,297.20	2,103.46	3,835.15	109.98	66.34	152.81	12.70	1.43	9,579.07
UTI Retirement Solutions Limited	1,483.07	751.03	1,361.98	69.61	31.67	57.56	8.07	0.84	3,763.83
ICICI Prudential Pension Funds Management Company Limited	6,406.70	3,475.34	5,915.92	259.05	153.71	222.93	31.39	1.14	16,466.18

Amount in Rs. Crore

Name of Pension Fund/ SCHEMES	Scheme -E-I	Scheme -C-I	Scheme -G-I	Scheme -E-II	Scheme -C-II	Scheme -G-II	Scheme -A-I	TTS	Grand Total
Kotak Mahindra Pension Fund Limited	1,136.97	544.87	916.58	78.02	35.27	58.35	8.27	0.53	2,778.86
HDFC Pension Management Company Limited	19,623.07	8,999.46	14,981.97	762.11	358.17	515.01	153.58	3.99	45,397.36
Aditya Birla Sun Life Pension Management Limited	308.17	146.67	231.72	21.95	12.74	19.46	2.81	0.56	744.07
Tata Pension Management Limited	42.02	20.27	36.45	3.29	1.21	1.39	0.42	0.22	105.27
Max Life Pension Fund Management Limited	42.89	33.38	65.64	0.34	0.10	0.14	0.06	0.02	142.56
Axis Pension Fund limited	72.10	34.74	80.61	2.13	0.71	0.67	0.29	0.08	191.33
Total	43,261.38	22,329.81	40,375.85	1,681.16	864.87	1,419.11	271.69	12.53	1,10,216.39

2.2.8 Exposure of various schemes regulated and administered by PFRDA to different categories of investments

The maximum prescribed exposure, as per the investment guidelines of PFRDA in respect of the portfolio under CG, SG, Corporate CG and NPS Lite and APY scheme in various investment instruments has been provided in the table below:

Table 2.12 – Exposure Limits

Particulars	Exposure Limits (In Percent)
Government Securities & related investments	Upto 65
Debt Instruments & related investments	Upto 45
Short term debt instruments & related investments	Upto 10
Equity & related investments	Upto 15
Asset backed, trust structured & Miscellaneous investments	Upto 5

Subscribers opting for the schemes other than the Government sector schemes (CG and SG), NPS Lite, corporate CG and APY, can decide the allocation of their assets in Asset class E (Equity), asset class C (Corporate Debt), asset class G (Government Securities) and Asset class A (Alternate Assets) as per the table below:

Table 2.13 – Asset Class/Instruments

Category	Asset class / instruments	Maximum exposure (In percent)
i	Government Securities and Related Investments including State Development loans	100
ii	Debt Instruments and Related Investments	100
iii.	Equities and Related Investments	75
iv	Alternate Assets	5
v	Short term investments (money market, short duration mutual funds, & term deposits)	10

In case of Tier - II accounts, no investment is permitted in Asset class A, other prudential ceilings remaining the same.

The asset class wise bifurcation of the assets under management as on March, 2023 vis-a-vis March 2022 is given below: -

Table 2.14 - Asset Class wise bifurcation of Asset Under Management

Asset Class	31-Mar-22		31-Mar-23	
	Amount (Rs Cr)	% of Investment	Amount (Rs Cr)	% of Investment
G-Sec	3,73,451.90	50.70	4,64,297.98	51.65
Corporate Bond	2,03,071.95	27.57	2,45,896.66	27.36
Equity	1,21,423.93	16.48	1,48,844.45	16.56
REITs/Invits	1,052.55	0.14	1,079.92	0.12
Money Market	25,734.55	3.49	23,362.95	2.60
Cash & Net Current Assets	11,858.68	1.61	15,384.08	1.71
Total	7,36,593.56	100.00	8,98,866.04	100.00

Chart No. 2.1 - Asset Class Wise Bifurcation of AUM as on March 31, 2022

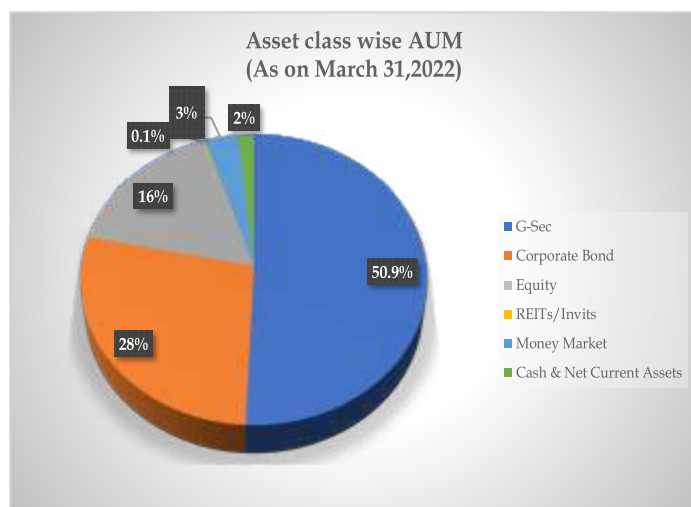
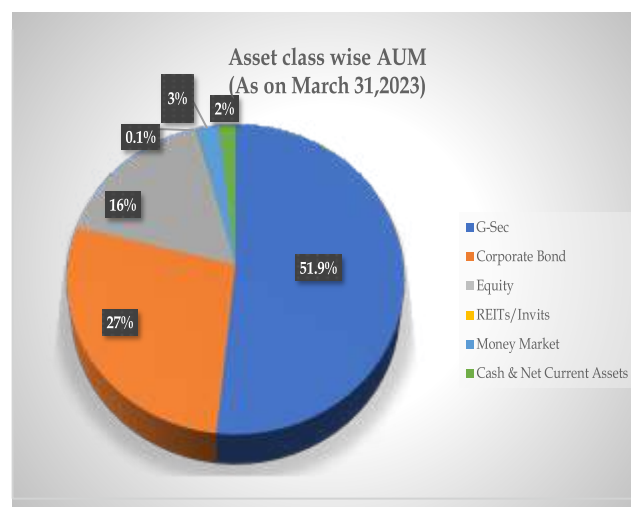


Chart No 2.2 - Asset Class Wise Bifurcation of AUM as on March 31, 2023



2.3 Notification, issuance of major circulars/ Guidelines for Pension Funds

- **Circular on change in Investment Guidelines-2021 for Government Sector Schemes/Private Sector Schemes**

Introduction of Triparty Repo for Short Term Investments under Investment

Guidelines for NPS for both Government Sector subscribers and Private Sector subscribers.

- Circular on disclosure of Risk Profiling of Schemes managed by Pension Funds under NPS has been issued to Pension Funds and NPS Trust

Introduced disclosure of Risk Profiling of Schemes managed by Pension Funds.

- **Circular on allowing option to allocate 75 percent of subscriber's contribution in Asset Class E (Equity) in Tier-I under active choice without any conditions of tapering from the age of 51 years under NPS Private Sector and allowing option to allocate 100 percent of subscriber's contribution in Asset Class E (Equity) in Tier-II (optional account) under active choice without any conditions of tapering from the age of 51 years**

Allowed option to allocate 75 percent of subscriber's contribution in Asset Class E (Equity) in Tier-I under active choice without any conditions of tapering from the age of 51 years under NPS Private Sector and allowed option to allocate 100 percent of subscriber's contribution in Asset Class E (Equity) in Tier-II (optional account) under active choice without any conditions of tapering from the age of 51 years.

- **Change in Investment Guidelines-2021 for Government Sector Schemes/ Private Sector Schemes**

Increased investment limit for G-sec upto 65 percent from upto 55 percent.

- **Change in Operational Guidelines for NPS Tier II- Tax Saver Scheme, 2020 (NPS - TTS)**

Allowed investment limit upto 20 percent in short term investment limits for Tier-2 Scheme and TTS (Tier II Tax Saver Scheme)

2.4 Inspection

During the FY 2022-23, inspection of 7 Pension Funds was conducted as under:

- SBI Pension Funds Private Limited
- LIC Pension Fund Limited
- UTI Retirement Solutions Limited
- HDFC Pension Management Company Limited
- ICICI Prudential Pension Funds Management Company Limited
- Kotak Mahindra Pension Fund Limited
- Aditya Birla Sun Life Pension Management Limited

PART III

Functions of the Authority

The chapter deals with duty, power, and functions of the Authority for promotion and orderly growth of the National Pension System and pension schemes in accordance with Section 14 of Pension Fund Regulatory and Development Authority Act, 2013 to protect the interests of subscribers of such system and schemes.

3.1 Registration of intermediaries and suspension, cancellation, etc., of such registration; and regulation of activities of the intermediaries associated with the National Pension System or the pension schemes

Section 14 of the PFRDA Act, 2013 lays down the duties, powers, and functions of the Authority to regulate, promote and ensure orderly growth of the National Pension System and pension schemes, and to protect the interests of subscribers of such system and schemes.

The National Pension System and any other Pension Scheme which are operationalized by PFRDA through large number of entities such as **Pay & Accounts offices/Treasury Offices** at the Central and State Government, they are responsible for the registration and upload of the periodic NPS subscription of the Government employees on the NPSCAN, the **Point of Presence (PoPs)** which are Banks, Non-Banking Financial Companies (NBFC), Micro Finance Institutions (MFI) etc. which assist in the registration and upload of NPS subscription for the corporate, private sector and unorganized sector subscribers, the **Aggregators** (now POPs) which help in the last-mile reach to the potential subscribers particularly in the informal sector, the **Central**

Recordkeeping Agency (CRA), which is responsible for the recordkeeping of individual pension accounts called PRAN of the subscribers and acts as a coordinator for the NPS architecture, **Trustee Bank**, responsible for the day-to-day flow of funds and banking facilities, the **Pension Funds (PFs)**, mandated to invest and manage the pension assets of the subscribers covered under NPS as per the investment guidelines prescribed by PFRDA and Annuity Service Providers (**ASPs**), empaneled with PFRDA to provide a monthly annuity pension to the subscriber.

i) Government Sector - Central and State Autonomous Bodies

Registration of Autonomous Bodies: Continuous efforts have been made to register Central and State Autonomous bodies by interacting with them as well as with the respective Financial Advisors of Central Ministries and Nodal Officers of the State Governments. PFRDA also assisted State Governments towards streamlining guidelines and notifications for registration of SABs.

PFRDA processes Letter of Consent ("LoCs") of CABs & SABs after ensuring the compliance of stipulated guidelines issued by CG and SGs & also handles queries of NPS during pre-registration process. Details of LoCs issued during FY 2022-23 are as below:

- (I) CABs – 12 (ii) SABs – 158 As on March 31, 2023, the number of PrAOs/DTAs, PAOs/DTOs and DDOs are as under: -

Table No. 3.1: Number of PrAOs/ DTAs, No. of PAOs/DTOs and No. of DDOs

Sector	No. of PrAOs/ DTAs	No. of PAOs/DTOs	No. of DDOs
Central Government	145	3057	16,543
Central Autonomous Body	663	2040	4,156
Total	808	5097	20,699

Table No. 3.2: Number of DTA/DTOs/DDOs

Sector	No. of DTA	No. of DTOs	No. of DDOs
State Government	74	2,066	2,37,401
State Autonomous Body	659	5,800	16,212
Total	733	7,866	2,53,613

Table No. 3.3: Registration of CABs and SABs upto FY2022-23

Status As on March 31, 2023	Total Registered CABs	Total Registered SABs	Total enrolled subscribers of CABs	Total enrolled subscribers of SABs
	662	1,705	2,51,005	9,65,832

Table No. 3.4: Newly registered CABs & SABs Financial Year Wise

FY wise performance	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Newly registered CABs	18	25	25	24	27	22	12
Newly registered	179	272	107	133	141	120	158

Source: Sup (CAB/SAB) & P&D (CAB/SAB)

As on March 31, 2023, 1,705 State Autonomous Bodies and 662 Central Autonomous Bodies are registered under NPS.

Further, there are 331 PoPs (registered with CRAs), three Central Recordkeeping Agency, one Trustee Bank, ten Pension Funds and fifteen Annuity Service Providers as on March 31, 2023.

The activities on NPS for CABs and SABs are listed below:

- Engagement with the following categories of CABs and SABs for implementation of NPS:
 - o Registration of all eligible CABs and SABs, which have not yet initiated the registration process under NPS, as per the CG/SG notification
 - o Completion of the pending registration process of the unregistered CABs and SABs
 - o Enrollment of eligible employees of the registered CABs and SABs under NPS
 - o Transfer of regular as well as legacy/ arrear NPS contributions for the enrolled employees of registered CABs and SABs
- Co-ordination with CG Ministries / State

governments for registration of potential CABs/ SABs

Engagement with State Govt for issuing NPS notification for SHG and SABs

ii) Points of Presence (PoPs)

Registration of POPs: Though, Atal Pension Yojana (APY) is administered by PFRDA but there were no regulations for entities offering APY services. To bring APY under the ambit of PFRDA, PFRDA (POP) Regulations, 2018 were notified and APY was also included under it as a separate category of POP.

Categories of POPs under current regulations are as below:

- (i) National Pension System (NPS) – Distribution and servicing for public at large through physical as well as online platforms
- (ii) National Pension System (NPS) – Distribution and servicing for citizens at large through online platforms only
- (iii) National Pension System (NPS) – Distribution and servicing only for own employees and other personnel either through physical or online platforms. Provided that only such entities shall be permitted to function which has covered its employees for social security benefits under the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 or the Employees State Insurance Act, 1948 or under the Goods and Services Act, 2017 and is registered with authorities under the said

enactments, for not less than a period of two years, from the date of the application

- (iv) NPS Lite- scheme
- (v) Atal Pension Yojana
- (vi) Any other scheme regulated or administered by Authority

Under POP Regulations, 2018, PFRDA has issued Certificate of Registration (CoR) to PoPs and PoP-SEs, number of CoR issued as on March 31, 2023, are as below:

- (I) PoPs – 331
- (ii) PoP-SEs – 53

iii) Pension Funds

The Certificate of Registration was issued to Max Life Pension Fund Management Limited on 23.04.2022 and to Axis Pension Fund Management Ltd on 01.07.2022. A Letter of Appointment was issued to DSP Investment Managers Private Limited as Sponsor for management of pension funds on 19.07.2022. Certificate of Commencement of business was issued to TATA PF on 28.07.2022, Max Life PF on 23.08.2022 and Axis PF 20.09.2022.

Table 3.5: Investment Management Fee w.e.f. April 1, 2021

Slabs of AUM	Maximum Investment Management Fee(In Per cent)
Upto 10,000 Cr.	0.09*
10,001 – 50,000 Cr.	0.06
50,001 – 1,50,000 Cr.	0.05
Above 1,50,000 Cr.	0.03

*UTI RSL to charge 0.07% under this slab.

The IMF to be charged by the Pension Fund on the slab structure would be on the aggregate AUM of the Pension Fund under all schemes managed by Pension Funds and to be calculated upto four decimal points and truncated thereof. These rates of IMF shall be reviewed by the Authority in a period of five (5) years from the date of implementation.

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon, subject to maximum brokerage allowed to be charged to the scheme by the Pension Funds @ 0.03% (including applicable taxes on brokerage) on equity transactions only. All other costs shall be borne by the pension fund and shall not be reimbursed or charged to the scheme by the Pension Fund.

iv) Retirement Advisors

Certificate of Registrations were issued after evaluation of applications as per eligibility criteria defined in PFRDA (Retirement Adviser) Regulations, 2016 and subsequent amendments. During the FY 2022-23, 14 Individual Retirement Advisors & 3 other than Individual Retirement Advisors were registered under the NPS architecture. To expedite the registration process, online platform is available where applicants can apply online for registration.

v) Central Recordkeeping Agency

Amendment, notification, and dissemination of amendment to Regulations

Pension Fund Regulatory and Development Authority (Central Record Keeping Agency) (Second Amendment) Regulations, 2020 issued to set standards for the eligibility, governance, organization, and operational

conduct of the CRA and for providing centralized recordkeeping, administration, and customer service functions to all subscribers.

Extension to the tenure of registration of M/s NSDL E-Governance Infrastructure Ltd (Now Protean) as Central Recordkeeping Agency for a further period of one year from April 01, 2020, till March 31, 2021, or the date of grant of registration certificate under the first amendment to PFRDA (CRA) Regulations, 2015 and amendments there under, whichever is earlier.

In FY 2020-21, another entity, Computer Age Management Services Ltd. (CAMS) has been granted Certificate of Registration under PFRDA (CRA) Regulations, 2015. The third CRA has operationalised its eNPS platform w.e.f. 17th March 2022.

vi) Trustee Bank

As per the provisions of Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations, 2015 and amendments thereof, Trustee Bank is selected and registered based on the selection process released by the Authority.

The Trustee Bank accounts are maintained on behalf of the NPS subscribers and in the name of the NPS Trust, the registered owner of NPS funds, however, individual NPS subscribers remain beneficial owners of these funds.

Trustee Bank facilitates fund transfers across various entities of the CRA(s) system viz. Nodal Offices, Points of Presence, Aggregators, Pension Funds, Annuity Service Providers and subscribers, etc, to carry out their functions through a technology-based platform and fulfils roles and responsibilities

prescribed under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013, Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations, 2015, and amendments thereof, terms and conditions of registration, circulars, and guidelines, etc. issued by the Authority from time to time.

Axis Bank Limited was selected as Trustee Bank through Request for Proposal for Selection of Trustee Bank 2020 as per regulation 9 of Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations, 2015, and amendment thereof.

Axis Bank Limited has been registered as Trustee Bank by the Authority vide registration number TB001 on 08.01.2021 and registration is valid for five years from the date of grant of Certificate of Registration and extension granted thereto, unless suspended or cancelled by the Authority as per regulation 13.

Contact details

Contact details of Trustee Bank have been displayed on PFRDA's website for wider reach and for the benefit of all stakeholders including subscribers. The details are as under:

Name	Axis Bank Limited
Registration No.	TB001
Validity	08 January 2021 – 07 January 2026
Website	www.axisbank.com
Registered Address	"TRISHUL" 3rd Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad - 380 006
Contact Person	Principal Officer / Compliance Officer
E-mail	npstrust@axisbank.com
Telephone	022-71315884, 022-71315906
Correspondence Address	Axis Bank Limited, Centralised Collection and Payment HUB, 5th Floor, Gigaplex Building no.1, Plot no I.T.5, MIDCI Airoli Knowledge park I Airoli, Navi Mumbai – 400 708

Regulations and amendments

Trustee Bank is required to perform its activities, broadly defined under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013, and the regulatory framework prescribed under Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations, 2015, and amendments thereof, by the Authority and guidelines, circulars, etc., issued from time to time.

During FY 2022-23, no need for amendment in the extant regulations was observed.

vii) NPS Trust

Pension Fund Regulatory and Development Authority (National Pension System Trust) (Second Amendment) Regulations, 2020 issued to amend the governance of a Trustee of the Board of Trustees of the National Pension System Trust.

The details of the Trustees of NPS Trust Board as on March 31, 2023

1.	Sh. Suraj Bhan	Chairman & Trustee
2.	Sh. Y. Venkata Rao	Trustee
3.	Ms. Chitra Jayasimha	Trustee
4.	Dr. P.C. Jaffer	Trustee
5.	Sh. J. K. Sharma	Trustee
6.	Sh. Ruchir Mittal	Trustee
7.	Sh. Masil Jeya Mohan	Trustee
8.	Sh. Prasenjit Mukherjee	Trustee
9.	Sh. Santosh Kumar Mohanty	Trustee
10.	Sh. Debasish Mallick	Trustee

viii) Exit and Annuity Service Providers (ASPs):

Pension Fund Regulatory and Development Authority (Exits and Withdrawals under the National Pension System) Regulations, 2015, and amendment thereof provide details & contours of various provisions of exit under NPS. Further, it has laid down the process of empanelment of ASP and detailed roles and responsibilities of ASP.

Life Insurance Companies registered and regulated by the Insurance Regulatory and Development Authority ('IRDA') are eligible to act as empaneled Annuity Service Provider (ASP) with the PFRDA to provide different kinds of immediate annuities to the subscribers at the time of exit from National Pension System. The empanelment of ASP is governed by the provisions of the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under the National Pension System) Regulations, 2015, and amendment thereof.

Presently, the following fifteen entities are empaneled as Annuity Service Provider:

- (i). Aditya Birla Sun Life Insurance Company Limited
- (ii). Bajaj Allianz Life Insurance Company Limited
- (iii). Canara HSBC Life Insurance Company Limited
- (iv). Edelweiss Tokio Life Insurance Company Limited
- (v). HDFC Life Insurance Company Limited
- (vi). ICICI Prudential Life Insurance Company Limited
- (vii). India First Life Insurance Company Limited
- (viii). Kotak Mahindra Life Insurance Company Limited
- (ix). Life Insurance Corporation of India
- (x). Max Life Insurance Company Limited
- (xi). PNB MetLife India Insurance Company Limited
- (xii). SBI Life Insurance Company Limited
- (xiii). Shriram Life Insurance Company Limited
- (xiv). Star Union Dai-ichi Life Insurance Company Limited
- (xv). Tata AIA Life Insurance Company Limited

The Contact details of ASPs have been displayed on PFRDA's website for wider reach and for the benefit of all stakeholders including subscribers.

Regulations and amendments ASPs are required to perform their activities, broadly defined under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013, and the regulatory framework prescribed under Pension Fund Regulatory and Development Authority (Exits and

Withdrawals under the National Pension System) Regulations, 2015 and amendment thereof by the Authority and guidelines, circulars, etc. issued from time to time. To ensure the effective functioning of ASPs under NPS, detailed regulatory compliance has been introduced starting from FY 2022-23. Such compliance shall help in improving the working of the ASPs.

During FY 2022-23, the regulations were examined and accordingly amended in the interest of subscribers, in light of the facts/recommendations under various proposals received from other departments of PFRDA,

During FY 2022-23, exit regulation was amended once and the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under the National Pension System) (Amendment) Regulations, 2023 was notified on 23.03.2023 to facilitate the exit of employees, of a body corporate or other entity under the ownership and control, either of the central government or any state government or a government company, joining NPS after the age of 60 as per the service rules applicable to them.

3.2 Approval of schemes, the terms and conditions thereof including norms for the management of corpus of the pension funds and investment guidelines under such schemes

The details of schemes administered by the Authority may be referred in Part II of the report.

The allocation of funds for incremental subscriptions under existing Central Government Scheme as a default scheme under NPS as per Notification F. No. 1/3/2016-PR dated 31.01.2019 issued by DFS and existing State Government scheme/default scheme, for both existing as well as new Government subscribers under Central Govt. and State Govt. Sectors, for the FY 2022-23 was distributed among the pension funds.

Further under Central Government and Central Autonomous Bodies, the Assets under Management for the FY 2022-23 have been allocated to SBI Pension Fund Pvt. Ltd, UTI Retirement Solution Ltd. and LIC Pension Fund Ltd. in the ratio 33:32:35.

For the scheme applicable to State Government employees and employees of State Autonomous bodies, the Assets under Management for the FY 2022-23 have been allocated to SBI Pension Fund Pvt. Ltd, UTI Retirement Solution Ltd. and LIC Pension Fund Ltd. in the ratio of 33:32:35.

3.3 Exit of subscribers from the National Pension System

3.3.1 As per PFRDA (Exits & Withdrawals under NPS) Regulations 2015 and amendments thereto, following Withdrawal categories are allowed:

(I) Exit of subscribers from the National Pension System

As per PFRDA (Exits & Withdrawals under NPS) Regulations 2015, following Withdrawal categories are applicable:

Table No. 3.6: PFRDA (Exits & Withdrawals under NPS) Regulations 2015 and amendments

Sr. No.	Withdrawal Categories	Conditions in Government Sector	Conditions in Non- Government Sector
1.	Upon Normal Superannuation	<p>At least 40 per cent of the accumulated pension wealth of the Subscriber has to be utilized for purchase of an Annuity providing for monthly pension to the Subscriber and the balance is paid as lump sum to the Subscriber.</p> <p>If the accumulated pension wealth in the PRAN is equal to or less than 2 lakhs, the subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing annuity.</p> <p>However, there is slight change Exit guidelines notified vide 14th June 2021, wherein, there is revision of the accumulated pension wealth in the Permanent Retirement Account of the subscriber is equal to or less than a sum of five lakh rupees, or a limit as specified by the Authority.</p>	Same as Government Sector
2.	Upon Death	<p>At least 80 per cent of the accumulated pension wealth of the Subscriber has to be utilized for purchase of an Annuity providing for monthly pension to the Spouse and the balance is paid as lump sum to the nominee/legal heir.</p> <p>If the accumulated pension wealth in the PRAN at the time of his death is equal to or less than 2 lakhs, the nominee or legal heirs as shall have the option to withdraw the entire accumulated pension wealth without purchasing annuity.</p>	<p>If subscriber before attaining the age of 60 years or superannuation dies, then the entire accumulated pension wealth of the subscriber shall be paid to the nominee or nominees or legal heirs.</p> <p>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.</p>

Sr. No.	Withdrawal Categories	Conditions in Government Sector	Conditions in Non- Government Sector
		<p>However, there is slight change Exit guidelines notified vide 14th June 2021, wherein, there is revision of the accumulated pension wealth in the Permanent Retirement Account of the subscriber is equal to or less than a sum of five lakh rupees, or a limit as specified by the Authority.</p>	
3.	Pre-mature Exit	<p>At least 80 per cent of the accumulated pension wealth of the Subscriber has to be utilized for purchase of an Annuity providing the monthly pension to the Subscriber and the balance is paid as a lump sum to the Subscriber.</p> <p>If the accumulated pension wealth in the PRAN is equal to or less than 1 lakh, such subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing any annuity.</p> <p>However, there is slight change in Exit guidelines notified on June 14, 2021, wherein, there is revision of the accumulated pension wealth in the Permanent Retirement Account of the subscriber is equal to or less than a sum of two lakh fifty thousand rupees, or a limit as specified by the Authority.</p>	<p>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. At least 80 per cent of the accumulated pension wealth of the Subscriber has to be utilized for purchase of an Annuity providing the monthly pension to the Subscriber and the balance is paid as a lump sum to the Subscriber.</p> <p>If the accumulated pension wealth in the PRAN is equal to or less than 1 lakh, such subscriber shall have the option to withdraw the entire accumulated pension wealth without purchasing any annuity.</p> <p>However, there is slight change in Exit guidelines notified on June 14, 2021, wherein, there is revision</p>

Sr. No.	Withdrawal Categories	Conditions in Government Sector	Conditions in Non- Government Sector
			of the accumulated pension wealth in the Permanent Retirement Account of the subscriber is equal to or less than a sum of two lakh fifty thousand rupees, or a limit as specified by the Authority.

In addition, Subscriber can decide to remain invested in NPS (Up to 75 years) or can exit from NPS. Following options are available to NPS Subscribers:

- Continuation of NPS account: Subscriber can continue to contribute to NPS account beyond Retirement (Up to 75 years) and avail additional tax benefit on the contribution.
- Deferment of Withdrawal: Subscriber can defer his/her Withdrawal and stay invested in NPS up to 75 years of age. Subscriber can defer only lump sum Withdrawal, defer only Annuity, or defer both lump sum as well as Annuity.
- Start your Pension: If Subscriber does not wish to continue/defer NPS account,

he/she can exit from NPS. He/she can initiate exit request online and as per NPS exit guidelines start receiving pension.

One can watch video on Continuation & Deferment process available on the dedicated YouTube channel "NSDL - NPS Ki Pathshala" at <https://bit.ly/2ZLzTkB> and on "Online Withdrawal Processing by Subscriber" at <https://bit.ly/2vyuhfK>

For the purpose of exit from the NPS, the subscribers are categorized and defined as:

- (I) Government sector, (ii) All citizens including corporate sector and (iii) NPS Lite subscribers. The exit regulations specified shall apply accordingly to the category to which the subscribers belong to.

Table No. 3.7: No. of Withdrawal Reported, Accepted and Settled during April 1, 2022, and March 31, 2023

Sr. No.	Sector	Online Withdrawal			Physical Withdrawal		
		Reported *	Accepted \$	Settled	Reported #	Accepted ***	Settled
1	Central Government	9,097	8,946	8,978	60	60	60
2	State Government	28,102	27,572	27,605	101	101	101
3	All Citizen/UoS	14,039	14,007	13,872	4	4	4
4	Corporate	10,013	10,021	9,938	4	4	4
5	NPS Lite	33,974	33,818	33,744	3,714	3,714	3,714
	Total	95225	94,364	94,137	3,883	3,883	3,883

(Source of Data: NSDL – CRA & Kfin Technologies h-CRA)

Note:

*** Online Withdrawal:** Reported implies the cases authorized by Nodal Office and pending for authorization by Nodal Office.

\$ Online Withdrawal: Accepted implies the cases where Nodal Office has authorized the withdrawal request in CRA system.

Physical Withdrawal: Reported implies the cases where CRA has received the physical withdrawal requests from Nodal Office/Subscriber till April 30, 2016.

***** Physical Withdrawal:** Accepted implies the cases which were On Hold at CRA and for which necessary documents received from Nodal Office/Subscriber.

Table No. 3.8: Withdrawal claims outstanding as on March 31, 2022 & March 31, 2023.

Sr. No.	Sector	Online Withdrawal Pending	
		As on March 31, 2022	As on March 31, 2023
1	Central Government	520	524
2	State Government	3,097	2,852
3	UOS	286	219
4	Corporate	244	111
5	NPS Lite	381	516
	Total	4,528	4,222

(Source of Data: NSDL – CRA & Kfin Technologies -CRA) **Note:**

Physical Withdrawal: Withdrawal claims outstanding at the end of the year are the cases where Subscriber/Nodal Office is yet to submit necessary documents to CRA.

Online Withdrawal: Withdrawal claims outstanding at end of the year are the cases where Nodal Office is yet to authorize the withdrawal request in CRA system.

It has been observed that in majority of the cases the withdrawal applications pending for processing is due to missing/ inadequate documents submitted by the subscribers or the Nodal Offices.

3.3.2 Partial Withdrawal under NPS

NPS subscribers can do partial withdrawals, not exceeding 25 per cent of the contribution made by the subscriber, 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 per cent of the contributions made by such subscriber to his individual pension account, for any of the following purposes only: -

- (i) for Higher education of his or her children including a legally adopted child.
- (ii) for the marriage of his or her children, including a legally adopted child.
- (iii) 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.
- (iv) 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. Covid-19 is also included under this category.
- xvi. to meet medical and incidental expenses arising out of the disability or incapacitation suffered by the subscriber.
- xvii. Towards meeting the expenses by subscriber for skill development/re-skilling or for any other self-development activities, as may be permitted by the Authority by issuance of appropriate guidelines, in that behalf.

xviii. Towards meeting the expenses by subscriber for establishment of own venture or any start-ups, as may be permitted by the Authority by issuance of appropriate guidelines, in that behalf.

(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 subscribers: -

(a) the subscriber shall have been in the National Pension System at least for a period of three 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. The request for withdrawal 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 through their nodal office. 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.

Table No. 3.9: No. of Partial Withdrawal Cases Reported and Settled during the period FY 2022-23

Sr. No.	Sector	Reported*	Settled**
1	Central Government	70,128	64,866
2	State Government	4,38,037	3,99,771
3	UOS	6,057	5,539
4	Corporate	18,754	17,309
5	NPS Lite	14	14
	Total#	5,32,990	4,87,499

(Source of Data: NSDL – CRA & Kfin Technologies –CRA)

Note:

* Reported cases includes authorized by Nodal Office and pending for authorization by Nodal Office.

**Settled cases are where funds have been transferred to subscriber's bank account

Cases Initiated by Subscriber is also added in Initiated by Nodal Office.

Table No. 3.10: Reason wise of Partial withdrawal cases reported & Settled during the period from April 1, 2022, to March 31, 2023

Reason for Withdrawal	Reported	Settled
for Higher education of children including a legally adopted child	65,555	58,439
for the marriage of children, including a legally adopted child	19,105	17,159
for the purchase or construction of a residential house	3,53,898	3,25,939
for treatment of specified illness	36,211	33,551
To meet medical & incidental expenses due to disability/incapacitation	43,912	39,538
For skill development/re-skilling or any other self-development activities	13,627	12,276
For establishment of own venture or any start-up	682	597
Total	5,32,990	4,87,499

i) Details of Annuity Service Providers (ASPs) and Annuity Schemes opted by subscribers

Annuity provides for a monthly payment of pension against deposit of a lump sum amount. The subscriber has to mandatorily purchase the annuity as specified in the exit rules of NPS, from a PFRDA empaneled Annuity Service Providers.

Annuity Service Providers are Insurance Regulatory and Development Authority of India (IRDAI) licensed and regulated life insurance companies, transacting annuity business in India and are empaneled by PFRDA for servicing the annuity requirements of the NPS subscribers.

Presently, the following 15 ASPs are empaneled with PFRDA to provide annuity services to NPS subscribers:

- i) Life Insurance Corporation of India
- ii) SBI Life Insurance Co. Ltd.
- iii) ICICI Prudential Life Insurance Co. Ltd.
- iv) HDFC Standard Life Insurance Co. Ltd

- v) Star Union Dai-ichi Life Insurance Co. Ltd.
- vi) Kotak Mahindra Life Insurance Co. Ltd
- vii) India First Life Insurance Co. Ltd
- viii) Edelweiss Tokio Life Insurance Co. Ltd
- ix) Bajaj Allianz Life Insurance Co. Ltd.
- x) Canara HSBC Oriental bank of Commerce Life Insurance Ltd.
- xi) Tata AIA Life Insurance Co. Limited
- xii) Max Life Insurance Co. Limited
- xiii) Aditya Birla life insurance company limited
- xiv) PNB MetLife Insurance Company Limited
- xv) Shriram Life Insurance Company Limited

Under National Pension System (NPS), the subscriber has the option to choose the type of Annuity and the ASPs. The subscriber may choose the annuity type/scheme basing on his requirements from the available schemes offered by the respective ASPs.

Table No. 3.11: Online Annuity requests processed during April 1, 2022, to March 31, 2023

Sr. No.	Annuity Service Providers/Annuity Schemes	No. of Cases	Amount Transferred (Rs. In crore)
1	Annuity for life	352	19.9
2	Annuity for life with return of purchase price on death	14481	836.68
3	Annuity payable for life with 100 per cent annuity payable to spouse on death of annuitant	643	52.73
4	Annuity payable for life with 100 per cent annuity payable to spouse on death of annuitant with return on purchase of annuity	3536	690.74
5	Life Annuity with Return of Premium/ Purchase Price in parts	8	0.58
6	Life Annuity with Return of Premium/Purchase Price on diagnosis of Critical Illness	277	16.32
7	NPS - Family Income Option	1875	141.12
	Total	21172	1758.07

(Source of Data: NSDL – CRA & Kfin Technologies -CRA)

ii) Digital initiatives rolled out by PFRDA which can be consumed by the Subscriber either mobile or through Internet

a. e- Annuity Literacy Programs (ALPs)

For creating awareness on Annuity among

retiring NPS Subscribers. The program held jointly with Annuity Service Providers and CRAs. ALPs held for 5 different states, Chhattisgarh and Madhya Pradesh in physical mode while 2 SEEPs were held in 2 states.

Table No. 3.12: ALP conducted during FY 2022-23

Sr. No.	Online & Offline	Location	Date	Participants
1	ALP	Hyderabad	23rd April 2022	250
2	ALP	Chennai	4th June 2022	230
3	ALP	Dehradun	25th July 2022	270
4	ALP	Kolkata	9th September 2022	320
5	SEEP	Vadodara	14th October 2022	120
6	ALP	Bhubaneshwar	21st October 2022	350
7	SEEP	Tripura	6th December 2022	500
	Total			2,040

b. Online Pension Calculator

The pension calculator illustrates the tentative pension and lump sum amount an NPS subscriber may expect on maturity or 60 years of age based on regular monthly contributions, percentage of corpus reinvested for purchasing annuity and assumed rate in respect of returns on investment and annuity selected for. It is available in NPS Trust website.

Link for pension calculator:

- https://www.camsnps.com/nps_calculator
- <http://www.npstrust.org.in/content/pension-calculator>
- <https://cra-nsdl.com/CRAOnline/aspQuote.html>
- <https://nps.kfintech.com/npc/>

c. Special Measures during Covid-19

i. Online Withdrawal process

The relaxation was given to nodal offices/POPs for accepting the scanned /self-certified images of exit documents through digital means to process the withdrawal request of NPS. Subscribers can submit the documents digitally instead of physical mode.

ii. Partial Withdrawal allowed for Covid-19 related medical treatment

Partial withdrawal guidelines modified to include Covid related ailments.

d. Online Exit/Withdrawals

i. Ease of Annuity issuance for NPS subscribers on single KYC.

KYC and Withdrawal documents uploaded by nodal officers suffice to issue annuity by Annuity Service Providers (ASP). The process was finalized by PFRDA in co-ordination with IRDAI and ASPs.

ii. Instant Online Bank Account verification

As part of additional due diligence, instant Bank Account verification through Penny drop introduced to avoid return of funds and check the beneficiary details on real time basis. The process makes the exit seamless and avoids delays.

iii. e-NPSSubscribers exit

The online e-NPS exit functionality built in coordination with Banks. Functionalities rolled out on November 30, 2020.

iv. Exit Authorization code (EA Code).

Facilitate the Subscribers to verify mobile number at the time of exit and improves the contact ability. Ensures ease of annuity processing by ASPs.

Table No. 3.13: Overall summary of functionalities released by PFRDA in 2022 -23

Name of the Functionality	No. of requests processed in FY 2022 -2023
Online Withdrawal process based on scanned documents*	17,254
Partial Withdrawal cases (along with total amount) allowed for Covid-19 related medical treatment**	7,793 (Rs. 58.46 Crore)
online e-NPS exit	2,393
Partial withdrawal (overall)***	4,87,485
Online exit process for NPS Subscribers associated with POPs (Corporate)	232
Online exit process for NPS Subscribers associated with POPs (UOS)	293
<p>(Source of Data: NSDL CRA, Kfin Technologies CRA and CAMS CRA)</p> <p>Notes: The numbers provided are for the relevant functionalities released during FY 22-23.</p> <p>*For Point No 1, Govt Paperless processed cases were considered.</p> <p>**For point No 2, online e-NPS nos. consists self-authorization and Bank POP authorization cases.</p> <p>***For Point No 4, Partial withdrawal request initiated by Subscriber and self-authorized have been considered.</p>	

iii). Digital Initiatives – Work in progress at PFRA and in the process of roll out

a. Video based Customer Identification Process (VCIP) for remote onboarding and exit

PFRDA has permitted its registered intermediaries to use video-based customer identification process (VCIP) for the purpose on onboarding, exit or any other service request related to NPS. It will overcome the challenges of remote presence, limited mobility, contactless service, social distancing norms etc. and also optimize the turn-around time of account opening, execution of exit and other service request. It provides the opportunity for expanding reach of NPS since account opening process is paperless, instantaneous, convenient, and cost effective.

b. Offline Aadhaar based online exit

Expediting the process of exit by using offline Aadhaar. This will make process of

exit Seamless, paperless, and also time bound processing of exit.

c. Online Partial Withdrawal

Ease of partial withdrawal process on self-declaration basis and making the process online along with penny drop. Reduces the Turnaround time for processing partial withdrawal.

d. Online Smart Exit Guide

It helps subscribers to get Annuity quotes with/without return of purchase price. Subscribers can take well informed decision while selecting annuity schemes offered by various ASPs.

e. Online exit process for NPS Subscribers associated with POPs.

Under this process, subscribers can upload the withdrawal documents along with KYC and authorize using eSign/OTP. This paperless process of exit helps in timely processing of claims and issue of annuity. For processing of exit, the subscriber has to pay 0.0125 per cent

with minimum amount of Rs 125 and maximum up to Rs. 500 of their corpus to the POPs.

3.4 Activities undertaken for protection of interests of subscribers under the National Pension System and of other pension schemes under the Act

1. NPS statement in CAS: Integration of NPS Account Statement with Consolidated Account Statement is under process.
2. CRAs have been advised to develop the "My Withdrawal" utility, wherein subscribers can check the status of their withdrawal requests and also submit the correct bank account details in cases where amounts are lying with Trustee Bank after withdrawal. This will help in reducing the balance under Withdrawal Account lying with Trustee Bank.
3. Reinvestment of Returned & Unsuccessful Transaction amount post exit into the same PRAN and Reclaim the amount: In the interest of Subscribers, now it has been decided to reinvest the amount of unsuccessful transactions back to PRAN in the same investment choice after due intimation to the subscriber. The subscriber can claim the amount back by submitting online request through "My Withdrawal Module", being developed by CRAs.
4. PFRDA is working with NPCI for allowing NPS contributions through Bharat Bill Payment Systems (BBPS). This will help in making NPS contributions even easier and just a click away.
5. PFRDA has decided to introduce e-NACH mandate as an additional mode of digital / online contribution under NPS. The e-Mandate to individuals is akin to NACH

mandate for Nodal Officers/PoP/Corporate which has already been enabled. The contribution can be done using 'one-time mandate registration' for auto debit on the e-NPS portal.

6. Availing Multiple Annuity from Multiple ASPs: During exit, more than one Annuity can be availed from the same/more than one ASP for enhancing the benefit to Subscribers. With that, the subscriber would have the choice to choose multiple Annuity from multiple ASPs as per the requirements.
7. Systematic Lump sum Withdrawal (SLW) - With the emerging digital payment options and advance technologies, the facility of SLW for Tier I and Tier II is envisaged. One-time mandate to be collected from Subscribers for processing redemption of units and transfer of funds in the verified bank account at pre-decided intervals. Accordingly, an exposure draft is disseminated for the inputs of all the stakeholders.

3.5 Mechanism for Redressal of Grievances of Subscribers and Activities undertaken for Redressal of such Grievances

1. Introduction:

As per PFRDA (Redressal of Subscriber Grievance) Regulations, 2015, every intermediary has to follow the Grievance Redressal Policy as laid down under the regulations. The term "Grievance" is defined under Regulation 2(g) as: "grievance 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 PFRDA or beyond the provisions of the PFRDA Act and the rules and regulations framed there under;
 - v. Any disputes between intermediaries;
 - 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;
2. Process flow related to handling of grievances
- (i) Redressal of subscriber grievance happens in accordance with the Pension Fund

Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015. For smooth and timely handling of grievance, subscribers are requested to follow the following escalation matrix :

Level 1: As per the provisions of the PFRDA (Redressal of subscriber Grievance) Regulations 2015, the subscribers can raise their grievances for resolution through the Central Grievance Management System (CGMS). The grievances shall be directed to the concerned intermediary/office, for taking necessary action to resolve the grievance raised by the subscriber. The resolution remarks provided by the concerned entity shall be intimated to the subscriber over email and can be viewed online.

To raise grievance, subscriber may click on the respective CRA under which his/her PRAN is generated. Following are the details and processes to lodge the grievances and view the status of resolution:

Protean eGov Technologies Limited (Earlier known as NSDL e-governance) 1. Web based interface for registering grievance/complaint: a). By raising a grievance in the Central Grievance Management System (CGMS) by using the Internet Personal Identification Number (IPIN). (https://	KFin Technologies Pvt. Ltd 1. Web based interface for registering grievance/complaint: a). Subscriber can register a grievance through a web-based interface provided by the KFinTech CRA with the use of I-PIN by visiting their website https://enps.kfintech.com/login/login/ . The entity will have to provide the necessary details as required in the web-based format. On	Computer Age Management Limited 1. Web based interface for registering grievance/complaint: a). Subscriber can register a grievance through a web-based interface provided by the CAMS CRA by visiting their website https://www.camsnps.com/subscribers/queries/ b). Subscriber login to their
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<p>cra-nsdl.com/CRA/). After successful login subscriber need to click Log Grievance Request under Grievance Tab. By login in Mobile Application using I-PIN. After successful login subscriber need to click Enquiry/ Grievance Option.</p> <p>b) Subscriber can raise the grievance at the Corporate website (https://npscra.nsdl.co.in/Log-your-grievance.php under Log Your Grievance / Enquiry option)</p> <p>2. Other modes of registering grievance/complaint:</p> <p>a). Call Centre/Interactive Voice Response System (IVR):</p> <p>By calling the Toll-free Number 1800 222 080 and authenticating oneself with the Tele query Personal Identification Number (TPIN).</p> <p>b). Physical forms: By raising a grievance in writing - in the specified format (Form G1) or a letter and sent to following address:</p> <p>Protean e Gov Technologies Limited (earlier known as NSDL e-governance)</p>	<p>successful registration, a token number will be displayed on the screen for the purpose of reference.</p> <p>b). Subscriber can also raise the grievance without login into the CRA system by providing the relevant details on https://enps.kfintech.com/registergrievanceenquiry/registergrievanceenquiry/</p> <p>2. Other modes of registering grievance/complaint:</p> <p>a) Call Centre/Interactive Voice Response System (IVR):</p> <p>Subscriber can reach their Call Centre our toll-free number 1800 208 1516. Subscriber can raise a grievance after authentication using T-PIN. The grievance will be registered by the Call center executive and a token number will be given to the entity for reference.</p> <p>b) Physical forms: A subscriber can log a grievance by submitting details in a physical form to the Central Grievance Management Cell at CRA. Subscriber has to submit the Grievance Form (Form G1) to CRA. On receiving such a grievance, the CRA user will digitize the same and lodge a request in the CRA system, with</p>	<p>eNPS account and navigate to the 'Grievance' tab in the top menu. Under 'New Grievance' choose 'Queries'</p> <p>Select the appropriate 'Grievance Category' and complete the subsequent steps.</p> <p>Record the 'Ticket No.' generated by the portal for future reference. The response will be communicated to via email and SMS</p> <p>2. Other modes of registering grievance/complaint:</p> <p>a). Call Centre/Interactive Voice Response System (IVR):</p> <p>By calling the Toll-free Number 1800 572 6557 and authenticating oneself with the Tele query Personal Identification Number (TPIN). If there is a grievance or complaint (per definition in Section 2) not redressed immediately, it is recorded in the CGMS by the Customer Care Officer, and a unique grievance number is provided to the subscriber on their registered mobile number.</p>
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<p>1st Floor, Times Tower, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013</p> <p>3. How to check the status of the Grievance?</p> <p>Subscriber can check the status of the grievance at the CRA website (https://npscra.nsdl.co.in/Log-your-grievance.php under Track Your Grievance / Enquiry option) or through the Call Centre by mentioning the token number.</p>	<p>SMS/email intimation to the subscriber. It can be sent on following address:</p> <p>KFin Technologies Pvt. Ltd</p> <p>Selenium Tower B, Plot Nos. 31 & 32 Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032</p> <p>3. How to check the status of the Grievance?</p> <p>Subscriber can check the status of the grievance at the CRA website (https://enps.kfintech.com/login/login/) or through the Call Centre by mentioning the token number.</p>	<p>b). Physical forms: By raising a grievance in writing - in the specified format (Form G1) or a letter and sent to following address:</p> <p>Grievance Redressal Officer</p> <p>Central Recordkeeping Agency</p> <p>Computer Age Management Services Ltd.</p> <p>No. 158, Rayala Towers, Anna Salai, Chennai - 600002</p> <p>3. How to check the status of the Grievance?</p> <p>Subscriber can also track the status of your query via the 'Grievance Status' page under the 'Grievance' tab or through the Call Centre by mentioning the token number.</p>
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Level 2: If the complainant is not satisfied with the redressal of his grievance or if it has not been resolved by the intermediary by the end of thirty days of filing of complaint, he may escalate the complaint to the National Pension System Trust (NPS Trust) through any one of the following modes -

1. Website : www.npstrust.org.in / <https://www.npstrust.org.in/content/contact-us>

2. Letter: Subscriber may also raise the grievance by writing to NPS Trust at the following address - **Grievance Redressal Officer (GRO)**

National Pension System Trust
14th Floor, IFCI Tower, 61, Nehru Place
New Delhi - 110 019
Ph: +91 11 47207700

Table No. 3.14: Query/Grievance (referral) against CRA

Referral Raised Against	Status of referrals for the month for FY 2022 -23			
	Pending at the end of March 2022	Received during the FY 2022 - 2023	Closed/resolved during the FY 2022 - 2023	Pending the end of March 2023
CRA	673	1,13,810	1,13,962	521

(Source: Proteon CRA, Kfin Technologies CRA and CAMS CRA)

Table No. 3.15: Status of Query/Grievance (referrals) Category wise against CRA

Referral Category	Cases pending at end of the March 2022	Cases received during the FY 2022 - 2023	Cases resolved during the FY 2022 - 2023	Cases pending for resolution at end of March 2023
General Query	301	52,241	52,297	245
PRAN Card Related	116	17,915	17,929	102
SOT Related	60	7,387	7,408	39
Tier II related	27	3897	3908	16
Incorrect Processing of Subscriber Details	19	5,110	5,108	21
I-PIN, T-PIN Related	23	2,954	2,959	18
Withdrawal Related	30	7,293	7,305	18
Email/SMS alerts not received	21	2,591	2,604	8
Exit not initiated / not authorised / amount not received	11	2,144	2,142	13
Partial withdrawal not initiated / not authorised / amount not received	20	4,682	4,696	6
Other Grievances	30	2,984	3,001	13
Death withdrawal not initiated / not authorised / amount not received	1	189	188	2
Not Processed/Delay in Processing Subscriber Changes Request	4	990	992	2
Delays in Issuance of PRAN Cards	3	1,107	1,108	2
Pre-mature withdrawal not initiated / not authorised / amount not received	7	1,330	1,328	9
Contribution amount not reflected in account	0	998	991	7
Total	673	1,13,810	1,13,962	521

(Source: Proteon CRA, Kfin Technologies CRA and CAMS CRA)

Table No. 3.16: Ageing of referrals pending for the month ending March 31, 2023

Sector	< 7 days	8-14 days	15-30 days	31-60 days	> 60 days	Total
Central Government	36	8	2	3	1	50
State Government	38	1	0	1	0	40
Corporate	66	7	7	1	1	82
Unorganized	309	4	2	5	1	321
NPS Lite	8	0	0	0	0	8
APY	19	1	0	0	0	20
Total	476	21	11	10	3	521

(Source: Proteon CRA & Kfin Technologies CRA and CAMS CRA)

Level 3: If the complainant is not satisfied with the redressal of his grievance or no reply beyond 30 days at level 2 is received, Ombudsman appointed by PFRDA can be approached by the subscriber by submitting the details as per prescribed format.

As per PFRDA (Redressal of Subscriber grievance) Regulations 2015: An appeal can be filed with the Ombudsman under the regulations and complying the following–

- by a complainant whose grievance has not been resolved within thirty days from the escalation of the grievance to NPS Trust.
- by a complainant, where a complaint has been made directly against the NPS Trust and no other intermediary and the same remains unresolved within the specified period of thirty days

The appeal to ombudsman has to be made within forty-five days from the date of receipt of response of the National Pension System Trust.

The appeal shall be in writing, duly signed by the complainant or his authorized representative (not being a legal practitioner) in the form as specified the regulations and supported by documents, if any.

At present only one Ombudsman has been appointed by PFRDA.

Shri Arnab Roy

Pension Fund Regulatory and Development Authority

**B-14/A, Chatrapati Shivaji Bhawan,
Qutab Institutional Area, Katwaria Sarai,
New Delhi-110016**

Chhatrapati Shivaji Bhawan,

Email Id: ombudsman@pfrda.org.in

Landline No. : 011 - 26517507 Ext : 188

Level 4: If subscriber is not satisfied with the order passed by the Ombudsman, subscriber can file appeal against the order to the Designated member of PFRDA at following address:

Ombudsman Department,

Pension Fund Regulatory and Development Authority (PFRDA)

**B-14/A, Chhatrapati Shivaji Bhawan,
Qutub Institutional Area, Katwaria Sarai
New Delhi – 110016**

Level 5: Securities Appellate Tribunal.

Also, the complainant reserves the right to approach to Securities Appellate Tribunal, in case of a non-satisfactory response from the Designated member of PFRDA.

3.5.1 No. of Complaints Received, Resolved and Pending for FY 2022-23 at the Office of Ombudsman

Table No. 3.17: No. of Complaints Received, Resolved and Pending at the office of Ombudsman for FY 2022-23

S. No.	Sector*				
	CG/CAB	SG/SAB	UOS	NPS Lite	Total
No. of Complaints received	2	39	4	-	45
No. of Complaints Resolved	2	39	4	1	46
No. of Complaints pending	-	-	-	-	-

*Note: * for other sectors viz. Swavalamban & APY, no appeals had been received for FY 2022 - 23.*

3.5.2 State-wise Complaints Received for FY 2022-23 at the Office of Ombudsman

Table No. 3.18: State-Wise Complaints received for FY 2022 - 23

Sr. No.	Name of State	No. of Grievances received State-wise.
1.	Haryana	2
2.	Karnataka	1
3.	Kerala	1
4.	Madhya Pradesh	2
5.	Maharashtra	1
6.	Rajasthan	1
7.	Tamil Nadu	1
8.	Telangana	1
9.	Uttar Pradesh	1
10.	West Bengal	1
11.	Chandigarh	1
12.	Delhi	32

As per the provisions of regulation, if subscriber is not satisfied with the order passed by the Ombudsman, the subscriber can file an appeal against the order to the Designated member of PFRDA at the following address:

Ombudsman department,

Pension Fund Regulatory and Development Authority (PFRDA)

B-14/A, Chhatrapati Shivaji Bhawan,
Qutub Institutional Area, Katwaria Sarai
New Delhi - 110 016

Also, the complainant reserves the right to approach to Securities Appellate Tribunal, in case of a non-satisfactory response from the Designated member of PFRDA.

3.5.3 Details of Grievances resolution under Public Grievance Portal (CPGRAMS) (For FY 2022-23)

Process of Grievance Resolution:

The grievances assigned to PFRDA under Public Grievance Portal (CPGRAMs) are monitored by Supervision Department-PGP(CPGRAMs) for its resolution. The grievances received from other Government Department/Ministries (such as DEA, PMO, DoPT, DoP&PW), DARPG etc) are forwarded to CRA for routing the same to the concerned intermediaries for resolution under Central Grievance Management System ("CGMS").

CGMS is a platform developed by PFRDA in co-ordination with the Central Recordkeeping

Agency, as per the provisions of PFRDA Act 2013 [refer to sub-section (2)(f) of section 14, regarding establishing a mechanism for redressal of grievances of subscribers through regulations

Further, post-resolution, the grievances are marked as resolved and are closed in the CPGRAMs portal. However, the complainant

reserves the right to escalate the grievance, in case the resolution provided is not satisfactory to the administrative body (DFS). In such matters of escalation, the grievances are closed at the end of DFS, based on the resolution provided by PFRDA.

Details of the grievances lodged at CPGRAMs portal, are as below-

Table No. 3.19: Grievance routed through Pension Reform Section at DFS

Grievance Source Wise

Grievance Source	Brought Forward	Receipt During Period	Total Receipt	Case Disposed During Period	Closing Balance	Yet to Assess	At Our Office	With Subordinate
DARPG	0	8	8	8	0	0	0	0
Local/Internet	3	336	339	327	12	12	0	0
President Secretariat	0	1	1	1	0	0	0	0
Pension	0	56	56	52	4	4	0	0
PMO	3	108	111	108	3	3	0	0
Total	6	509	515	496	19	19	0	0

Monitoring Category Wise

Monitoring Category	Brought Forward	Received During	Total Receipts	Total Disposed	Total Pending
Agriculture	0	0	0	0	0
Allegation of Corruption/Malpractices	0	3	3	3	0
Covid-19 Related issues	0	7	7	7	0
Education	0	0	0	0	0
Employee Related	1	151	152	147	5
Financial Assistance	0	0	0	0	0
Financial Services	0	16	16	13	3
Harassment/ Atrocities	0	0	0	0	0
Implementation of Schemes	0	204	204	194	10
Labour Issues	0	7	7	7	0
Other Central Government Related	5	102	107	105	2
Police	0	0	0	0	0
Quality Of Service/Civic Amenities	0	1	1	1	0
State Government Related	0	3	3	3	0
Suggestion	0	15	15	15	0
Total	6	509	515	495	20

Table No. 3.20: Grievance routed through Banking Operation Division -III of DFS

Grievance Source Wise

Grievance Source	Brought Forward	Receipt During Period	Total Receipt	Case Disposed During Period	Closing Balance	Yet to Assess	At Our Office	With Subordinate
DPG	0	2	2	2	0	0	0	0
DARPG	0	5	5	5	0	0	0	0
Local/Internet	1	45	46	44	2	2	0	0
President Secretariat	0	0	0	0	0	0	0	0
Pension	1	6	7	7	0	0	0	0
PMO	0	24	24	23	1	1	0	0
Total	2	82	84	81	3	3	0	0

Monitoring Category Wise

Monitoring Category	Brought Forward	Received During	Total Receipts	Total Disposed	Total Pending
Agriculture	0	0	0	0	0
Allegation of Corruption/Malpractices	0	4	4	3	1
Covid-19 Related issues	0	1	1	1	0
Education	0	0	0	0	0
Employee Related	0	7	7	7	0
Financial Assistance	0	0	0	0	0
Financial Services	0	39	39	38	1
Harassment/ Atrocities	0	0	0	0	0
Implementation of Schemes	0	0	0	0	0
Labour Issues	0	0	0	0	0
Land Related Problems	0	0	0	0	0
Other Central Government Related	2	26	28	27	1
Police	0	1	1	1	0
Quality Of Service/Civic Amenities	0	0	0	0	0
Railway	0	0	0	0	0
State Government Related	0	3	3	3	0
Suggestion	0	1	1	1	0
Total	2	82	84	81	3

Grand Total of Resolved cases- 576 (495+81)

The status of grievances received during the year at CGMS as on March 31, 2023, is furnished in the table below:

Table No. 3.21: Grievances Pending, Received and Closed in CGMS from April 1, 2022, to March 31, 2023.

Monitoring Category Wise

Sr. No	Sector	Pending As on March 31, 2022	Received Till March 31, 2023	Resolved Till March 31, 2023	Pending percentage till March 31, 2023
1	NPS Regular#	2,811	1,73,384	1,73,685	1.42%
2	NPS Lite	109	1,911	1,957	3.12%
3	APY	877	45,458	45,841	1.07%
	Total	3,824	2,20,753	2,21,483	1.38%
Source: As per CRAs					
Note: # NPS Regular consists of CG/SG/SAB/CAB/ Corporate and All Citizen Sector					

The status of Grievances received to various intermediaries during the year at CGMS as on March 31, 2023, is furnished in the table below:

Table No. 3.22: Grievances Pending, Received and Closed in different sectors in CGMS during April 1, 2022, to March 31, 2023.

Monitoring Category Wise

Sr. No	Referrals Raised Against	Pending as on March 31, 2022	Received till March 31, 2023	Resolved till March 31, 2023	Pending as on March 31, 2023
1	Central Government	339	6,119	6,156	302
2	State Government	750	9,209	9,041	918
3	POP	796	33,682	33,950	528
4	Corporate	3	145	146	2
5	Trustee Bank	84	12	56	40
6	NPS Lite	98	679	726	51
7	APY (APY-SP)	818	34,590	34,949	459
8	eNPS	170	24,091	24,016	245
9	CRA	677	1,11,166	1,11,335	508
10	NPS Trust	89	1,060	1,108	41
	Total	3,824	2,20,753	2,21,483	3,094

Source: CRAs

The major grievances received are related to Statement of Transactions, Contribution amount not reflected in account, PRAN Card, incorrect processing of subscriber details, delays in uploading of contribution amounts etc. Grievances are registered in CGMS by the subscriber and are directly routed to concerned

intermediaries for necessary action. Thus, it is for the concerned intermediaries to resolve and close grievance in the CGMS which are raised against them. The periodic reminders are sent to concerned intermediary for resolving and closing grievances in CGMS.

3.6 Certification Programme for Retirement Advisers

Certificate of Registrations were issued after evaluation of applications as per eligibility criteria defined in PFRDA (Retirement Adviser) Regulations, 2016 and subsequent amendments. During the FY 2022-23, 14 Individual Retirement Advisers & 3 other than

Individual Retirement Advisers were registered under the NPS architecture. To expedite the registration process, online platform is available where applicants can apply online for registration.

A quarterly summary of the candidates enrolled, appeared, and passed during the FY 2022-23 is as under:

Table No. 3.23: Retirement Adviser Certification

NISM Series-XVII: Retirement Adviser Certification

Month	Enrolled	Appeared	Passed
Apr-June 2022	98	84	62
July – September 2022	95	77	52
Oct – December 2022	132	102	73
Jan – March 2023	118	111	72
Total	443	374	259

3.7 Collection of Data by the Authority and the intermediaries including undertaking and commissioning of studies, research, and project.

Collection and compilation of a comprehensive data based on demographics, retirement savings and investments, the different financial products/ schemes issued by the different organizations to cater to the old age income security of the underlying subscribers, the returns generated thereon, the disclosure and protection provided to the subscribers etc. under different scheme are the on - going activities of PFRDA. Towards this end, PFRDA is compiling information on people covered under various pension schemes and also people receiving pensions under various schemes. PFRDA is currently in the process of gathering information from other pension providers in the country.

3.8 Steps undertaken for educating subscribers the general public on issues

related to pension, retirement savings and related issued and details of training of intermediaries

3.8.1 Financial Literacy regarding Pensions:

PFRDA is a member of the Financial Stability and Development Council (FSDC), its sub-committee, working groups and various inter-regulatory forums viz. Inter Regulatory Technical Group (IR-TG), Technical Group on Financial Inclusion and Financial Literacy (TGFIFL), Inter Regulatory Forum for Monitoring Financial Conglomerates (IRF-FC), Working Group on resolution regime for financial institutions actively contributes to the furtherance of the objectives of these committee's/groups/forums.

PFRDA has a dedicated website for financial literacy under the name of www.pensionsanchay.org.in to spread awareness and educate subscribers and the general public on the fundamental elements

and related to money, financial planning, retirement planning, investment evaluation and annuity. The website has a blog section for discussions and sharing of information on Behavioural Aspects of Retirement Planning, Fundamentals of Money & Finance, Retirement Planning, Saving & Investing and Pension. During FY 2022-23, a total of 6 blogs were hosted on the pension Sanchay website. During FY 2022-23, the total visitor counts to the Pension Sanchay website stood at 3,99,602.

3.8.2 Retirement Planner Scheme

A large percentage of the population of our country is employed in the unorganized sector and the population of the elderly is increasing at a fast pace. Many of these people do not have any sustainable and constant source of funds to take care of them in their later periods of life. Further, it has been seen that the functional awareness about pensions, retirement planning and the culture of saving for post-retirement life is dismally low in the population at large. In view of the same, PFRDA has launched the Retirement Planner

scheme as one of the alternate channels to create awareness about pension, retirement planning and the culture of saving for post-retirement life among the citizens of India

Retirement Planners are individuals who have been selected and empanelled by the Authority as part of the RP program and are eligible to conduct workshops focusing on creating awareness and providing education on retirement.

During the last financial year 2022-23, PFRDA empanelled 88 retirement planners to take on the activities of conducting workshops on retirement planning and NPS/APY both in online and offline mode. These Retirement Planners are professional experts/trainers who are having vast experience in the field of finance. Further, they are located across the country so as cover the majority of the population (covering the rural places as well). Apart from being an empanelled retirement planner of PFRDA, they are also empanelled with other financial institutions like SEBI, NCFE etc.

Table No. 3.24: The details of the workshops conducted during the last financial year (FY 2022-23) are as follows:

Number of empaneled RPs	Number of workshops conducted	Period of workshops	The number of participants who attended the workshop
88	1,600	16.08.2022 to 31.03.2023	52,555

Further, PFRDA has also designed a reading material under the name REAP (Retirement Education and Awareness Program) Booklet for the participants who attends these workshops. The softcopy of these materials is available on PFRDA as well which can be downloaded by the RPs and can be distributed to the Participants as and when required.

The booklet has been designed in 13 vernacular languages of which the English and Hindi version is completed and available on the PFRDA's website to access.

3.8.3 Programme for co-ordination with financial agencies and other agencies

PFRDA is promoting the National Centre for Financial Education (NCFE), a Section 8 (Not

for Profit) Company along with the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI). Out of share capital of Rs. 100 crores PFRDA has contributed its allocation of Rs. 10 crores while other RBI, SEBI and IRDAI contributed Rs.30 crores each. NCFE's mission is to undertake a massive Financial Education campaign to help people manage money more effectively to achieve financial well-being by accessing appropriate financial products and services through regulated entities with fair and transparent machinery for consumer protection and grievance redressal.

The objective of the NCFE is to promote Financial Education across India for all sections of the population as per the National Strategy for Financial Education, to create financial awareness and empowerment through financial education campaigns across the country for all sections of the population through seminars, workshops, conclaves, trainings, programs, campaigns, discussion forums by itself or with help of institutions, organizations and to provide training in financial education and create financial education material in electronic or non-electronic formats, workbooks, worksheets, literature, pamphlets, booklets, fliers, technical aids and to prepare appropriate financial literature for target based audience on financial markets and financial digital modes for improving financial literacy so as to improve their knowledge, understanding, skills and competence in finance.

APY has been incorporated in the NCFE modules as one of the Government schemes providing a minimum guaranteed pension. Further, NPS has also been incorporated into the NCFE modules as a solution to retirement needs.

The National Strategy for Financial Education for India (NSFE: 2020-25) recommends the adoption of a multi-stakeholder approach to achieve the financial well-being of Indians. As per the Strategic Goal under the Action Plan of NSFE 2020-25, the content of financial education in the school curriculum for students of XI and XII has been drafted in coordination with all sector regulators.

Further, PFRDA contributed and coordinated with NCFE and other regulators and successfully observed **Financial Literacy Week (FLW 2023)** from February 13th to February 17th, 2023. On 16th Feb 2023, a national-level webinar on "Good financial Behaviour for smart retirement" was addressed by the officers from PFRDA.

In addition to the above, the PFRDA actively participated in the 11th edition of **Global Money Week (GMW)** which is organized by the OECD/INFE, an annual global awareness-raising campaign on the importance of ensuring that young people, from an early age, are financially aware, and are gradually acquiring the knowledge, skills, attitude and behaviours necessary to make sound financial decisions and ultimately achieve financial well-being and financial resilience. The Securities and Exchange Board of India (SEBI) was the national coordinator for GMW 2023. GMW was organized from 20th March 2023 to 26th March 2023. An officer from PFRDA also addressed the national-level webinar on 'Plan your money, plant your future' on March 21st, 2023 as a Guest speaker during the GMW.

3.8.4 PFRDA's endeavor on media & communication and NPS/APY awareness

PFRDA continued with its unceasing efforts of creating awareness about pensions and retirement planning with a vision to make 'India a Pensioned Society.' In this backdrop,

various channels and mediums of communication viz. social media, digital domain, electronic media (audio & visual) and print media, were adopted to educate and enhance pension literacy and for explaining the features & benefits of NPS/APY to the public at large especially to citizens falling in the age group of 18-70 years for NPS and 18-40 years for APY.

Print Campaigns: - During the FY 2022-23, Print campaigns inscribed with QR code for

easy accessibility to online information, were undertaken in respect of the Atal Pension Yojana to inform the public at large about the benefits of APY, eligibility conditions for joining and about the number of cumulative enrolments that have happened over the years. The said print campaign was carried out through the offices of BOC- DAVP in more than 200+ newspapers in Hindi, English and 11 regional languages with country wide coverage.



Television Campaign – TV Commercial and Corporate Film Production

- TVC and TV scroll campaigns were undertaken for APY through DD News & 28 Regional Kendras of Doordarshan emphasizing the triple benefits of APY as a part exclusive sponsorship of DD Conclave on completion 8 years of Union Government over DD News.
- A 30 seconds commercial video with the theme of “NPS Zaruri Hai” highlighting

the importance of early starting, planning, saving, investing and patience in creation of a retirement corpus was conceptualized and produced in Hindi, English and 9 other regional languages. The said video was broadcasted through Prasar Bharati Doordarshan network (DD National and regional kendras) during the programme ‘Swaraj- Bharat Ke Swatantrata Sangram Ki Samagra Gatha’, the 75-episode mega show illustrating the glorious history of India’s freedom struggle.



- 03 films of 03 minutes on the basic theme of “NPS Zaruri Hai” showcasing NPS Subscribers, Corporate/Employer registered under NPS and NPS Distribution channel (i.e., PoPs) were produced under the themes – “Empowering Citizens, Shaping Their Future”, Building a Better Tomorrow” and

“Foundation of a Better Future”, respectively. The said films captured the footage of NPS subscribers, the senior management personnel of the distribution channels and the senior management of corporate/employer registered under NPS advocating NPS benefits and reasons for its popularity among the masses.



C. Media Activities in respect of NPS Diwas observed on 01st October 2022



- NPS Diwas was observed on 1st Oct 2022. The basic theme under which the NPS Diwas 2022 was commemorated was “NPS Zaruri Hai” and ‘financial freedom with NPS’ which was used in the various media and promotion campaigns. The following media activities were undertaken during the NPS Diwas 2022.
- TVC scrolls through L-bands on DD News, Zee Business and Times Network channels (Times Now, Mirror Now, Times Now Navbharat, ET Now, ETN Swadesh).
- “NPS Zaruri Hai” 30 sec TVC’s launch on DD National and its regional kendras was coincided with the NPS Diwas 2022 on 01st October 2022.
- Broadcast of the Three 3-minute PFRDA corporate films on the Network 18 channels (News18 India, CNN, News18, CNBC TV 18, CNBC Awaaz, CNBC Bazaar).
- Exclusive interviews with Shri Anil Singvi featured on 01st and 2nd October on Zee Business and Shri Ajay Mishra, DD News featured on 01st October 2022.
- Online discussion on the theme “Retire

With NPS” with Anuiya Yadav, ET Now featured on ET Now digital platforms.

- Panel discussion on the topic “NPS - Foundation of a Better Future / विषय- NPS- एक बेहतर भविष्य की नींव” featured on ET Now (English) and ET Now Swadesh (Hindi). Other panelists in the discussion were- Shri K. K. Singh, Director-

Personnel, Steel Authority of India Limited, Sh Dharendra Kumar, CEO Value Research, Shri Santosh Navlani, COO, ET Money on LinkedIn and 180 posts on APY-IG were made, through which crucial information and updates were shared with the objective to disseminate policy changes and engage the targeted segment/audience.



3.8.5. PFRDA on social media

- Considering the challenges in traditional media and being generally labelled as a one-way communication to the public at large, the social media platforms provide a multi-pronged channel of communication and delivery of message to target audience with feedbacks from the targeted audiences.
- Social media plays a vital role for outreach and engagement with the public and PFRDA in its effort of connecting and engaging with subscribers has proactively been maintaining its account with Facebook, Twitter, LinkedIn, YouTube for NPS and APY and Instagram for APY.
- The followership to PFRDA social media handles are: APY Facebook page – 71000+, NPS Facebook – 42000+, Twitter- 8500+. To interact with the relevant target group and to disseminate scheme related information & updates, the APY Instagram (APY-IG) was also activated during the FY 2022-23.

- During the financial year 2022-23 a total 950 Facebook post, 492-Tweets, 490 posts

3.8.6 Public Relations and Communications

PFRDA undertakes various public relations activities/communications with an objective to enhance awareness and disseminate information regarding its policies, activities, and schemes for promoting old age income security and protecting subscriber interests. During the FY 2022-23, senior management/spokesperson of PFRDA held 6 Press Meets/Media Roundtables, 26- media interviews/interactions and issued 14 Press Releases, communicating the policy changes and developments for publishing in print, audio, online and visual media channels. The said media activities attained an overall coverage count of in 547 comprising 261 coverages in print/newspapers and 286 on online news platforms. Various aspects of retirement planning, pensions and challenges associated with old age income security their solutions were disseminated through 5 featured/ authored articles, which attained an

overall coverage of 31 in print and online media.

3.8.7 Training

In order to impart knowledge on the salient features of NPS/APY, the process of joining the schemes, options available for a selection of

fund manager, asset allocation, annuity plans, the procedure for resolution of grievances, etc. PFRDA through its empanelled training agency has conducted numerous webinars.

The sector-wise details of the training conducted during the FY 2022-23 are as tabulated below:

Table No.3.25: The Sector Wise Distribution of the Number of Training Sessions and Participates under NPS

Sector	Number of webinars conducted	Training Period	Number of Participants Trained
NPS-CG	23	09.06.2022 to 31.03.2023	3048
NPS-SG	25	10.06.2022 to 31.03.2023	3108
NPS-All Citizen	27	11.06.2022 to 31.03.2023	4935
NPS Corporates	45	20.09.2022 to 31.03.2023	11956
APY	96	19.10.2022 to 31.03.2023	17972
Total	216		41019

3.8.8 NPS and APY Information Helpdesk

To facilitate a human interactive system for existing and potential subscribers for accessing and procuring reliable information on NPS and APY from across the country, PFRDA is operating a dedicated NPS/APY Information Helpdesk with queries on NPS/APY responded to in a professional and systematic manner. The call centre is also utilized for making outbound calls to subscribers as per requirements (viz. persistency of APY contributions, invitations to sessions/awareness programs conducted by PFRDA etc) and conducting surveys for improving the processes and delivery of services within the NPS architecture (viz. gauging awareness of scheme features, quality of training session etc) and Survey on voluntary exits from APY. The NPS Information Helpdesk received a total of 0.85

lakhs inward calls and 5.74 lakhs outbound calls were made through the call centre during the financial year.

Presently, two toll-free numbers of the Information Helpdesk are operational i.e., 1800110708 for NPS and 1800110069 for APY are operational and for call back services from Helpdesk, an SMS facility is also available through 'SMS NPS to 56677'. The NPS/APY Information Desk is operational for 8 hours a day (9.30 a.m. – 5.30 p.m.), 7 days a week (including Sundays) excluding National holidays

3.9 Conferences, meetings and other Initiatives undertaken during FY 2021-22

3.9.1 Conferences under Central and State Government Sector

For better implementation of NPS in the Government Sector which comprises the

majority of NPS subscribers, PFRDA sensitizes the Government Nodal offices on various issues/matters to improve their performance. In this regard, PFRDA undertakes various measures and also conducts review meetings/video conferences with the Government Nodal offices in the Central / State Government sector.

PFRDA conducted review meetings/video conferences with Central Ministries/ departments & State Governments and Central and State Autonomous Bodies during the FY 2022-2023. The details of the same is as under: -

Table No. 3.26:
**List of review meeting/
Conferences held during FY 2022-23**

Sector	Review Meetings
CG	66
CABs	65
Sub -total (CG +CABs)	131
SG	67
SABs	112
Sub -total (SG +SABs)	179
Total	310

a) CG & CABs

1) CG

Accounting Formation/Ministry/ Office Name (No. of meetings held)	
Civil	
Ministry of Water Resources	Pr. AO, Ministry of Home Affairs
Ministry of Agriculture	Pr. AO, CBDT, Department of Revenue, Ministry of Finance
Pr. AO, Lok Sabha Secretariat	Pr. AO, CBEC, Department of Revenue, Ministry of Finance
Ministry of External Affairs	Pr. AO, Department of Indian Audit and Accounts (2)
Ministry of Agriculture	Pr. AO, Department of Atomic Energy
Ministry of Labour & Employment	Pr. AO, Department of Space
Ministry of Information & Broadcasting	Pr. AO, Andaman and Nicobar Islands Administration
Dept. of Telecommunication	Pr. AO, Ministry of Personnel, Public Grievances and Pensions
Ministry of Earth & Sciences	Ministry of Science & Technology
Pr.AO, Advanced Weapons and Equipment India Limited, Kanpur	Pr. AO, Ministry of Planning Statistics and Programme Implementation
Pr. AO, Ministry of Urban Development	Pr. AO, Union Territory of Lakshadweep
Pr. Accounts Office, Ministry of Textiles, New Delhi	

Accounting Formation/Ministry/ Office Name (No. of meetings held)	
Defence	Defence
PCDA (R&D), New Delhi	PCDA (Navy), Mumbai
PCDA (SWC), Jaipur	CDA (Border Roads), Delhi Cantonment
CDA (IDS), New Delhi	Pr.AO, Controller of Defence Accounts Navy and Coast Guard, New Delhi
CDA, Jabalpur	PCDA (Southern Command), Pune
PCA (FYS), Kolkata	PCDA (Western Command), Chandigarh
PCDA (NC), Jammu Cantonment	ACAS (Accounts and AV), New Delhi
PCDA (R&D), Hyderabad	CDA, Guwahati
CDA, Mumbai	CDA (Army), Meerut Cantonment
CDA, Chennai	CDA, Patna
CDA, Secunderabad	PCDA (Central Command), Lucknow
NCT, Postal	
General Manager Finance, Postal Accounts, Delhi	Pr. AO, Ministry of NCT of Delhi
Railways	Railways
FA and CAO, Diesel Loco Modernisation Works, Patiala	FA&CAO, Rail Coach Factory (Rae Bareli Project), Kishan Ganj, Delhi
FA and CAO, Integral Coach Factory, Chennai	FA and CAO, Northern Railway, New Delhi
FA and CAO, North Western Railway, Jaipur	FA and CAO, Central Railway, Mumbai
FA and CAO, South East Central Railway, Bilaspur	FA and CAO, Eastern Railway, Kolkata
FA and CAO, North Eastern Railway, Gorakhpur	FA and CAO, East Central Railway, Hajipur
FA and CAO, East Coast Railway, Bhubaneswar	FA and CAO, South Western Railway, Hubli
FA and CAO, South Eastern Railway, Kolkata	FA and CAO, Southern Railway, Chennai
FA and CAO, North Frontier Railway, Maligaon	FA and CAO, Western Railway, Mumbai
FA and CAO, Western Central Railway, Jabalpur	FA and CAO, South Central Railway, Secunderabad
FA and CAO, North Central Railway, Allahabad	

*() indicates no. of review meetings held with the concerned office

CABs

CABs	
Pr.AO, Central Institute of Petrochemicals Engineering & Technology (CIPET)	Pr.AO, Kendriya Vidyalaya Sangathan, New Delhi
Pr.AO, Indian Institute of Technology, Delhi	Pr.AO, Employees State Insurance Corporation (HQ), New Delhi
Pr.AO, Indian Institute of Technology, Kanpur	Pr.AO, North Delhi Municipal Corporation, New Delhi
Pr.AO, Indian Institute of Technology, Madras	Pr.AO, South Delhi Municipal Corporation, Delhi
Pr.AO, Indian Institute of Technology, Roorkee	Pr.AO, East Delhi Municipal Corporation, Delhi
Pr.AO, Maulana Azad National Urdu University, Hyderabad	Pr. AO, All India Institute of Medical Sciences, New Delhi
Pr.AO, University of Delhi, Delhi	Pr. AO, Indian Council of Agricultural Research, New Delhi
Pr.AO, Jawaharlal Nehru University, New Delhi	Pr. AO, Employees Provident Fund Organisation, New Delhi
Pr.AO, Indian Institute of Technology Hyderabad	Pr. AO, Council of Scientific & Industrial Research, New Delhi
Indian Council Of Forestry Research and Education, Dehradun	Pr.AO, Delhi Jal Board, New Delhi
Pr.AO, Assam University, Silchar	Pr.AO, Prasar Bharati, New Delhi
Pr.AO, Kandla Port Trust, Gandhidham Kutch	PrAO, New Delhi Municipal Council, New Delhi
Pr.AO, National Institute of Technology, Rourkela	Pr.AO, Delhi Development Authority, New Delhi
Pr. AO, Directorate of Defence Estates Western Command, Chandigarh	Pr.AO, Indian Council of Medical Research, New Delhi
Pr.AO, Nehru Yuva Kendra Sangathan, New Delhi	Pr.AO, Navodaya Vidyalaya Samiti, Noida
Pr.AO, Khadi and Village Industries Commission, Mumbai	Pr.AO, Banaras Hindu University, Varanasi
Pr. AO, National Institute of Technology, Tiruchirappalli	Pr.AO, Aligarh Muslim University, Aligarh
Pr.AO, All India Institute of Medical Sciences, Bathinda	Pr.AO, Directorate of Defence Estates Central Command, Lucknow

CABs

CABs	
Pr. AO, Sree Chitra Tirunal Inst of Medical Science & Tech, Thiruvananthapuram	Pr. AO, Tata Memorial Centre, Mumbai
Pr. AO, Malaviya National Institute Technology, Jaipur	Pr. AO, Directorate of Defence Estates Southern Command, Pune
Pr AO, Indian Institute of Technology (Banaras Hindu University), Varanasi	Indian Institute Of Technology, Bombay
Pr. Ao, Pondicherry University	Pr. AO, Jawaharlal Inst of Post Grdt Med Education & Research, Pondicherry
Pr. AO, North Eastern Indira Gandhi Rgnl Inst of Health & Med Sciences, Shillong	Pr. AO, Postgraduate Institute of Medical Education & Research, Chandigarh
Pr. AO, Indian Institute of Technology, Gandhinagar	Pr. AO, Bhakra Beas Management Board, Chandigarh
Pr. AO, Nehru Yuva Kendra Sangathan, New Delhi	Pr. AO, All India Institute of Medical Sciences, Raipur
Pr. AO, National Council of Science Museums, Kolkata	Pr. AO, All India Institute of Medical Sciences, Rishikesh
Pr. AO, Tata Institute of Fundamental Research, Mumbai	Pr. AO, All India Institute of Medical Sciences, Bhopal
Pr. AO, All India Institute of Medical Sciences, Raebareli	Pr. AO, National Institute of Mental Health & Neuro Sciences, Bangalore
Pr. AO, National Institute of Technology, Warangal	Pr. AO, Visakhapatnam Port Trust, Visakhapatnam
Pr. AO, Indian Institute of Technology, Rajasthan	Pr. AO, Central Agricultural University, Imphal
Pr. AO, All India Institution Of Medical Science, Nagpur	Pr. AO, Indian Institute of Technology, Kharagpur
Pr. AO, Institute for Plasma Research, Gandhinagar	Pr. AO, All India Institute of Medical Sciences, Jodhpur
Pr. AO, Jamia Millia Islamia University, South Delhi	

Sgs and SABs

East	North East	North	South	Central	West
Bihar	Assam (3)	Himachal Pradesh (1)	Andhra Pradesh (3)	Chhattisgarh	Goa (2)
Jharkhand	Arunachal Pradesh (3)	Jammu and Kashmir (2)	Karnataka (3)	Madhya Pradesh (2)	Gujarat (2)
Odisha (3)	Manipur (4)	Chandigarh (2)	Kerala (3)	Uttar Pradesh (2)	Maharashtra (2)
	Meghalaya (3)	Haryana (1)	Puducherry (3)		Rajasthan
	Mizoram (3)	Uttarakhand (2)	Telangana (3)		
	Nagaland (3)	Punjab (1)			
	Tripura (3)	Ladakh (1)			
	Sikkim (3)				

*() indicates no. of review meetings held with the concerned office

State Autonomous Bodies of Respective State Governments with which meetings held

CABs	
Bihar	
Institute of Hotel Management Catering Tech & Applied Nutrition, Bodhgaya	Bihar State Power (Holding) Company Ltd. (02)
Patliputra University	Bhupendra Narayan Mandal University, Madhepur
Chhattisgarh	
Urban Administration and Development, Raipur	Directorate of Public Instruction, Raipur, Chhattisgarh
Directorate of Panchayat, Raipur	
Andhra Pradesh, Karnataka, Haryana, Punjab, Rajasthan, Kerala	Andhra Pradesh, Karnataka, Haryana, Punjab, Rajasthan, Kerala
Punjab State Power Corporation Limited, Patiala, Punjab	A P Model School, AP
Directorate of Local Bodies, Jaipur, Rajasthan	Directorate of Municipal Administration, Karnataka
Kerala State Road Transport Corporation, Thiruvananthapuram, Kerala	Dakshin Haryana Bijli Vitran Nigam Limited, Hisar, Haryana
Kerala State Electricity Board Limited, Thiruvananthapuram, Kerala	
Uttar Pradesh	Uttar Pradesh
Directorate of Education Secondary, Allahabad	Finance Controller, Basic Shiksha Parishad, Allahabad
Local Bodies Directorate, Lucknow	Directorate of Higher Education, Allahabad

CABs	
Gujarat	
Municipal School Board, Rajkot	Ahmedabad Municipal Corporation, Ahmedabad
Municipal School Board, Surat	Institute of Seismological Research, Gandhinagar
Surat Municipal Corporation, Surat	Rajkot Municipal Corporation, Rajkot
Gujarat Housing Board, Ahmedabad	Vadodara Municipal Corporation, Vadodara
Sheth Vadilal Sarabhai General Hospital, Ahmedabad	Gujarat Environment Management Institute, Gandhi Nagar
Gujarat Maritime Board, Gandhinagar	Ahmedabad Municipal Corporation, Ahmedabad
Surat Municipal Corporation, Surat	
Madhya Pradesh	Madhya Pradesh
Madhya Pradesh Power Generating Company Ltd, Jabalpur	Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Ltd, Indore
Directorate of Urban Administration & Development, Bhopal	Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Ltd., Bhopal
Rani Durgavati Vishwavidyalaya, Jabalpur	Madhya Pradesh Power Transmission Company Limited, Jabalpur
MP State Legal Services Authority, Jabalpur	Madhya Pradesh State Agriculture Marketing Board
Directorate of Panchayat Raj, Bhopal	Directorate of Medical Education
Directorate of Public Instruction, Madhya Pradesh	Directorate of Urban Administration & Development, Bhopal
Maharashtra	
Deputy Directory of Education (Secondary), Amravati	Zilla Parishad, Washim
Zilla Parishad (Education), Washim	Zilla Parishad, Kolhapur
Zilla Parishad (Education), Akola	Zilla Parishad, Latur
Zilla Parishad (Education), Buldhana	Zilla Parishad, Thane
Zilla Parishad (Education), Amravati	Zilla Parishad, Amravati
Deputy Directory of Education (Primary), Aurangabad	Zilla Parishad, Bhandara
Deputy Directory of Education (Secondary), Aurangabad	Zilla Parishad, Palghar
Zilla Parishad (Education), Jalna	Zilla Parishad, Ahmednagar
Deputy Directory of Education (Primary), Mumbai	Zilla Parishad, Yavatmal
Deputy Directory of Education (Secondary), Mumbai	Zilla Parishad, Nagpur

CABs	
Zilla Parishad (Education), Thane	Zilla Parishad, Solapur
Zilla Parishad (Education), Aurangabad	Zilla Parishad, Dhule
Zilla Parishad (Education), Nandurbar	Zilla Parishad, Jalgaon
Zilla Parishad (Education), Dhule	Zilla Parishad, Wardha
Zilla Parishad (Education), Palghar	Zilla Parishad, Jalna
Zilla Parishad (Education), Jalgaon	Zilla Parishad, Buldana
Zilla Parishad (Education), Raigad	Zilla Parishad, Akola
Maharashtra State Social Welfare Board, Mumbai	Zilla Parishad, Ratnagiri
Zilla Parishad (Education), Yavatmal	Zilla Parishad, Aurangabad
Municipal Corporation Aurangabad, Maharashtra	Zilla Parishad, Raigad
DTA, Directorate of Higher Education Pune, Maharashtra	Zilla Parishad, Nandurbar
Directorate of Technical Education, Maharashtra	Dr. Balasaheb Sawant Konkan Krishi Vidyapeeth, Ratnagiri
Solapur Municipal Corporation	Dr. Panjabrao Deshmukh Krishi Vidyapeeth, Krishinagar, Akola
State nodal officer	Maharashtra University of Health Sciences, Nashik
Zilla Parishad, Washim	Deputy Directory of Education (Primary), Pune
Municipal Corporation Aurangabad, Maharashtra	Deputy Directory of Education (Secondary), Pune
Deputy Directory of Education (Primary) Kolhapur	Zilla Parishad (Education), Pune
Deputy Directory of Education (Secondary) Kolhapur	Zilla Parishad (Education), Ahmednagar
Zilla Parishad (Education), Kolhapur	Zilla Parishad (Education), Solapur
Zilla Parishad (Education), Ratnagiri	Deputy Directory of Education (Primary), Latur
Deputy Directory of Education (Primary), Nagpur	Deputy Directory of Education (Secondary), Latur
Deputy Directory of Education (Secondary), Nagpur	Zilla Parishad (Education), Latur
Zilla Parishad (Education), Nagpur	Zilla Parishad (Education), Wardha
Zilla Parishad (Education), Bhandara	Deputy Directory of Education (Primary), Amravati

*() indicates no. of review meetings held with the concerned office

3.9.2 Steps initiated for smooth implementation of NPS in Government Sector

3.9.2.1 Measures suggested to CG Ministries/ Central Autonomous Bodies/ State Govts/State Autonomous Bodies for smooth implementation of NPS

- a) Nodal offices under Central Govt sector were advised during review meetings/ interactions to adhere to various provisions provided under CCS (NPS) Rules, 2021, to ensure timely completion of activities under NPS.
- b) Nodal offices under CG and SG sector have been advised to follow the timelines prescribed by DoE, GoI for completion of various NPS related activities with respect to upload of SCFs and remittance of NPS contributions.
- c) It was advised to Nodal offices under CG and SG to hold regular meetings cum workshops for their underlying Nodal offices in order to sensitize them on the key areas of concern and operational matters.
- d) The oversight offices under CG and SG sector, viz, PrAOs/DTAs were advised to review performance of their underlying PAOs / DTOs and ensure that the NPS related activities are completed in a time bound manner.
- e) State Governments were advised to consider undertaking certain policy level measures for effective implementation of NPS in the State such as
 - Framing of NPS rules while specifying timelines,
 - Constitution of NPS Oversight and Review Committee,

- Setting up of dedicated NPS cell for smooth handling of various NPS related matters,
- Consider enabling various provisions under NPS in line with Gazette notification dated 31.01.2019 issued by DFS, Ministry of Finance viz. enhancement of employer contribution, enabling choice of Investment pattern and Pension Fund (PF) for the employee-subscribers, provision of compensation in case of non-deposit or delayed deposit of NPS contributions,
- Inclusion of NPS related activities as a part of regular / internal audit and
- Adoption of Online PRAN generation module (OPGM) & Server to Server Integration (STS) process for timely completion of NPS activities.

3.9.2.2 Advisories and Circulars issued for smooth implementation of NPS

- a. Advisory on Digital Safety Practices to be followed by Govt Nodal offices to access CRA system under NPS architecture - Advising the nodal offices towards adopting safety practices in respect of usage, non-sharing and safe-keeping of login credentials of the CRA system.
- b. Monthly communication to Nodal offices for Resolution of pending grievances.
- c. General Advisory through letters for Improvements required in performance parameters.
- d. General Advisories for Concerns in upload/remittance of contributions.
- e. General advisories for PFRDA's Subscriber Awareness Programme.

3.9.2.3 Policy-related matters taken up by PFRDA with CG Ministries/ Central Autonomous Bodies/ State Govts/State Autonomous Bodies for smooth implementation of NPS

- a. Matter regarding framing of NPS Rules for their respective employees, in reference to CCS (NPS) Rules, 2021 notified by DoPPW was taken up with Principal Secretary (Finance) / Additional Chief Secretary (Finance) of all the State Governments.
- b. Matter regarding adoption of provisions of CCS (NPS) Rules, 2021 for AIS employees, Railway Servants and employees of CABs was taken up with DoPT, Railway Board and FA's/CCA's respectively for their underlying employees.
- c. Matter regarding delays observed in initiation/ authorization of exit cases by the Nodal offices has been taken up with the O/o CGA, requesting the O/o CGA to issue necessary timelines and instructions to Nodal offices to ensure resolution of pending exit/withdrawal cases under NPS.

3.9.2.4 Leveraging of technological initiatives Server to Server (STS) Integration and OPGM (Online PRAN Generation Module)

- a. PFRDA through various forums sensitizes the Nodal offices to adopt and implement OPGM and STS Integration so as to curtail the delays shall decrease the delays in PRAN generation and remittance of NPS contributions.
 - i. OPGM- To ensure timely registration of subscriber's under NPS, the Govt Nodal offices under CG/SG sector were advised to adopt OPGM (Online PRAN Generation Module) to eliminate delay in PRAN generation as well as rejection of subscriber registration forms.
 - ii. STS- To adopt STS (Server to Server) integration of the nodal offices' financial software package with CRA system.
- b. The cumulative status of adoption of OPGM and STS by CG/SG Nodal offices is as under: -
 - i. As on 31.03.2023, total 14 SGs have adopted STS and the list of SGs is as under:

Table No. 3.27: The Status of adoption of STS/OPGM by State Government. Nodal offices:

Particulars	State Government	
State Governments Adopted STS as on 31-03-2023	Assam	Bihar
	Chhattisgarh	Himachal Pradesh
	Haryana	Jharkhand
	Karnataka	Maharashtra
	Odisha	Punjab
	Rajasthan	Tripura
	Uttarakhand	Uttar Pradesh

i. on 31.03.2023, total 51 SABs have adopted STS and the list of SABs is as under:

Table No. 3.28: The Status adoption of STS by SABs:

SG	No. of SAB Nodal Offices Adopted STS
Maharashtra	50
Uttarakhand	1
Total	51

As on 31.03.2023, total 31 SGs/UTs have adopted OPGM, and the list of State Govt. is as under:

Table No. 3.29: The Status of adoption of OPGM by SGs:

Particulars	State Government		
State Governments Adopted OPGM as on 31-03-2023	Andhra Pradesh	Madhya Pradesh	Tamil Nadu (Only for AIS)
	Arunachal Pradesh	Maharashtra	Tripura
	Assam	Manipur	Uttar Pradesh
	Bihar	Meghalaya	West Bengal (Only for AIS)
	UT Chandigarh	Mizoram	Chhattisgarh Uttarakhand
	Goa	Nagaland	Jharkhand Telangana
	Gujarat Haryana	Orissa	Ladakh
	Jammu & Kashmir	Puducherry	
	Karnataka	Punjab Rajasthan	
	Kerala	Sikkim	

As on 31.03.2023, total 1096 SABs have adopted OPGM, and the list of SAB Nodal offices is as under:

Table No. 3.30: The Status of adoption of OPGM by SABs:

Name of the State Government	No. of SABs/ SAB Nodal offices adopted OPGM
Andhra Pradesh	12
Assam	14
Bihar	17
Chhattisgarh	18
Goa	6
Gujarat	6
Haryana	94

Name of the State Government	No. of SABs/ SAB Nodal offices adopted OPGM
Himachal Pradesh	222
Jammu & Kashmir	25
Jharkhand	1
Karnataka	95
Kerala	14
Ladakh	1
Madhya Pradesh	14
Maharashtra	42
Manipur	3
Meghalaya	3
Mizoram	3
Odisha	16
Punjab	204
Rajasthan	74
Telangana	11
Uttar Pradesh	81
Uttarakhand	120
Grand Total	1,096

The Status of adoption of OPGM by CG and CAB Nodal offices is placed as under:

Table No. 3.31: The Status of adoption STS/OPGM by Central Government Nodal offices:

Accounting Formation	No. of Nodal Offices Adopted OPGM
Civil	417
Defence	182
Post	24
Railways	166
Telecom	31
CABs	227
Total	1,047

3.9.3 NPS in Non Govt Sector

In FY 2022-23, NPS Non-Government Sector witnessed the highest annual enrollments of 01 million since its launch in the year 2009. This feat was attained through the efforts of 88 Point of Presence (PoP), comprising of 12 Public Sector Banks, 20 Private Banks, 56 Non-Bank Entities – (Stock Broking firms/AMCs/Fintech Companies/Pension Funds, etc.) entrusted with NPS distribution and they facilitate subscriber registration, KYC verification and servicing of subscriber requests. 03 new PoPs were activated/operationalized during FY 2022-23 for expanding the channels of NPS distribution and meetings with Regional Rural Banks (RRBs) were held seeking their consent to register as PoPs for increasing NPS coverage. Support was extended to the PoPs for distribution of NPS and PoPs performances were monitored through periodic strategy cum review meetings wherein business

plans/strategies of PoPs and the support required by them from the Authority were also discussed. Various Award / recognition programme were rolled out to motivate and recognize the efforts of PoP/staff of PoP and felicitation events were organized to acknowledge the performers.

As on 31st March 2023, the number of active PRANs under NPS Non-Government Sector (*All Citizen and Corporate*) was 46.39 lakh vis-à-vis 36.97 lakh in the previous financial year, depicting a growth of 25% y-o-y. During FY 2022-23 in the NPS Corporate Model, 2,443 corporates/entities registered and 1,35,786 new employees joined NPS. The total number of corporates adopting NPS has reached 12,794 as on 31st March 2023. Focusing on Central Public Sector Enterprises (CPSEs) for adoption and implementation of NPS as one of the retirement benefits schemes for their employees, 03 CPSEs adopted NPS during FY 2022-23 taking the tally of CPSEs under NPS to 62.

Table No. 3.32: Outstanding PRANs

Sector	Outstanding PRANs (in Lakh) in FY					YoY Growth (%)
	2018-19	2019-20	2020-21	2021-22	2022-23	
All Citizen	9.30	12.52	16.47	22.92	29.57	29.01
Corporate	8.03	9.74	11.25	14.05	16.82	19.71
Total	17.33	22.26	27.72	36.97	46.39	25.48

Chart 3.1: Outstanding PRANs

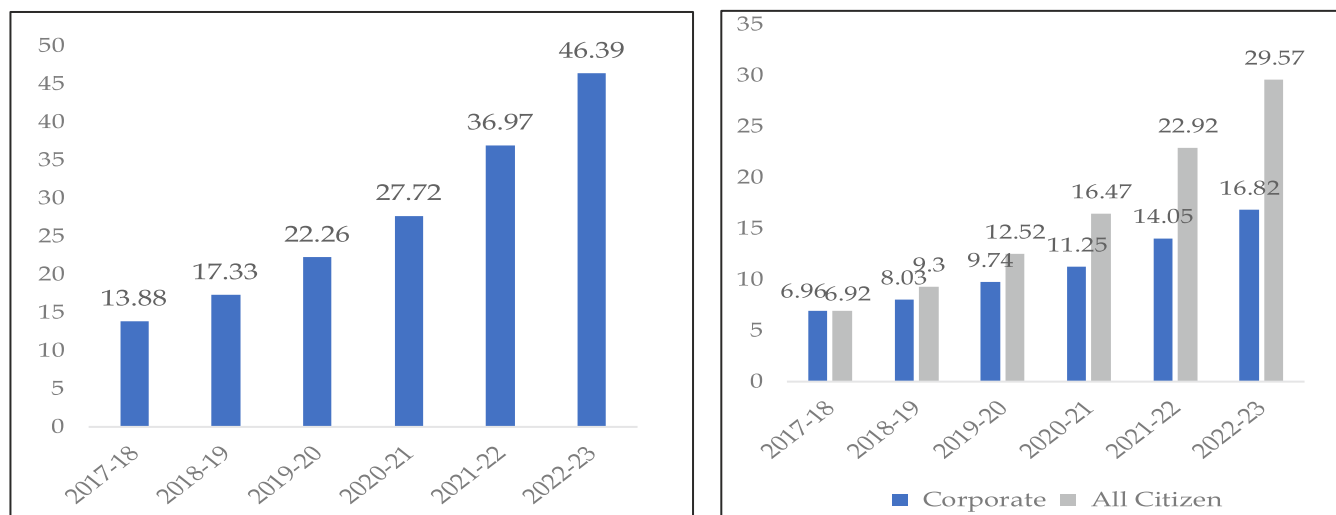
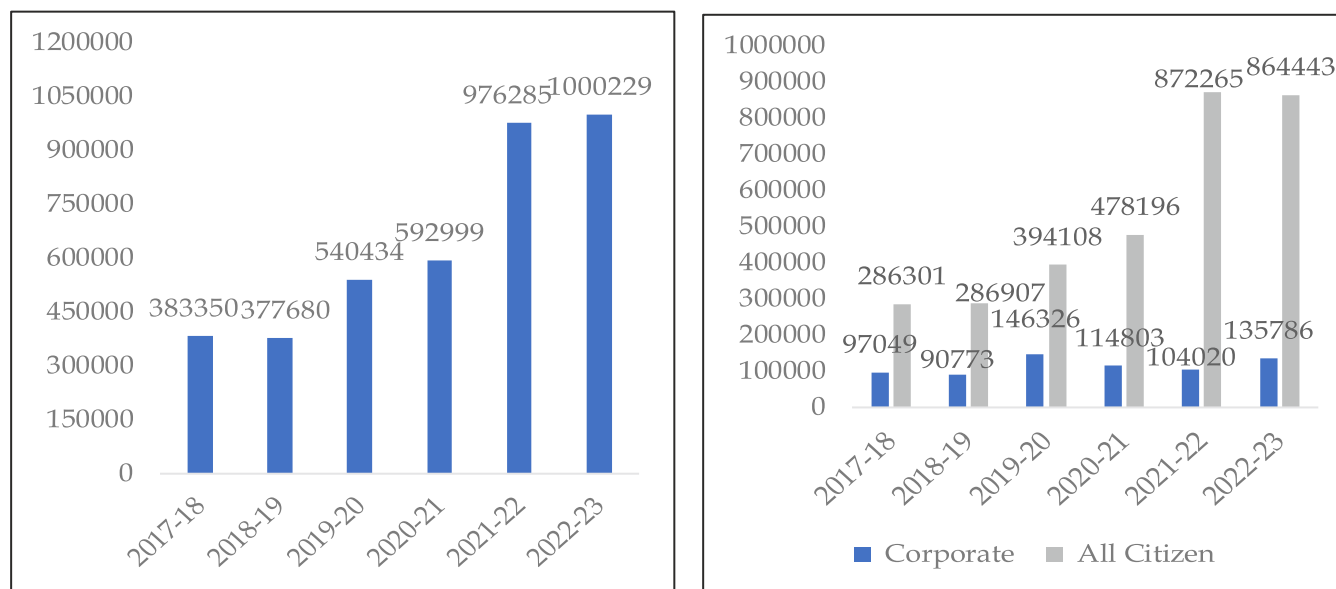


Table No. 3.33: Additions in Non Govt Sector

Sector	Additions / Registrations during FY					YoY Growth (%)
	2018-19	2019-20	2020-21	2021-22	2022-23	
All Citizen	2,86,907	39,4,108	4,78,196	8,72,265	8,64,443	-
Corporate	90,773	1,46,326	1,14,803	1,04,020	1,35,786	30.54
Total (Subscribers)	3,77,680	5,40,434	5,92,999	9,76,285	10,00,229	2.45
Corporate (Employer)	1,395	1,617	1,100	1,806	2,438	35.0

Chart 3.2: Additions in Non Govt Sector



The number of **NPS Tier-II** accounts as on 31st March, 2023 reached 6,32,414 vis-à-vis 5,08,019 as on 31st March, 2022 registering a growth of 24%. The AUM under NPS Tier-II has also increased from Rs. 3,401 crores to Rs. 3,965 crores during FY 2022-23.

Table No. 3.34: Tier II Subscribers and AUM

Particular	CG	SG	Corporate	All Citizen	Total
No. of accounts	38,975	44,368	1,33,736	4,15,335	6,32,414
AUM (in Rs. crore)	183	76	984	2720	3965

NPS Tier-II Tax Saver available for subscription to central government employees only has seen a total of 10,410 activations with an AUM of Rs 12.53 crore as on 31st March 2023.

3.9.4 Conferences under Corporate Sector

To create awareness about pensions and promote NPS in the non-government segment, tie-ups with various trade bodies (FICCI, CII, PHDCCI, ASSOCHAM, ICC) were done to disseminate information to their members through workshops/seminars organized across the country. During the financial year, 19 such webinars were organized in which more than 5000 delegates from 800 corporates participated. Numerous engagements or web sessions were also held in association with PoPs / Institutions etc. to propagate NPS to the Employers/Employees directly which resulted in 1,806 new corporates enrolments and 1,02,275 employees subscribing to NPS during the year. Moreover, 09 new CPSEs adopted NPS for their employees as special emphasis was put forth to onboard these entities during the financial year.

3.9.5 Atal Pension Yojana

The Government of India introduced a pension scheme called the Atal Pension Yojana (APY), with effect from 1st June, 2015, pursuant to the announcement in the budget for 2015-16 on

creating a universal social security system for all Indians, especially the poor, the under-privileged and the workers in the unorganised sector.

Atal Pension Yojana (APY), is focused on the unorganized sector workers in the age group of 18-40 years. Under the APY, a minimum guaranteed pension of Rs. 1,000/- or 2,000/- or 3,000/- or 4,000/- or 5,000/- per month will start once the subscriber attains the age of 60 years, depending on the pension amount opted for and contributions made by him.

The total enrolment under Atal Pension Yojana crossed the 5.20 crore mark as on 31 March 2023. The scheme enrolled more than 1.19 crore new subscribers in FY 2022-23 as compared to 99 lakhs in FY 2021-22, depicting a growth of more than 20 percent.

The scheme had seen this tremendous success due to the active participation of APY Service Providers across all categories i.e. Public Sector Banks, Private Sector Banks, Regional Rural Banks, Small Finance Banks, Payment Banks, and Cooperative Banks (Rural & Urban) & Department of Post.

Details with respect to the year-on-year performance in terms of subscriber registration and its analysis is depicted in the tables below:

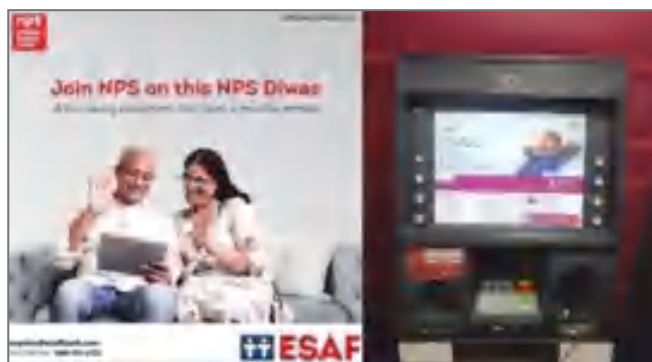
APY-SPs category-wise details of subscribers enrolled under APY



“NPS Diwas’ commemoration by PoPs and felicitation of PoP with awards/memento/certificate

During the FY 2022-23, the major initiatives that were undertaken/implemented for expanding the distribution channels and increasing the coverage of NPS in non-government sector were as under:

1. Meetings with Regional Rural Banks (RRBs) to register them as PoPs for NPS business.
2. Co-ordinating with State Level Bankers’ Committee (SLBC) to review NPS enrollments.
3. Proposals submitted to CBDT/DoR/DEA/DFS for providing tax incentives in NPS at par with other pension schemes/products.
4. Submissions made to Indian Banking Association (IBA) to review choices in respect of Pension Fund and asset

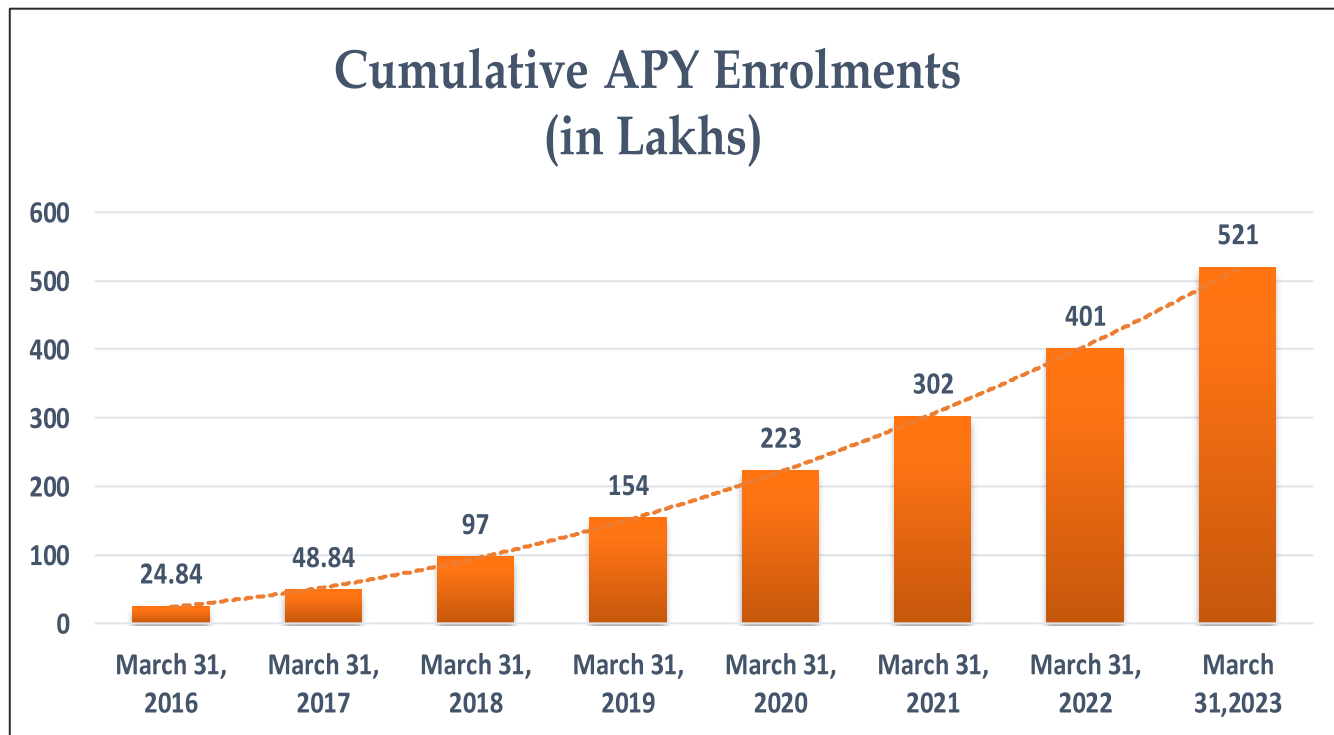


allocation selection by PSU bank employees under NPS.

5. “NPS Zaruri Hai” campaign conceptualized and implemented across broadcast media to create awareness about pensions, retirement planning and NPS. Targeted campaign were undertaken for professionals, self-employed, Gen-Z individuals through digital and print media.
6. NPS awareness videos (03) conceptualised and created depicting opinion on NPS benefits/features by stakeholders viz. Subscribers, Corporates (Employers) and Distributors (PoP), in coordination with Network 18 which was aired and circulated for wider publicity.
7. Design and structure for offering Minimum Assured Returns Scheme (MARS) under active consideration of the Authority.

Table No. 3.35: The Banks wise details of the Number of Enrolments under APY (In Lakhs)

Category of Banks	As on (March 31, 2016)	As on (March 31, 2017)	As on (March 31, 2018)	As on (March 31, 2019)	As on (March 31, 2020)	As on (March 31, 2021)	As on (March 31, 2022)	Additions During FY 2022-23	As on (March 31, 2023)
Public Sector Banks	16.581	29.859	64.443	105.35	154.183	209.195	278.487	86.607	365.095
Regional Rural Banks	4.763	11.152	19.871	31.711	43.301	57.107	75.280	24.267	99.548
Private Banks	2.531	5.586	9.829	13.297	18.20	23.193	29.210	5.13	34.347
Small Finance Bank	-	-	-	0.09	0.157	0.351	0.862	0.785	1.648
Payment Bank	-	-	-	0.481	3.44	8.188	12.880	2.159	15.039
Co-op Banks	0.22	0.339	0.456	0.543	0.705	0.80	0.928	0.141	1.069
DOP	0.753	1.899	2.453	2.703	3.02	3.321	3.623	0.215	3.839
Total	24.84	48.83	97.05	154.18	223.01	302.15	401.27	119.31	520.58

Chart 3.3: Graphical Representation of cumulative APY Enrolments

APY enrollments has continuously shown increasing trend since its inception. From the year 2020-21 to FY 2021-22, 33 percent of growth can be seen in APY enrolments. Similarly, 30 percent of growth can be seen from FY 2021-22 to FY 2022-23.

Table No. 3.36: State wise details of the number of enrolments under APY**Based on subscriber's postal address/ pin code*

Sr. No.	State Name	Number of enrolments under APY (in lakhs)
1	Uttar Pradesh	82.08
2	Bihar	50.63
3	Maharashtra	40.73
4	West Bengal	39.77
5	Tamil Nadu	36.54
6	Madhya Pradesh	30.01
7	Andhra Pradesh	28.20
8	Rajasthan	28.08
9	Karnataka	27.63
10	Gujarat	19.64
11	Orissa	18.99
12	Jharkhand	15.34
13	Other States	102.36
	Total Enrolments	520.58

Map: State wise enrolment of APY as on 31st March 2023

APY enrolment growth has been observed across the country. Among the State-wise distribution, abovementioned 12 States account for more than 80 percent of total APY enrolments.

Table No. 3.37: Month on Month APY Enrolment during FY 2021-22 and FY 2022-23 (in lakh)

April'21	May'21	June'21	July'21	Aug'21	Sept.'21	Oct.'21	Nov.'21	Dec.'21	Jan.'22	Feb.'22	Mar.'22	Total
2.26	1.95	6.98	7.69	11.03	9.91	7.43	7.65	9.98	9.06	11.64	13.55	99.11
April'22	May'22	June'22	July'22	Aug'22	Sept.'22	Oct.'22	Nov.'22	Dec.'22	Jan.'23	Feb.'23	Mar.'23	Total
4.13	8.65	11.93	9.50	11.75	12.80	7.42	13.49	11.53	9.36	9.39	9.30	119.31

Chart 3.4: Graphical representation of month-on-month APY Enrolments

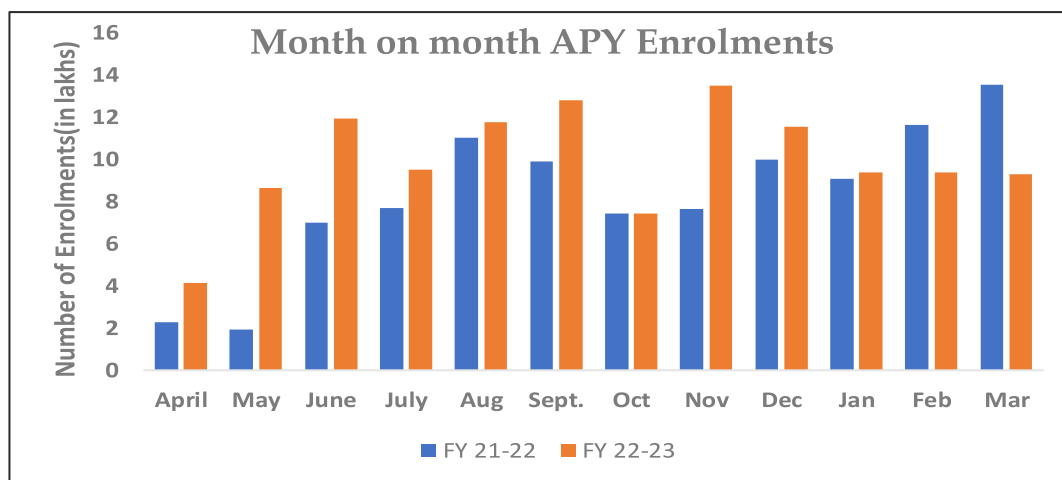
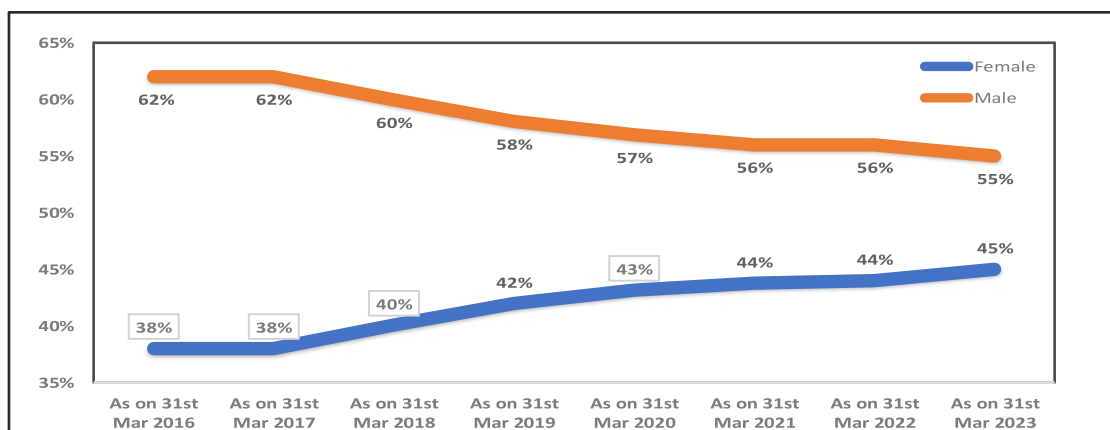


Table No. 3.38: Detailed analysis of APY subscribers on the basis of Gender, Pension amount and Age-group is given in the tables below:

Gender wise

Sr. No.	Gender	PRAN Count	Percentage
1	Female	23,587,502	45.31
2	Male	28,457,225	54.66
3	Transgender	13,937	0.03
	Total	52,058,664	100.00

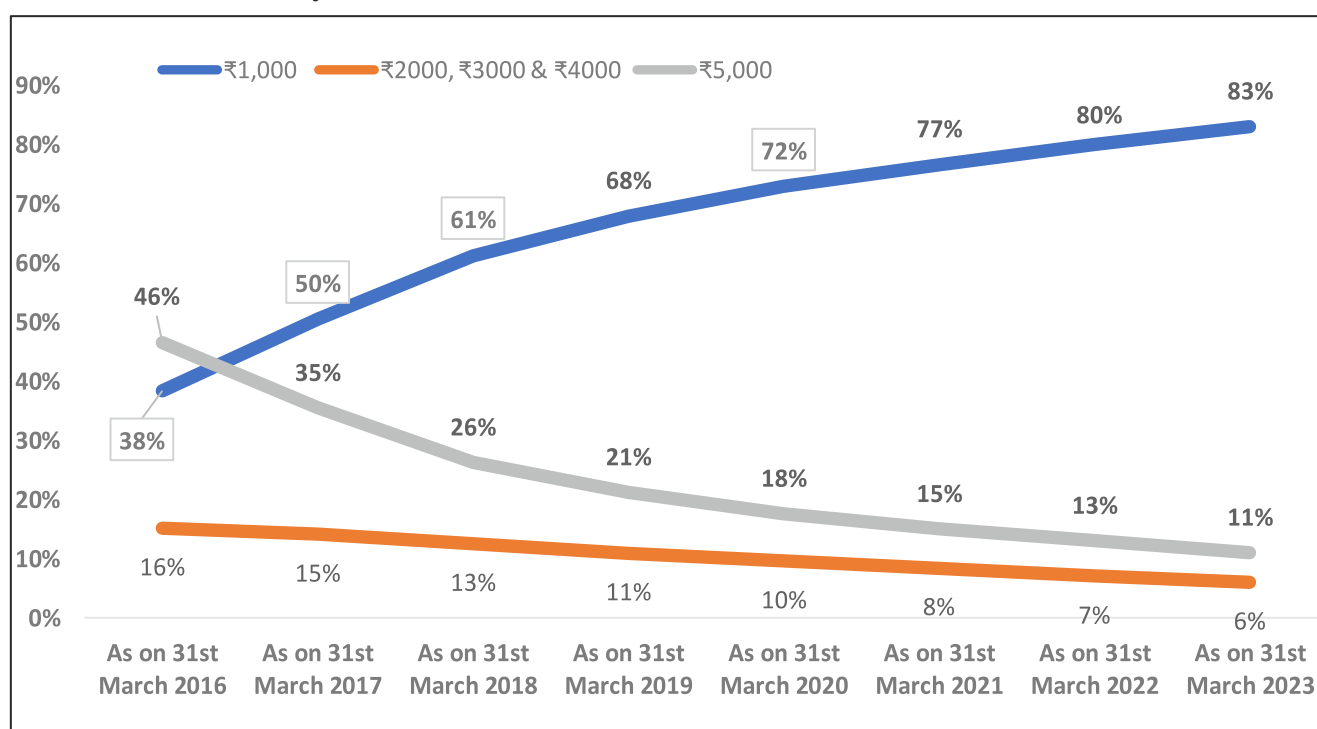
Chart 3.5: Trend Analysis of gender wise APY Enrolments



Pension Amount wise

Sr. No.	Pension Amount	PRAN Count	Percentage
1	1,000	43,004,448	82.61
2	2,000	1,999,685	3.84
3	3,000	963,024	1.85
4	4,000	368,214	0.71
5	5,000	5,723,293	10.99
	Total	52,058,664	100.00

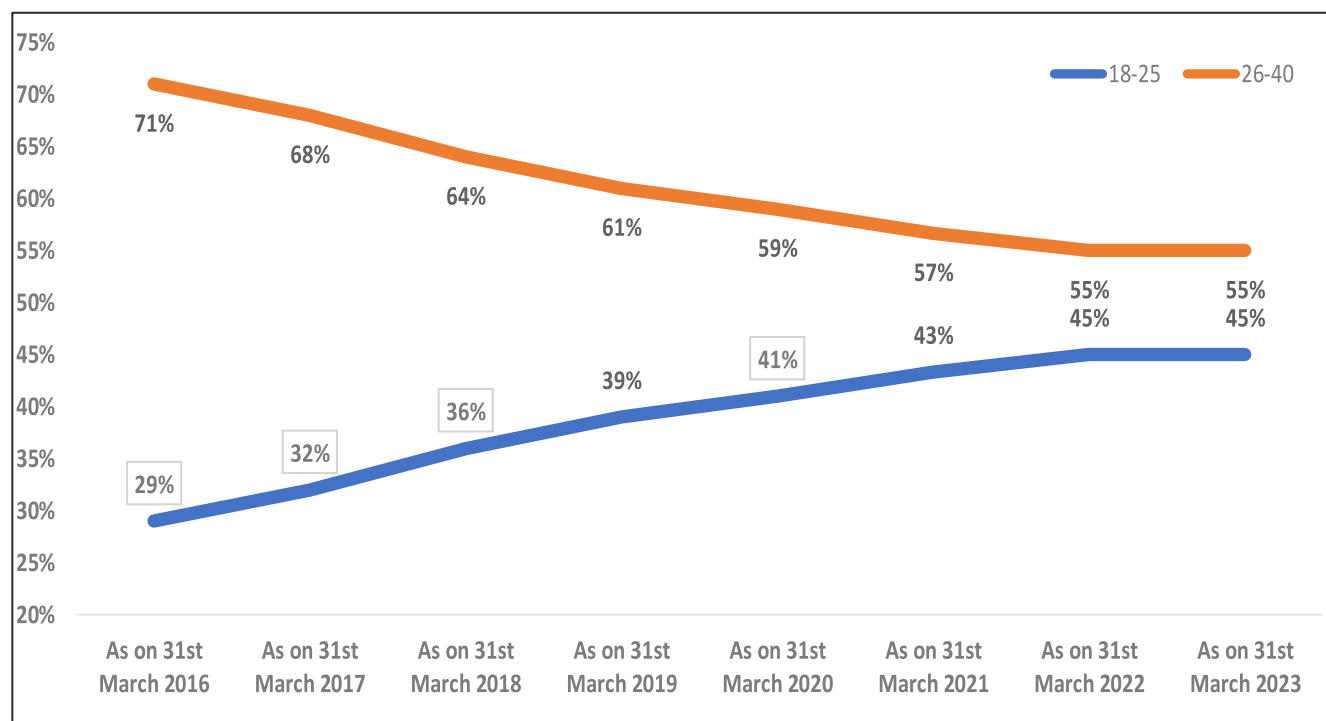
Chart 3.6: Trend Analysis of Pension amount wise APY Enrolments



Age Wise

Sr. No.	Age Range	PRAN Count	Percentage
1	Between 18 to 20 Years	8,925,154	17.14
2	Between 21 to 25 Years	14,556,751	27.96
3	Between 26 to 30 Years	12,808,378	24.61
4	Between 31 to 35 Years	9,982,929	19.18
5	Above 35 Years	5,785,452	11.11
	Total	52,058,664	100.00

Chart 3.7: Trend Analysis of age wise APY Enrolments

**Under APY:-**

- 82.61 percent of the subscribers have opted for Rs 1000 pension amount whereas 10.99 percent of the subscribers have opted for Rs 5000 pension amount
- 27.96 percent of the pension aspirants are in the age group of 21-25 years.

- The ratio of female and male subscribers is 45:55

APY scheme is managed by three public sector Pension Funds namely LIC, SBI and UTI. The asset under management of this scheme from FY 2017-18 to FY 2022-23 is as per below table:

Table No. 3.39: APY scheme Performance in terms of Investment returns

	As on March 31, 2018	As on March 31, 2019	As on March 31, 2020	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023
AUM (in crore)	3,817	6,860	10,526	15,687	20,922	27,223

The scheme has generated around 8.69 percent investment return since inception till March 2023.

Promotion and outreach of APY scheme during FY2022-23

- APY Outreach and Townhall Meetings at 35 locations pan India: 24 APY Outreach programs and 11 townhall meetings, in co-ordination with SLBCs and RRBs were

conducted in the Financial Year 2022-23. These programs were attended by senior officials of PFRDA, banks, SLBCs, State-Government, RBI, NABARD, SRLM, etc. In these meetings, PFRDA officials used to make presentation on APY features

and benefits while PCRA officials used to make presentation on new initiatives. Also, in all these programs Q&A Session, Felicitation of top performers were done. Meeting with SRLM officials also held after the program for engagement and promotion of awareness of the APY to SHG Members. Local media also covered these programs extensively.

- II. Annual felicitation program and Zonal APY Felicitation and Strategy Review meetings: APY annual award felicitation program was conducted at Delhi to felicitate performing banks and SLBCs and altogether eight Zonal strategy review meetings were conducted at New Delhi, Mumbai, Kolkata and Chennai, twice in the financial year 2022-23. In the meetings, the strategies for the promotion and outreach of APY were discussed with APY-SPs and SLBC convenors. The best-performing SLBCs and APY-SPs were also felicitated in these events. Also, 2 Dinner/ Lunch were organised for Chairmen of RRBs with the top management of PFRDA in order to recognise the constant support and efforts of RRBs towards APY.
- III. Performance Review meetings: Performance Review meetings were conducted with the Nodal Officers and SLBCs on a regular basis wherein the progress of APY enrolments in their bank/ state was discussed. PFRDA used to guide the APY SPs and share new strategies and best practices of other banks with them. All possible support related to media content, training, MIS etc. was provided to the Banks for ensuring maximum enrolments. During the financial year 2022-23, meetings of top management of PFRDA were held with senior management of all Major Banks, Private banks and RRBs to discuss Banks, Private banks and RRBs to discuss APY progress.
- IV. Subscriber Awareness Programs in vernacular languages organized for APY subscribers: PFRDA has empaneled a training agency for imparting training on APY by conducting Subscriber Awareness Program (SAP) through VC for APY subscribers. 38 trainings were conducted for APY subscribers in 11 regional languages which were attended by 10,583 subscribers.
- V. Virtual Capacity building programs: Capacity building programs were conducted by PFRDA for Business Correspondents (BCs) of PSBs and RRBs, field officials of Private Banks, field officials of SRLMs and NABARD. Also, 58 trainings were conducted in 11 regional languages by one training agency wherein 7389 bank officials and BCs participated.
- VI. Digital Initiatives for APY subscribers: Digital initiatives taken by PCRA under the guidance from PFRDA for the benefits of the APY SPs and existing and prospective APY subscribers such as release of Customer Centric APY App, Chat bot-KYNA, 13 Podcasts in Hindi and English, QR Codes, etc.
- VII. Revamping of APY content on the PFRDA website: The revamping of APY content on the PFRDA website has been initiated. Subscriber information brochures for existing and prospective subscribers have been made available in Hindi, English, and 11 regional languages.
- VIII. Promotion of the scheme through print advertisement and radio jingles was undertaken. PFRDA launched radio

jingles in Hindi and 10 languages in co-ordination with Prasar Bharati. Also, PFRDA and APY have their presence over various social media platform like LinkedIn, Twitter, Instagram, Facebook and YouTube with thousands of followers.

- IX. Involving ministries and other financial-sector institutions: PFRDA initiated efforts with other Central and State Ministries, SRLMs, RSETIs, NABARD, RBI, NCFE, etc. for the outreach of the scheme by creating awareness programs. PFRDA also requested state offices of RBI and NABARD for sensitizing Urban Cooperative Banks, State and District Cooperative Banks to register with PFRDA and start enrolments under APY. Also approached Registrar of Cooperative Societies of all States & Regional Offices of NABARD for activation of District and State Cooperative Banks in their respective jurisdiction.
- X. Approaching Web-Aggregators to reach out Gig Workers: PFRDA approached Swiggy to create awareness about APY scheme to its delivery partner. Other web aggregators are also being approached for outreach of APY to their staff and front-line workers.

Performance:

During the FY 2022-23, 10 Public Sector Banks (*State Bank of India, Bank of India, Indian Bank, Union Bank of India, Bank of Baroda, Bank of Maharashtra, Indian Overseas Bank, Punjab and Sind Bank, Punjab National Bank and Canara Bank*) have achieved the annual target of 80 Average Account Per Branch (AAPB). While in FY 2021-22, only 8 Public Sector Banks had achieved annual target of 70 (AAPB).

32 RRBs Aryavart Bank, Andhra Pragathi Grameena Bank, Assam Gramin Vikash Bank, Baroda Gujarat Gramin Bank, Baroda Rajasthan Kshetriya Gramin Bank, Baroda U.P. Bank, Chaitanya Godavari Grameena Bank, Chhattisgarh Rajya Gramin Bank, Dakshin Bihar Gramin Bank, Jharkhand Rajya Gramin Bank, Karnataka Gramin Bank, Karnataka Vikas Grameena Bank, Madhyanchal Gramin Bank, Maharashtra Gramin Bank, Manipur Rural Bank, Madhya Pradesh Gramin Bank, Odisha Gramya Bank, Paschim Banga Gramin Bank, Prathama UP Gramin Bank, Puduvai Bharthiar Grama Bank, Punjab Gramin Bank, Rajasthan Marudhara Gramin Bank, Sarva Haryana Gramin Bank, Saptagiri Grameena Bank, Saurashtra Gramin Bank, Tamil Nadu Grama Bank, Telangana Grameena Bank, Tripura Gramin Bank, Uttar Bihar Gramin Bank, Uttarakhand Gramin Bank, Uttarbanga Kshetriya Gramin Bank and Vidharbha Konkan Gramin Bank achieved annual target of 80 AAPB. While in FY 2021-22, 31 Regional Rural Banks had achieved annual target of 70 (AAPB)

Among Private Banks, Tamilnad Mercantile Bank and Dhanlaxmi Bank achieved annual target of 30 AAPB.

Among Payments Bank, Airtel Payments Bank achieved the annual enrolment target for FY 2022-23.

Among Small Finance Bank, AU Small Finance Bank Limited achieved annual target of 50 AAPB.

4 Cooperative Banks (*Shri Mahila Sewa Sahakari Bank Ltd, South Canara District Central Co-Operative Bank, The Udaipur Central Cooperative Bank and The Sabarkantha District Central Cooperative Bank Ltd*) also achieved annual target of 20 AAPB.

3.10 Performance of Pension Fund

Table No. 3.40: Asset Under Management (AUM) Break up in NPS- Growth Scheme Wise Position as on March 31, 2023

(Amt. Rs. In Crore)

Schemes	Mar-21	Mar-22	Mar-23	Growth in AUM			
				YoY Mar 22 over Mar 21		YoY Mar 23 over Mar 22	
				Amount	%	Amount	%
Equity Tier I	18979.51	30303.86	43261.38	11324.35	59.67	12957.52	42.76
Equity Tier II	850.99	1424.51	1681.16	573.52	67.39	256.65	18.02
Equity Total	19830.50	31728.37	44942.54	11897.87	60.00	13214.17	41.65
% Share in Total AUM of Tier I&II	41.59	41.20	40.78	-0.39		-	
Bonds (C)Tier I	9686.51	15509.97	22329.81	5823.46	60.12	6819.84	43.97
Bonds (C)Tier II	482.72	762.55	864.87	279.83	57.97	102.32	13.42
Bonds (C) Total	10169.23	16272.52	23194.68	6103.29	60.02	6922.16	42.54
% Share in Total AUM of Tier I&II	21.33	21.13	21.05	-0.20		-	
G Sec (G) Tier I	16766.30	27630.39	40375.85	10864.09	64.80	12745.46	46.13
G Sec (G) Tier II	835.48	1214.08	1419.11	378.60	45.32	205.03	16.89
G Sec (G) Total	17601.78	28844.47	41794.96	11242.69	63.87	12950.49	44.90
% Share in Total AUM of Tier I&II	36.92	37.46	37.93	0.54		0.47	
Scheme A Tier I	74.76	162.65	271.69	87.89	117.57	109.04	67.04
Scheme A Tier II	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Scheme A Total	74.76	162.65	271.69	87.89	117.57	109.04	67.04
% Share in Total AUM of Tier I&II	0.16	0.21	0.25	0.05		0.04	
Sub Total Tier I	45507.08	73606.87	106238.73	28099.79	61.75	32631.86	44.33
Sub Total Tier II	2169.19	3401.13	3965.14	1231.94	56.79	564.01	16.58
Tier I + Tier II	47676.27	77008.01	110203.87	29331.74	61.52	33195.86	43.11
NPS Lite	4354.38	4686.74	4915.00	332.36	7.63	228.26	4.87
APY	15687.11	20922.60	26700.00	5235.49	33.37	5777.40	27.61
Corporate CG	36929.68	47343.05	58766.72	10413.37	28.20	11423.67	24.13
Sub Total (Pvt Sector)	104647.44	149960.40	200585.59	45312.96	43.30	50625.19	33.76
% Share in Total AUM	18.10	20.36	22.32	2.26		1.96	
Central Govt	181416.26	216883.09	250631.18	35466.83	19.55	33748.09	15.56
% Share in Total AUM	31.39	29.44	27.88	-		-	
State Govt	291959.92	369743.33	447114.39	77783.41	26.64	77371.06	20.93

(Amt. Rs. In Crore)

Schemes	Mar-21	Mar-22	Mar-23	Growth in AUM			
				YoY Mar 22 over Mar 21		YoY Mar 23 over Mar 22	
				Amount	%	Amount	%
% Share in Total AUM	50.51	50.20	49.74	-		-	
Sub Total (Govt.)	473376.18	586626.42	697745.57	113250.24	23.92	111119.15	18.94
% Share in Total AUM	81.90	79.64	77.63	-	-	-	-
Scheme TTS	2.12	6.74	12.53	4.62	0.00	5.79	85.77
% Share in Total AUM	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total	578025.74	736593.56	898866.04	158567.82	27.43	162272.48	22.03

Source: NPS Trust website reports.

Table No. 3.41: The position of the AUM with the Pension Fund Managers

(Amt. Rs. In Crore)

S. No.	Pension Fund Name	Mar-22	Mar-23	Growth in AUM	
				Amount	% Growth
1	SBI Pension Funds Private Limited	2,82,475.65	3,39,006.01	56,530.35	
2	UTI Retirement Solutions Limited	2,01,918.51	2,40,708.60	38,790.09	19.21
3	LIC Pension Fund Limited	2,09,386.28	2,53,248.85	43,862.57	20.95
4	ICICI Prudential Pension Funds Management Company Limited	11,614.32	45,397.36	16,983.50	59.77
5	Kotak Mahindra Pension Fund Limited	2,229.93	16,466.18	4,851.87	41.77
6	HDFC Pension Management Company Limited	28,413.86	2,855.81	625.88	28.07
7	Aditya Birla Sun Life Pension Management Limited	555.01	744.07	189.06	34.06
8	Tata Pension Management Limited	-	105.27	105.27	-
9	Max Life Pension Fund Management Limited	-	142.56	142.56	-
10	Axis Pension Fund limited	-	191.33	191.33	-
	Total	736,593.56	8,98,866.04	1,62,272.48	22.03

Source: NPS Trust

Table No. 3.42 Scheme wise Pension fund wise returns as on March 31,2023 since inception (in %)

SCHEME		ADITYA BIRLA	AXIS	HDFC	ICICI	KOTAK	LIC	MAX LIFE	SBI	TATA	UTI
CG							9.29		9.49		9.25
SG							9.24		9.16		9.19
APY							8.81		8.51		8.76
NPS Swalm /Lite						9.39	9.64		9.59		9.56
Corporate- CG							9.23		9.13		
TIER I	E	11.23	-	13.86	11.65	11.11	11.92	-	10.18	-	11.53
	C	8.29	2.66	9.35	9.64	9.33	9.12	2.92	9.68	2.42	8.72
	G	7.64	3.68	9.04	8.44	8.43	9.86	4.38	9.04	4.28	8.18
	A	6.01	2.51	8.31	6.69	6.43	7.47	-	8.42	3.67	6.21
TIER II	E	11.18	-	12.13	10.26	10.55	9.97	-	10.02	-	10.38
	C	7.66	2.63	8.60	9.46	8.64	8.59	3.19	9.22	3.31	8.76
	G	6.96	2.95	9.17	8.51	8.19	10.10	3.32	9.02	4.67	8.76
TIER II TTS		6.79	2.25	4.97	4.93	6.27	6.08	2.82	3.52	3.72	4.22

Table No. 3.43: Scheme wise Pension Fund wise returns as on 31st March 2023 for 1, 3, 5, 7 and 10 years (in %).

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
E Tier-I	Aditya Birla Sun Life Pension Management Ltd.	1.70%	26.37%	11.39%	NA	NA
	Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
	HDFC Pension Management Co. Ltd.	2.08%	27.34%	12.36%	13.69%	NA
	ICICI Pru. Pension Fund Mgmt Co. Ltd.	1.51%	27.94%	11.68%	12.77%	12.85%
	Kotak Mahindra Pension Fund Ltd.	2.71%	28.11%	11.68%	13.06%	12.93%
	LIC Pension Fund Ltd.	2.82%	29.23%	11.22%	12.28%	NA
	Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
	SBI Pension Funds Pvt. Ltd	1.81%	25.94%	11.12%	12.47%	12.60%
	Tata Pension Management Ltd.	NA	NA	NA	NA	NA
	UTI Retirement Solutions Ltd.	2.53%	27.96%	11.30%	12.87%	13.04%
	Benchmark Return as on 31.03.2023	-0.61%	27.66%	12.02%	13.26%	12.86%

Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
Aditya Birla Sun Life Pension Management Ltd.	3.71%	6.65%	7.93%	NA	NA
Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
HDFC Pension Management Co. Ltd.	3.72%	7.01%	8.12%	8.44%	NA
ICICI Pru. Pension Fund Mgmt Co. Ltd.	3.43%	6.78%	7.70%	8.18%	8.87%
Kotak Mahindra Pension Fund Ltd.	3.53%	6.02%	6.96%	7.64%	8.37%
LIC Pension Fund Ltd.	3.60%	6.90%	7.78%	8.04%	NA
Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
SBI Pension Funds Pvt. Ltd	3.41%	6.62%	7.80%	8.18%	8.65%
Tata Pension Management Ltd.	NA	NA	NA	NA	NA
UTI Retirement Solutions Ltd.	3.38%	6.32%	7.34%	7.79%	8.43%
Benchmark Return as on 31.03.2023	4.00%	7.61%	8.37%	8.48%	8.97%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
G-Tier-I	Aditya Birla Sun Life Pension Management Ltd.	5.27%	5.67%	8.17%	NA	NA
	Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
	HDFC Pension Management Co. Ltd.	5.17%	5.62%	8.27%	8.29%	NA
	ICICI Pru. Pension Fund Mgmt Co. Ltd.	4.85%	5.38%	7.94%	8.12%	8.52%
	Kotak Mahindra Pension Fund Ltd.	5.01%	5.54%	8.11%	8.25%	8.49%
	LIC Pension Fund Ltd.	5.14%	5.53%	8.71%	9.03%	NA
	Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
	SBI Pension Funds Pvt. Ltd	4.58%	5.43%	7.97%	8.19%	8.44%
	Tata Pension Management Ltd.	NA	NA	NA	NA	NA
	UTI Retirement Solutions Ltd.	5.17%	5.46%	7.81%	7.83%	8.21%
	Benchmark Return as on 31.03.2023	5.21%	4.77%	7.53%	7.55%	7.98%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
A-Tier-I	Aditya Birla Sun Life Pension Management Ltd.	2.22%	5.36%	5.89%	NA	NA
	Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
	HDFC Pension Management Co. Ltd.	5.07%	8.78%	8.34%	NA	NA
	ICICI Pru. Pension Fund Mgmt Co. Ltd.	2.05%	7.92%	6.39%	NA	NA
	Kotak Mahindra Pension Fund Ltd.	1.12%	5.38%	6.34%	NA	NA
	LIC Pension Fund Ltd.	5.77%	7.49%	7.81%	NA	NA
	Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
	SBI Pension Funds Pvt. Ltd	1.02%	9.31%	8.35%	NA	NA
	Tata Pension Management Ltd.	NA	NA	NA	NA	NA
	UTI Retirement Solutions Ltd.	4.27%	5.56%	6.09%	NA	NA

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
E-Tier-II	Aditya Birla Sun Life Pension Management Ltd.	1.73%	26.47%	11.38%	NA	NA
	Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
	HDFC Pension Management Co. Ltd.	2.09%	27.25%	12.29%	13.72%	NA
	ICICI Pru. Pension Fund Mgmt Co. Ltd.	1.82%	28.07%	11.83%	12.88%	12.92%
	Kotak Mahindra Pension Fund Ltd.	2.67%	27.75%	11.56%	12.91%	12.83%
	LIC Pension Fund Ltd.	3.13%	29.51%	11.31%	12.26%	NA
	Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
	SBI Pension Funds Pvt. Ltd	2.15%	26.28%	11.22%	12.53%	12.64%
	Tata Pension Management Ltd.	NA	NA	NA	NA	NA
	UTI Retirement Solutions Ltd.	2.38%	28.05%	11.51%	12.90%	13.12%
	Benchmark Return as on 31.03.2023	-0.61%	27.66%	12.02%	13.26%	12.86%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
C-Tier-II	Aditya Birla Sun Life Pension Management Ltd.	3.89%	6.61%	7.73%	NA	NA
	Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
	HDFC Pension Management Co. Ltd.	3.57%	6.61%	7.91%	8.35%	NA
	ICICI Pru. Pension Fund Mgmt Co. Ltd.	3.38%	6.81%	7.61%	8.09%	8.78%
	Kotak Mahindra Pension Fund Ltd.	3.37%	6.02%	7.29%	7.85%	8.43%
	LIC Pension Fund Ltd.	3.43%	7.52%	8.06%	8.28%	NA
	Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
	SBI Pension Funds Pvt. Ltd	3.46%	6.11%	7.37%	7.82%	8.27%
	Tata Pension Management Ltd.	NA	NA	NA	NA	NA
	UTI Retirement Solutions Ltd.	3.46%	6.19%	7.37%	7.79%	8.38%
	Benchmark Return as on 31.03.2023	4.00%	7.61%	8.37%	8.48%	8.97%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
CG	LIC Pension Fund Ltd.	4.23%	8.89%	8.37%	8.70%	9.11%
	SBI Pension Funds Pvt. Ltd	4.30%	8.16%	8.35%	8.69%	8.99%
	UTI Retirement Solutions Ltd.	4.18%	8.56%	8.30%	8.75%	9.05%
	Benchmark Return as on 31.03.2023	4.10%	8.93%	8.58%	8.69%	9.03%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
SG	LIC Pension Fund Ltd.	4.29%	8.77%	8.29%	8.64%	9.11%
	SBI Pension Funds Pvt. Ltd	4.24%	8.04%	8.31%	8.66%	9.01%
	UTI Retirement Solutions Ltd.	4.20%	8.51%	8.29%	8.70%	9.01%
	Benchmark Return as on 31.03.2023	4.10%	8.93%	8.58%	8.69%	9.03%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
Corporate CG	LIC Pension Fund Ltd.	4.47%	8.88%	8.49%	8.80%	9.19%
	SBI Pension Funds Pvt. Ltd	4.28%	8.08%	8.35%	8.71%	9.01%
	Benchmark Return as on 31.03.2023	4.10%	8.93%	8.58%	8.69%	9.03%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
NPS Life	Kotak Mahindra Pension Fund Ltd.	4.21%	8.83%	8.08%	8.51%	8.98%
	LIC Pension Fund Ltd.	4.28%	9.18%	8.61%	8.93%	9.31%
	SBI Pension Funds Pvt. Ltd	4.33%	8.33%	8.29%	8.69%	9.01%
	UTI Retirement Solutions Ltd.	4.06%	8.69%	8.30%	8.75%	9.05%
	Benchmark Return as on 31.03.2023	4.10%	8.93%	8.58%	8.69%	9.03%

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
APY	LIC Pension Fund Ltd.	4.35%	8.72%	8.55%	8.82%	NA
	SBI Pension Funds Pvt. Ltd	3.99%	8.14%	8.52%	8.89%	NA
	UTI Retirement Solutions Ltd.	4.20%	8.48%	8.36%	8.79%	NA
	Benchmark Return as on 31.03.2023	4.10%	8.93%	8.58%	8.69%	NA

	Pension Fund	Returns 1 Year	Returns 3 Years	Returns 5 Years	Returns 7 Years	Returns 10 Years
TTS	Aditya Birla Sun Life Pension Management Ltd.	6.70%	NA	NA	NA	NA
	Axis Pension Fund Management Limited	NA	NA	NA	NA	NA
	HDFC Pension Management Co. Ltd.	6.44%	NA	NA	NA	NA
	ICICI Pru. Pension Fund Mgmt Co. Ltd.	4.08%	NA	NA	NA	NA
	Kotak Mahindra Pension Fund Ltd.	4.85%	NA	NA	NA	NA
	LIC Pension Fund Ltd.	6.39%	NA	NA	NA	NA
	Max Life Pension Fund Management Limited	NA	NA	NA	NA	NA
	SBI Pension Funds Pvt. Ltd	4.05%	NA	NA	NA	NA
	Tata Pension Management Ltd.	NA	NA	NA	NA	NA
	UTI Retirement Solutions Ltd.	5.56%	NA	NA	NA	NA

Table No. 3.44: Pension Fund wise and scheme-wise Asset under Management as on 31 March 2023

Amount in crore

Pension Fund/ Schemes	SBI	LIC	UTI	ICICI	KOTAK	HDFC	TATA	ADITYA BIRLA	MAX LIFE	AXIS	TOTAL
Central Govt	87,438.96	81,514.17	81,678.05								2,50,631.18
State Govt	1,53,441.33	1,48,680.29	1,44,992.77								4,47,114.39
Lite	1,993.03	1,439.19	1,405.35	76.95							4,914.52
APY	9,076.54	8,917.03	8,706.56								26,700.12
APY Fund Scheme	177.70	182.97	162.04								522.71
Total Corp- orate CG	55,830.59	2,936.13									58,766.72
Total Tier I-E	10,849.19	3,297.20	1,483.07	6,406.70	1,136.97	19,623.07	308.17	42.02	42.89	72.10	43,261.38
Total Tier I-C	6,220.59	2,103.46	751.03	3,475.34	544.87	8,999.46	146.67	20.27	33.38	34.74	22,329.81
Total Tier I-G	12,949.83	3,835.15	1,361.98	5,915.92	916.58	14,981.97	231.72	36.45	65.64	80.61	40,375.85
Total Tier I-A	54.10	12.70	8.07	31.39	8.27	153.58	2.81	0.42	0.06	0.29	271.69
Total Tier II-E	374.67	109.98	69.61	259.05	78.02	762.11	21.95	3.29	0.34	2.13	1,681.16
Total Tier II-C	204.96	66.34	31.67	153.71	35.27	358.17	12.74	1.21	0.10	0.71	864.87
Total Tier II-G	390.79	152.81	57.56	222.93	58.35	515.01	19.46	1.39	0.14	0.67	1,419.11
Total Tier II-TTS	3.73	1.43	0.84	1.14	0.53	3.99	0.56	0.22	0.02	0.08	12.53
Total	3,39,006.01	2,53,248.85	2,40,708.60	16,543.13	2,778.86	45,397.36	744.07	105.27	142.56	191.33	8,98,866.04

3.11 Regulated Assets

“Regulated Assets” means and includes tangible and intangible assets created exclusively for the purpose of operations of CRA comprising bespoke software with all the components required for running the application, any third party software and component off the shelf specific to the CRA

application system, all relevant CRA project data, dedicated specific hardware/software components of Data Centre and Disaster Recovery Centre, networks and all other facilities excluding physical infrastructure (building, air conditioners, power supply infrastructure, furniture).

On the expiry of the tenure of the registration

or in the event of termination of the CRA, information and regulated assets held by CRA shall be transferred to another CRA registered with the Authority, within the time period and in the manner, as may be required under the PFRDA Act, rules or regulations or as may be directed by the Authority.

3.12 Fees and other charges levied or collected by the Authority during the financial year.

Fees and charges are levied on the subscribers of the NPS at various stages by the intermediaries serving to the subscribers. At the entry to the NPS system, the intermediaries responsible for registration of the subscribers

in NPS i.e., PoPs, charge fees which are collected upfront from the subscribers. The charge for registration of Atal Pension Yojana (APY) is borne by the government. In the next stage, CRA, the recordkeeping agency, levies fee for opening account and generation of PRAN, maintenance of account by cancellation of units. Thereafter, for each transaction involving contribution of the subscribers there is charge by both CRA and POP. Investment management fee is charged by the Pension Funds for managing the investment portfolio of the subscribers. The custodian of the securities charges for the assets under its custody and reimbursement of NPS Trust expenses are charged from the subscribers.

Table No. 3.45: Fees and charges to the subscribers at various stages

Intermediary	Charge head	Service Charges*			
		Private / Govt.			Lite/APY
					(in Rs.)
CRA	PRA Opening charges		CRA charges for	CRA charges for account opening if the subscriber opts	
			account opening if the subscriber opts for Physical PRAN card (in Rs.)	for e-PRAN card (in Rs.)	NCRA: 15
				Welcome kit sent in physical	KCRA: 15
				Welcome kit sent vide email only	CAMS: 15
		NCRA	40	35	18
		KCRA	39.36	39.36	4
		CAMS	40	-	18
<p><i>Note: The reduction in charges will be on the current charge structure and excludes applicable taxes.</i></p> <p><i>Charges will be applicable post release of the functionalities by CRAs to capture the choice of NPS subscribers to have physical or ePRAN card.</i></p>					

	Annual PRA Maintenance cost per account	NCRA: Rs. 69 KCRA: Rs. 57.63 CAMS: 65		NCRA: 20.00 KCRA: 14.40 CAMS: 16.25
	Charge per transaction	NCRA: Rs. 3.75 KCRA: Rs. 3.36 CAMS: 3.50		Free
POP	-	Private	Govt.	-
	Initial subscriber registration and contribution upload	Min Rs. 200 Max Rs. 400 (Negotiable within slab)	NA	NA
	Any subsequent transactions	0.5% of contribution Min. Rs. 30 Max. Rs. 25000 Non-Financial Rs. 30	NA	NA
	Persistency > 6 months & Rs 1000 contribution	Rs 50 p.a. for annual contribution Rs. 1000 to Rs. 2999 Rs. 75 p.a. for annual contribution Rs. 3000 to Rs. 6000 Rs. 100 p.a. for annual contribution above Rs. 6000	NA	NA
	eNPS (for subsequent contribution)	0.20% of contribution Min Rs. 15 and Max Rs. 10000 (Only for NPS-All Citizen and Tier-II Accounts)	NA	NA
	Processing Exit/ Withdrawal	0.125% of Corpus with Min. Rs. 125 and Max. Rs. 500		
Trustee Bank	-	NIL		
Custodian	Asset Servicing charges	0.000000001770% per annum of Asset under Custody (AUC)		

Pension Fund Charges	Investment Management Fee	Slab of Asset under Management (AUM)	IMF (%)
		Upto 10,000 Cr	0.09% ¹⁴
		Rs. 10,000 Cr to 50,000 Cr	0.06%
		Rs. 50,000 Cr to 1,50,000 Cr	0.05%
		Rs. 1,50,000 Crore and above	0.03%
NPS Trust	Reimbursement of Expenses	0.005% of AUM p.a.	

* In case of Government employees, CRA charges are being paid by the respective Governments.

The Fees received by PFRDA from the various intermediaries during the financial year 2022-23 is provided in the table below:

Table No. 3.46: Fees received during the Financial Year 2022-23:

S.No.	Intermediary	Fee receipt (Rs. in Lakh)
1	Trustee Bank- Axis Bank	3,556.72
2	Pension Fund	11,781.50
3	CRA- Proteon eGov Technologies Ltd	1,112.38
4	Custodian – Deutsche Bank	320.96
5	CRA- Computer Age Management Services Limited	0.81
6	Retirement Advisor / POP/ Aggregator/ ASP/EMD/RFP Processing Fee	67.49
7	CRA- Karvy Computershare Pvt Ltd	33.15
	Total	16,873.01

Fee received from various intermediaries are accounted on realization basis.

3.13 Information sought for, inspections undertaken, inquiries conducted, and investigations undertaken including audit of intermediaries and other entities or organizations and connected with pension funds

3.13.1 Inquiries and investigation

PFRDA and NPS trust review the reports submitted by CRA, Trustee Bank and their

auditors to ensure that the intermediary is following the turnaround time as defined in service level agreements.

3.13.2 Inspection and Audits

PFRDA undertakes supervision of Points of Presence (PoPs) under NPS, NPS-Lite and APY and Retirement Advisors (RAs) to ensure compliance of the Pension Fund Regulatory and Development Authority (Point of

¹⁴UTI Pension Fund charges 0.07% in this slab.

Presence) Regulations, 2018 and the operational guidelines issued there-under.

PFRDA regulates and supervises the PoPs through offsite and onsite monitoring mechanism as under:

(a) Offsite monitoring:

- (I) The offsite monitoring and supervision include review of the reports/compliances submitted by the PoPs to PFRDA as under: -
 - a) Monthly MISs, quarterly exception reports on the delays in SCF uploads and remittance of contributions and other subsequent services;
 - b) Quarterly/half-yearly compliance certificates;
 - c) Account balance certificate on un-reconciled balances in NPS collection accounts;
 - d) Cyber security certificate;
 - e) Pending grievances;
 - f) Utilisation Certificate under APY for credit of Government Co-contributions to subscribers saving bank accounts.
- (ii) The defaulting PoPs are advised to adhere to the specified operational Turn Around Times and to pay compensation for delays observed, if any.
- (iii) Warning/Caution letters were issued to PoPs for non-adherence of extant regulations, circulars, and guidelines issued by the PFRDA from time to time.
- (iv) If deemed fit, the matter can be referred to the Adjudication department for initiating Adjudication proceedings. During FY 2022-23, no such matter was referred to the concerned department.

(b) Onsite monitoring:

- (I) Onsite inspections of the POPs are conducted to monitor the compliance of the PoPs and their adherence to the operational TATs as specified in the operational guidelines under regulations. The inspection parameters cover the processes adopted by the PoPs and services offered by the PoPs, which include all activities right from onboarding of subscribers to the exit/withdrawal. PoPs are required to comply with the provisions of PFRDA (PoP) Regulations 2018 and guidelines and circulars issued thereunder. Other pertinent areas which are monitored, include the customer due diligence process adopted by the PoP (including the compliance of KYC and CKYC norms as per the PMLA Act and Rules), escalated grievances pending for resolution, reporting of operational delays, payment of compensation if any, balances in collection accounts, etc.
 - (ii) During FY 2022-23, a total of 22 onsite inspections of PoPs performing activities under NPS, NPS-Lite, and APY-PoPs were conducted and PoPs were advised to comply with the deviations observed during the Inspections. Further, subsequent follow-up with the PoPs for compliance with deviations and closure of the Inspection Report was done.
 - (iii) 110 Internal Audit Report (IAR) for FY 2021-22 submitted by the PoPs under NPS and NPS-Lite during the FY 2022-23 were processed. PoPs were advised to comply with the deviations observed by the auditor, and subsequent follow-up with the PoPs for compliance of deviations and closure of the Audit Report

3 Issuance of advisories/directions/notices under Regulation 14(2)(o) of PFRDA Act, 2013 to PoPs under NPS, NPS-Lite, APY and RAs.

Advisories and directions have been issued to POPs on various matters to ensure the compliance and smooth functioning of activities under NPS.

4. Submission of preliminary report:

In the event of any alleged violations having been detected, which prima facie discloses any act of omission or commission covered under Section 28 of the Act, a formal preliminary report is submitted to the Member in Charge (Investigation and Surveillance) in accordance with PFRDA (Procedure for inquiry by Adjudicating Officer) Regulations, 2015. During FY 2022-23, no preliminary report was submitted.

5. Policy Matters

Based on the requirement and suggestions received from various stakeholders for improvement in processes and procedures, PFRDA examines the matter, prepare the draft, and recommends the policy for improvements for the benefit of subscribers and stakeholders.

For all other intermediaries under NPS, mechanism exists for offsite/onsite inspections.

3.13.3 Adjudication

In Compliance to Securities Appellate Tribunal (SAT) order dated 15.02.2021, in the matter of penalty imposed against an Aggregator, the Member (In-charge for imposing Penalty) passed an order on 02.05.2022, directing to conduct 'fresh

inquiry' in the instant case. Accordingly, an Adjudicating Officer was appointed for holding an inquiry, adjudging and recommending penalty in the given case. The Member (In-charge for imposing Penalty) in his order dated 04.05.2022 imposed a penalty of Rs. 5,00,000 on UTI Asset Management Company Ltd. and the same amount has been received.

3.13.4 Internal Audit

PFRDA conducted annual internal audit exercise based on the annual Audit plan for the audit period i.e., FY 2021-2022. According to the plan, 20 audits covering all the departments of PFRDA were conducted. The audit scope included review of all operational activities, record-keeping and accumulation and evaluation of evidence to derive quantifiable information for the purpose of reporting. It encompassed assessment of qualitative parameters, risk of non-compliance and identification of high-risk areas, if any. The risk-based ranking has been initiated for all the departments based upon the audit findings and a broad set of indicators for low, medium and high levels of risks. It is the department's endeavor to deepen the risk based Internal Audit process and improvise a comprehensive risk assessment methodology and develop effective internal control mechanisms.

3.14 Others

3.14.1 Subscribers (category wise) covered under the National Pension System and other pension schemes under the Act

- i) Number of Subscribers under NPS over the Years

Enrolment of subscribers in NPS

increased from 520.21 lakh in March 2022 to 632.55 lakh in March 2023. The growth of number of subscribers during 2022-23

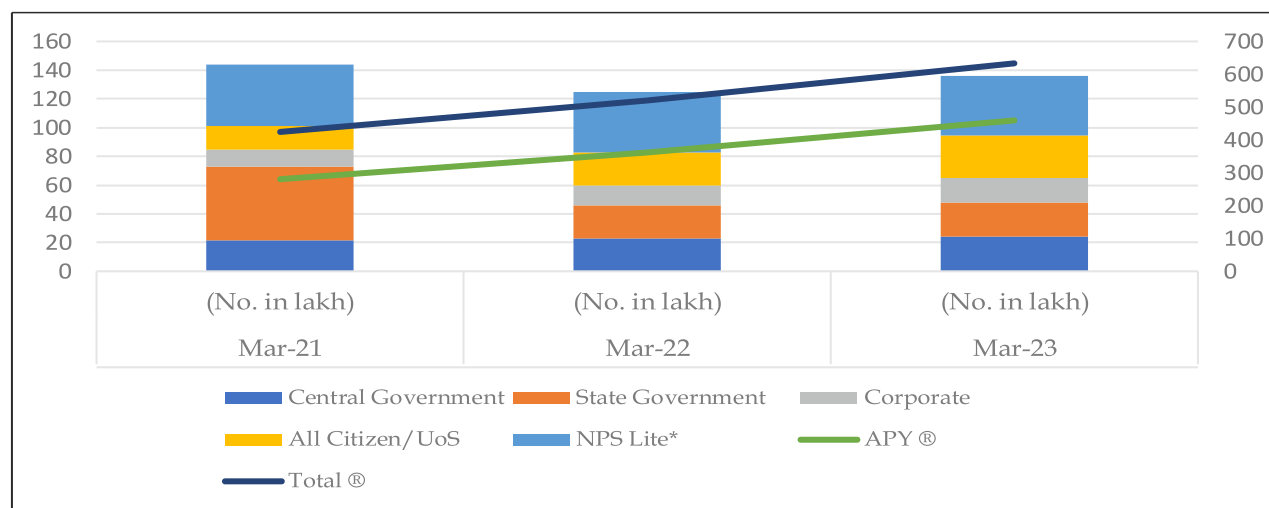
is 21.60 per cent. A year-wise number of NPS subscribers is provided in below chart.

Table No. 3.47: Sector wise number of Subscribers under NPS/APY:

Sectors	March 2022 (No. in lakh)	March 2023 (No. in lakh)	Growth over year	
			Absolute increase (No. in lakh)	Percent
Central Government	22.84	23.97	1.13	4.96
% To total	4.38	3.79	-	-
State Government	55.77	60.96	5.19	9.31
% To total	10.70	9.64	-	-
Corporate	14.05	16.82	2.77	19.72
% To total	2.70	2.66	-	-
All Citizen/UoS	22.92	29.57	6.65	29.03
% To total	4.40	4.67	-	-
NPS Lite/Swavalamban*	41.87	41.76	-	-
% To total	8.03	6.60	-	-
APY	362.77	459.47	96.7	26.66
% To total	69.60	72.64	-	-
Total	520.21	632.55	112.34	21.60

*(No fresh registration permitted after 01st April 2015)

Chart 3.8: Year wise number of subscribers under NPS & APY



ii) No. of subscribers – Sector wise
Government Sector

Table No. 3.48: No. of Subscribers, Contribution & AUM of Government Sector as on March 31, 2023

Sector	No. of Subscribers	Contributions (Rs. crore)	AUM (Rs. crore)
Central Government	23,97,125	182623.09	257637.7
State Government	60,95,989	342509.37	449185.67
Total	84,93,114	525132.46	706823.38

Government subscribers have increased from 78.61 lakh at the end of March 2022 to 84.93 lakh subscribers at the end of March 2023, registering an increase of 6.32 lakh (8.04 per cent).

iii) Private Sector

Table No. 3.49: No. of Subscribers, Contribution & AUM of Private Sector as on March 31, 2023

Particulars	No. of Subscribers	Contributions (Rs. crore)	AUM (Rs. crore)
Corporate Sector	1681865	88467.82	117281.49
All Citizen/UoS	2957449	46133.03	42622.61
Total	4639314	134600.85	159904.11

Under Private sector, number of corporate subscribers has increased from 14.05 lakh in March 2022 to 16.82 lakh March 2023, an increase of 2.77 lakh subscribers and a growth of 19.72 percent. The subscribers under UoS/All Citizen have increased from 22.92 lakh as end of March 2022 to 29.58 lakh as end of March 2023, an increase of 6.66 lakh subscribers and a growth of 29.06 percent.

iv) Unorganised Sector

Table No. 3.50: No. of Subscribers, Contribution & AUM of NPS Lite and APY as on March 31, 2023

Particulars	No. of Subscribers	Contributions (Rs. crore)	AUM (Rs. crore)
NPS Lite	4175845	3185.41	4914.52
Atal Pension Yojana	45947302	24438.95	26700.03
APY Fund Scheme	-	522	522.71
Total	50123147	28146.36	32137.26

- Number of subscribers under NPS Lite and APY, together, has increased from 404.64 lakh in March 2022 to 501.23 lakh in March 2023, increasing by 96.59 lakh subscribers (23.87 per cent).
- New entry into NPS Lite scheme has been discontinued w.e.f. April 1, 2015, and APY was launched on May 9, 2015, and it became operational from 1st July 2015. APY is focused on the poor and the under-privileged citizen of India; it will provide a defined pension after 60 years of age.

- Under the APY, the subscribers would receive the minimum guaranteed pension of Rs. 1000 per month, Rs. 2000 per month, Rs. 3000 per month, Rs. 4000 per month, Rs. 5000 per month, at the age of 60 years, depending on their contributions, which itself would be based on the subscriber's age on joining the APY. The minimum age of joining APY is 18 years and maximum age is 40 years. Therefore, minimum period of contribution by any subscriber under APY would be 20 years or more.
- Scheme operates through all Bank Branches / Post Offices / Payment Banks / Small Finance Banks registered with Central Recordkeeping Agency (CRA).
- APY scheme is managed by three public sector pension funds namely LIC, SBI and UTI. The asset under management of this scheme as in March 2023 is Rs. 26,700 crores.

3.14.2 Points of Presence

"Point of Presence" is an intermediary registered with the Authority under sub-section (3) of section 27 and capable of electronic connectivity with the central recordkeeping agency for the purpose of receiving and transmitting funds and instructions and payout of funds., as per section 20 of PFRDA Act 2013, it is made responsible for "collection and transmission of contributions and instructions shall be through points of presence to the central recordkeeping agency". Hence, POPs interact with the subscriber while onboarding him/her as an NPS subscriber and perform the functions related to registration, Know Your Customer (KYC) verification, receiving contributions and instructions from subscribers, and

transmission of the same including compliance with Prevention of Money Laundering (PML) Act, 2002 and the rules framed thereunder, as may be applicable, from time to time.

Under the architecture of NPS, there are 331 Points of Presence (NPS- regular/Aggregators/APY-SP) and 53 POP-SEs registered with the Authority as on 31.03.2023.

Issuance of Certificate of Registration (fresh/revised due to merger/amalgamation/change in constitution and name:

During the financial year, 24 entities were issued 'Certificate of Registration(s)' under the category of Point of Presence and Point of Presence- Sub-Entity, wherein all the parameters related to eligibility were examined along with obtaining suitable declarations, information, certifications and approvals if any.

Choice of POP to subscribers/Corporates:

Under the NPS architecture subscribers/Corporates (having an employee- employer relationship) can choose their Point of Presence as per their choice. The list of points of presence is available on the website of the Authority.

Circulars Issued:

To incentivize the POPs to actively promote and distribute NPS and provide better customer service, applicable charges for POPs for the various services provided by them, during the financial year, two circulars were issued by the Authority regarding:

1. Clarification on non-financial charges for PoPs under NPS (All Citizen and Corporate) under NPS vide Circular No. PFRDA/2023/04/REG- PoP/01 dated 20.01.2023.

Rationale - It had been brought to the notice of the Authority, that PoPs are treating certain non-financial charges stipulated under the said circular as negotiable. Hence a clarification was issued that non-financial charges are non-negotiable.

2. "Guidelines on Know Your Customer / Anti-Money Laundering / Combating the Financing of Terrorism (KYC/AML/CFT)" was issued vide Circular No. PFRDA/2023/05/REG-POP/02 dated 23.01.2023.

Rationale-

- a. Entities registered as Point of Presence (PoP) are required to comply with the requirements of Prevention of Money Laundering Act, 2002 as per Regulation 15 of the PFRDA (Point of Presence) Regulations, 2018.
- b. These guidelines are issued under the provisions of PML Act and Rules.
3. Implementation of Section 12A of The Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 (the Act) under NPS vide Circular no. PFRDA/2023/10/REG-POP/03 dated 03.03.2023.

Rationale-

- a. Order F.No. P-12011/14/2022-ES Cell-DOR dated 30th January, 2023 issued by the Department of Revenue, Ministry of Finance under Government of India on the

captioned subject. Section 12A of the Act deals with prevention of financing related to weapons of mass destruction and their delivery systems.

- b. The salient aspects of the aforesaid order pertaining to bank accounts, stocks or insurance etc., would also be applicable to NPS / NPS Lite / APY or any other scheme regulated or administered by PFRDA
- c. Head of Regulation Contribution Management Department shall be the Nodal officer from PFRDA in respect of implementation of Section 12A of the Act.
4. Designation of Nodal Officer of PFRDA for implementation of Section 51A of Unlawful Activities (Prevention) Act, 1967 under NPS vide Circular no. PFRDA/2023/12/REG-POP/04 dated 20.03.2023.

Rationale-

- a. Order F. No. 14014/01/2019/CFT dated 2nd February, 2021 issued by the Counter Terrorism and Counter Radicalization (CTCR) Division, Ministry of Home Affairs under Government of India regarding 'Procedure for implementation of Section 51A of the Unlawful Activities (Prevention) Act, 1967 (UAPA)'.
- b. For the purpose of implementation of Section 51A of UAPA, 'Head of Department of Regulation Contribution Management shall be the UAPA Nodal Officer from PFRDA with immediate effect.

3.14.3 Assets under Management Scheme wise

The details of the scheme wise asset under management are given in the table below

Table No. 3.51: Scheme wise Asset under Management

(Amt. in Rs. Crore)

Scheme	Mar-22	Mar-23	Absolute Growth	% Growth
Central Government	2,16,883.09	2,50,631.18		
State Government	3,69,743.33	4,47,114.39		
Sub Total	5,86,626.42	6,97,745.57	1,11,119.15	18.94
NPS Lite	4,686.74	4,914.52		
APY	20,922.60	26,700.12		
APY Fund Scheme	-	522.71		
Corporate CG	47,343.05	58,766.72		
Tier I-E	30,303.85	43,261.38		
Tier I-C	15,509.97	22,329.81		
Tier I-G	27,630.39	40,375.85		
Tier I-A	162.65	271.69		
Tier II-E	1,424.50	1,681.16		
Tier II-C	762.55	864.87		
Tier II-G	1,214.08	1,419.11		
TTS	6.75	12.53		
Sub Total	1,49,967.14	2,01,120.47	51,153.33	34.11
Grand Total	7,36,593.56	8,98,866.04	1,62,272.48	22.03

The above table indicates that the asset under management for government sector NPS schemes (CG and SG) has grown by around 18.94 percent, however the asset under management of the schemes other than these two schemes has grown by around 34.11 percent. In terms of absolute number, the government sector schemes grew by Rs1,11,119.15 crore whereas other than government sector schemes in aggregate grew by Rs. 51,153.33 crores.

3.14.4 The Central Record keeping Agency

I) Introduction

Central Recordkeeping Agency is required to establish a system (defined under section 21 of the Pension Fund Regulatory and Development Authority Act, 2013) that delivers compliance with standards for internal organization and operational conduct, to protect the interests of subscribers under the framework of the National Pension System

(‘NPS’). It also acts as an operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank, Nodal offices, Points of Presence etc.

Presently, the following three entities have been registered as Central Recordkeeping Agencies under NPS Architecture:

- (a) Protean eGov Technologies Limited
- (b) KFin Technologies Limited
- (c) Computer Age Management Services Limited

Protean, was appointed by PFRDA, as the Central Recordkeeping Agency and an agreement was executed on November 26, 2007. After notification of the PFRDA (Central Recordkeeping Agency) Regulations, 2015 with effect from April 27, 2015, NSDL e-Governance Infrastructure Ltd was issued certificate of registration to work as Central Record keeping Agency effective from December 18, 2015, for the remaining period of the original contract dated November 26, 2007, effective from December 01, 2007, for 10 years and after that, periodic extensions were granted. CRA acts as an operational interface for all intermediaries. The role includes liaisoning with all necessary external agencies and recordkeeping, administration, and customer service functions for all subscribers of the NPS. During the FY 2016-17, PFRDA had registered M/s KFin Technologies Private Limited (erstwhile M/s Karvy Computershare Private Limited) as second CRA and allowed them to start its operations for servicing of accounts sourced through e-NPS module of NPS Trust wherein the subscriber was provided an option to choose between Protean and M/s Kfin Technologies CRA (2nd CRA) with effect from February 15, 2017, and other

distribution channels thereafter. M/s Kfin Technologies CRA was allowed to service the new accounts till March 31, 2017, and thereafter it was allowed to function as a full-fledged CRA with interoperability functionality providing for option to shift for existing subscribers of NPS from April 01, 2017, onwards. In FY 2020-21, another entity, Computer Age Management Services Ltd. (CAMS) has been granted Certificate of Registration under PFRDA (CRA) Regulations, 2015. The third CRA has operationalised its eNPS platform w.e.f. 17th March 2022.

Under sub regulation 4 of regulation 3 the CRA 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. Accordingly, the criterion for allocation of subscribers is mentioned as under:

In case where there is employee-employer relationship, including corporate, if the CRA charges are being borne by the employer, the decision to select the CRA shall rest with the employer, unless they specifically delegate the option to individual employees and in all other cases, the choice of selection of CRA will rest with the employee/ subscriber under NPS. In case of voluntary subscribers (without existence of any employee-employer relationship) the option to choose a CRA rests with the subscriber in general. In case of subscribers registered under Atal Pension Yojana, the respective government will choose the CRA for rendering the services. In case of NPS Lite subscribers the PoP/ Aggregator had the option to choose the CRA.

ii) Role and responsibilities of CRA

The major role and responsibilities of CRA are as follows:

- i. Continuous Enhancements and developments of new functionalities. It is the responsibility of the CRA to create and establish Facilitation-Centres network across country. They have to develop various new functionalities/utilities and do continuous enhancements and development of modules to address changing requirements of various stakeholders.
- ii. Services to Subscribers of all sectors. The primary role of CRA is of recordkeeping, administration, providing customer service functions for all NPS subscribers, issuance of unique Permanent Retirement Account Number (PRAN) and IPIN/TPIN to the subscribers. The various services to the subscribers includes sending SMS alerts and emails at the time of registration, credit/ debit of units, withdrawal, balance in the PRAN, conducting subscriber awareness programs and providing web-based access to all the NPS stakeholders. CRA also provides Centralized Grievance Management System and Call-Centre facility to the subscribers and Nodal offices. Besides these services all subscriber maintenance services such as change of scheme, change of demographic details, grievance handling etc. are being handled by CRA.
- iii. Services to Intermediaries
 - PFs- It is the primary responsibility of CRA to timely intimate the position of the

funds to PFs, prepare and send consolidated Investment Preference Scheme information, sending net fund transfer report to PFs on the basis of confirmation of fund transfer report received from Trustee bank and to measure the Scheme performance reports using NAVs sent by PFs to CRA.

- TB- To reconcile pension fund reports received from Trustee Bank Account(s) with pension fund contribution information report and generate error/discrepancy report on fund reconciliation, sending instruction to Trustee Bank to remit withdrawal fund to subscribers' account and remit remaining amount to Annuity Service Providers' account against the annuity scheme.
- ASPs - To collect physical application forms from the subscribers and forward them to ASPs and sharing funds transfer details for the subscriber's annuity to ASPs. Transferring electronic data transfer to ASPs with respect to subscriber details and sending instruction on Annuity scheme.

iv. Others

Provide periodic and ad-hoc MIS (including Grievance redressal) to PFRDA, State Governments, Central Government and Ministry of Finance, conduct periodic orientation programs.

Contact details

Contact details of CRAs have been displayed on PFRDA's website for wider reach and for the benefit of all stakeholders including subscribers. The details are as under:

Name	Protean eGov Technologies Limited	Kfin Technologies Limited	Computer Age Management Services Limited
Registration No.	CRA001	CRA002	CRA003
Validity	25 January 2021 – Perpetual	14 June 2016 – 13 June 2026	30 March 2021 – Perpetual
Website	http://npscra.nsdl.co.in/	https://nps.kfintech.com/	www.camsnps.com
Registered Address	1st Floor, Times Tower, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032	No.10 (Old No.178), M.G.R. Salai, Nungambakkam, Chennai – 600 034
Contact Person	Mr. Mandar Karlekar	Ms. Chetna Mulani	Srivatsav K.
E-mail	cgro@nsdl.co.in	kcra@kfintech.com	cragro@camsonline.com
Telephone	022 – 4090 4788	040 – 68309507	044 – 6602 4888
Call Center No.	1800 222 080 (NPS) / 1800 889 1030 (APY)	1800 208 1516	—
Helpdesk number	022 – 2499 3499	—	—

v. Annual Fee

Authority, vide a Circular No. PFRDA/2020/22/REG-CRA/3, dated 15.06.2020, had prescribed a “Guidelines for Price Discovery Mechanism for the charges to be levied by Central Recordkeeping Agencies (“CRA”) for the services rendered by them to the subscribers, as an integral part of Selection of

Central Recordkeeping Agencies initiated in 2020 in accordance with on-tap registration of CRA under the provisions of PFRDA(CRA) Regulation 2015 and amendments thereto.

The present charge’s structure to be levied by Central Recordkeeping against their services rendered to NPS regular and NPS Lite subscribers is as below:

Table No. 3.52: CRA Service Charges Structure for NPS Regular and NPS Lite/APY

S. No.	Service Charge head	M/s Protean eGov Technologies Limited (1st CRA)		M/s KFin Technologies Ltd. (2nd CRA)		M/s Computer Age Management Services Ltd. (3rd CRA)	
		NPS Regular (Rs.)	NPS Lite/ APY (Rs.)	NPS Regular (Rs.)	NPS Lite/ APY (Rs.)	NPS Regular (Rs.)	NPS Lite/ APY (Rs.)
1	PRA opening charges	40.00	15.00	39.36	15	40.00	15.00
2	PRA Annual maintenance charges	69.00*	20.00	57.63	14.4	65.00	16.25
3	Transaction charges	3.75	NIL	3.36	NIL	3.50	NIL

Note: * w.e.f 01.10.2021.

vi. Regulations and amendments:

All the CRAs are required to perform their activities, broadly defined under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013, and the regulatory framework prescribed under Pension Fund Regulatory and Development Authority (Central Recordkeeping Agency) Regulations, 2015, and amendments thereof by the Authority and guidelines, circulars, etc., issued from time to time.

During FY 2022-23, no need for amendment in the extant regulations was observed.

1. Reduction of timelines for settlement to T+2: Various types of withdrawal requests submitted by the subscribers will be processed within T+2 days now against the previous time of T+4 days Requests received till 11 AM would be processed in T+2 days and requests received after 11 AM will be processed in T+3 days.
2. DigiLocker: CRAs have integrated their systems with Digilocker to provide the

Subscriber Centric Services e-PRAN, Account statemen and Aadhar-Digilocker based account opening. CRA has also started account opening through DigiLocker using Driving Licence as a KYC document. The subscribers can open their NPS accounts through NPS mobile application also, thus making it even easier to join NPS.

3. UPI based Instant Bank Account Verification through Penny drop: Bank Account authentication using PAN and UPI - Introduction of the new facility for the benefit of Subscribers and enhanced due diligence.
4. e-Investment choice: Govt sector subscribers can change their investment choices online, wherein the subscriber can submit the request directly in the CRA login and which can be authenticated through OTP received on the Registered Mobile/Email-id without requirement of authorization from nodal office.

5. CRA has started CERSAI C-KYC identifier-based e-NPS account opening.
6. Option to continue with existing Investment choice/PF (including Default scheme) for Government and Corporate subscribers after shifting to All Citizen Sector after their retirement/resignation/termination has been enabled.
7. NPS Prosperity Planner (NPP) has been conceptualized to behaviourally motivate the subscribers to contribute more towards NPS. PFRDA envisions that NPP will be a nudging factor that pushes the subscribers to step up their contributions by making them understand the essence of early start to optimize investment and the power of compounding effect.
8. Enablement of UPI handle under contributions through D-Remit: Now, the contributions through UPI handle are also accepted for the benefit of NPS subscribers. With that, NPS Subscribers can remit funds into their PRAN via Virtual account number provided by CRA.
9. Annuity Literacy Programme (ALP) under NPS: NPS subscribers retiring in next few years are the intended participants to get their queries clarified. So far, 21 ALPs/eALPs have been conducted across the country and around 6500 subscribers are directly benefitted out of it.
10. Subscriber Education & Empowerment Programs (SEEP): PFRDA has started the Subscribers Education and Empowerment Program (SEEP) to educate subscribers about various NPS benefits & features. This will help the subscribers for better-informed decisions/choices and sensitize the subscribers on the empowerment tools developed and offered by PFRDA which are made available by CRAs for the benefit of Subscribers. SEEP shall also be used to nudge the Subscribers to save for Retirement with right the amount contribution as per their income, increase their periodic contribution based on rise in income, change the mindset of Subscribers about NPS as a mere tax saving tool to retirement vehicle.
11. e-Sampark platform of NIC used by PFRDA for sending 'Citizen Centric' messages for awareness creation among target population as well as the subscribers of NPS/APY. Further, this will create an opportunity for PFRDA to get connected to NPS subscribers directly, for dissemination of information, notifying subscribers regarding new functionalities being released, alerts etc.
12. Account Aggregator (AA) framework is a public digital infrastructure that empowers citizens to discover and link their own data captured with various financial and share this data electronically in a data blind manner and securely with regulated institutions. Central Recordkeeping Agencies (CRAs) are onboarded on the AA Framework as Financial Information Providers.

3.14.5 Pension Funds

Pension fund means an intermediary which has been granted a certificate of registration under sub - section (3) of section 27 of Pension Fund Regulatory and Development Authority Act, 2013 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.

Appointed and registered Pension Funds manage pension corpus through various schemes under National Pension System or any other Scheme. Pension Funds use their access codes to confirm receipt of netted assets and instructions regarding fund allocation, confirm allocation of funds and communicate the NAV of each scheme to CRA and the transaction of securities for settlement to custodian of securities on a regular basis.

Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 was notified on 14th May, 2015 and the Pension Funds have to abide by these regulations including any amendments thereunder.

Functions of Pension Funds

The functions of the Pension Funds include, but are not limited to the points mentioned below:

- a) 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 timelines as specified by the Authority or the National Pension System Trust.
- b) The day-to-day management of the pension funds shall be done by the pension fund on behalf of the National Pension System Trust.
- c) 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.
- d) 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.
- e) The pension fund shall facilitate and co-ordinate with other intermediaries and other entities inter alia through agreements, technological platforms for undertaking its functional obligations.
- f) 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.
- g) 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.
- h) 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.

- i) 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.
- j) 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.
- k) The pension fund shall ensure exclusivity and segregation of pension fund business activities from its sponsors.
- l) 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.
- m) 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.

3.14.6 The Trustee Bank

Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations PFRDA (Trustee Bank) regulations, 2015 had been notified on March 23, 2015.

The objective of the Pension Fund Regulatory and Development Authority (Trustee Bank) Regulations is to set standards for the eligibility, governance, organization and operational conduct of the entity which gets selected as Trustee Bank. Regulations would ensure an effective and credible use of inspection, investigation, surveillance and enforcement powers and implementation of an efficient compliance program in tune with the spirit of PFRDA Act

I) Trustee Bank:

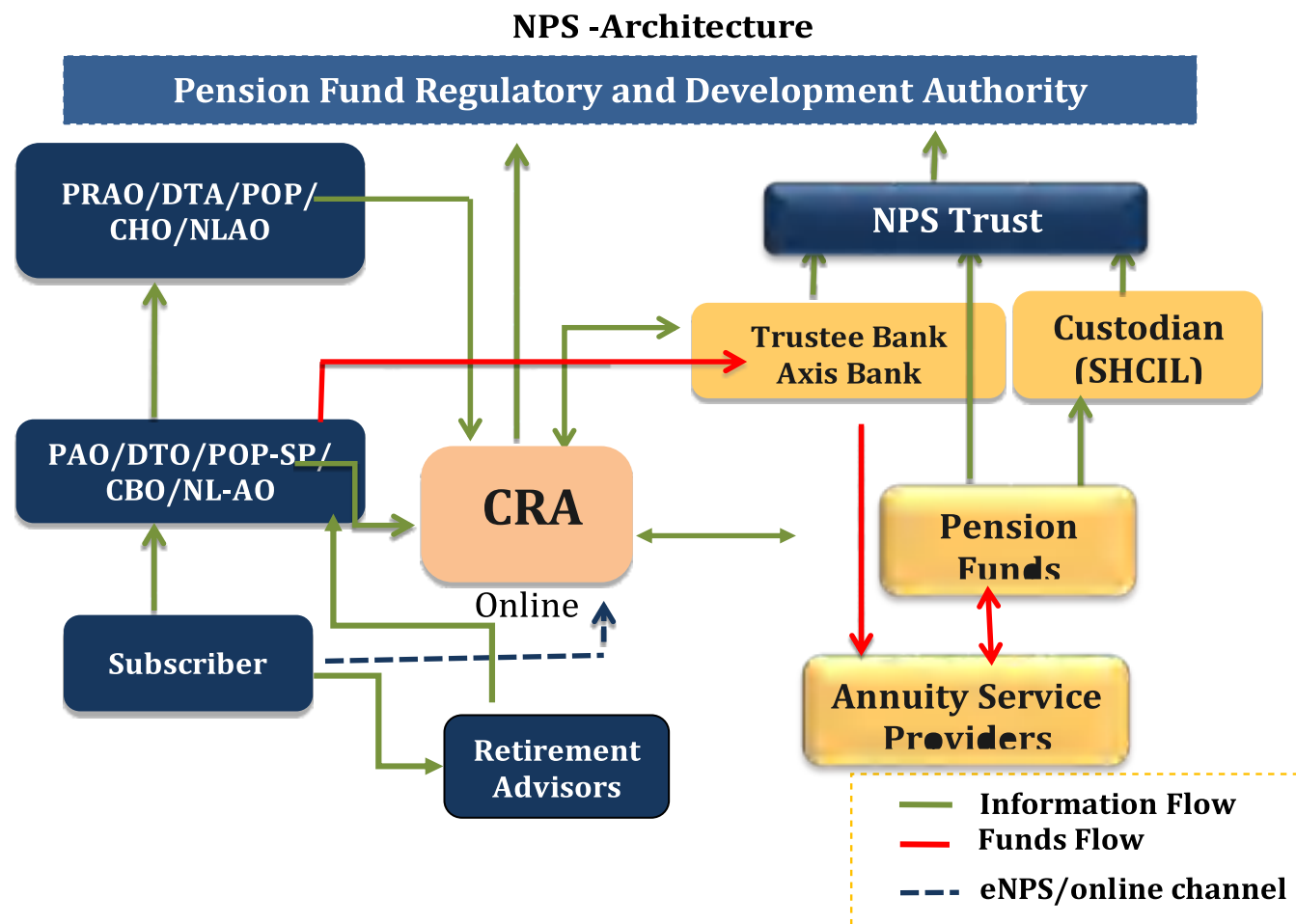
Axis Bank Ltd. has been appointed as Trustee Bank under NPS, in response to the Request for Proposal (RFP) dated 12th October 2020 issued by PFRDA for selection of Trustee Bank under PFRDA (Trustee Bank) Regulations, 2015 and amendments thereto.

The Certificate of Registration issued to Axis Bank as NPS Trustee Bank w.e.f. 8th January 2021 and is valid for a period of five years from the date of grant of certificate of registration and extension granted thereto, unless suspended or cancelled by the Authority as per regulation 13 of PFRDA (Trustee Bank) Regulations 2015 and amendments thereto.

A service level agreement (SLA) has been executed by NPS Trust with Trustee Bank in line with the provision of RFP dated 12.10.2020 and PFRDA (Trustee Bank) Regulations, 2015 and amendments thereto as well as Circular and guidelines issued under it.

The following diagram depicts the role of Trustee Bank in the NPS architecture:

Chart 3.9: NPS architecture and intermediaries



Roles and responsibilities of Trustee Bank

1. Trustee Bank provides banking facilities as directed by NPS Trust under the prescribed regulations, guidelines, circulars and directions of the Authority.
2. Trustee Bank signs the required Service Level Agreement and Non-disclosure Agreement, where applicable, with the National Pension System Trust and other intermediaries under the schemes regulated or administered by the Authority.
3. Trustee Bank establishes an interface and works in total co-operation and co-ordination with the other intermediaries appointed under the National Pension System.
4. Trustee Bank takes all reasonable steps and exercises due diligence to ensure that the banking facilities provided are not contrary to the provisions of PFRDA/NPS Trust guidelines/directions and the rights and interests of the subscribers are protected.
5. Trustee Bank accounts are on behalf of the NPS subscribers, and opened in the name of the NPS Trust. The NPS Trust is

registered owner of these funds. However, individual NPS subscribers shall remain beneficial owners of these funds. The NPS Trust is exempted from payment of income tax as per Section 10(44) of IT Act, 1961.

6. Trustee Bank carries out banking functions for the funds under the NPS as per guidelines/ notifications/ directions issued by PFRDA and operational Service Level Agreement executed with NPS Trust and Standard Operating Procedures issued by NPS Trust based on PFRDA's guidelines.
7. Trustee Bank is responsible for the day-to-day flow of Funds.
8. Trustee Bank transmits the information pertaining to the NPS funds available with it and instructions to the CRA(s) on a regular basis.
9. Trustee Bank provides web-based access to the NPS Trust, PFRDA, CRA(s) and other service providers.
10. Trustee Bank adapts 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 PFRDA/NPS Trust.
11. Trustee Bank maintains books and records about the funds flow and information flow between NPS Trustee Bank, CRA(s), subscribers, Pension Fund, etc. to ensure compliance with the guidelines, and submits regular reports at such intervals and in such manner as may be required or called for by PFRDA/NPS Trust.
12. Trustee Bank is expected to comply with the disclosure requirements and the code of conduct specified by PFRDA/ NPS Trust and other financial sector regulators from time to time. The books and records related to the Trust accounts shall be available for inspection to the authorized officers or agents of PFRDA, NPS Trust, RBI, and their respective auditors.
13. Trustee Bank submits the following Periodic reports with PFRDA/NPS Trust-
 - a) Extracts of Internal audit report from independent auditors with respect to the NPS Trust Accounts, compliance certificates and subscriber complaints reports at regular intervals.
 - b) Concurrent audit report submitted every quarter.
 - c) External audit report of all the NPS accounts maintained with the Trustee Bank submitted annually.
14. Trustee Bank shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by NPS Trustee Bank.
15. Trustee Bank facilitates fund transfers across various entities of CRA system viz. Nodal Offices (uploading offices), Pension Fund Managers, Annuity Service Providers and subscribers.
16. Trustee Bank uploads a file containing the details of the funds received from various Nodal Offices to the CRA system. These details are then matched with contribution details provided by Nodal Office(s) to CRA system.

17. Trustee Bank receives fund transfer instructions from CRA system as a part of Pay-in process to transfer funds to various entities viz. PFMs, Annuity Providers, withdrawal Account and may also receive funds from Pension Fund Manager(s).
18. Return of unidentified remittances or remittances with incomplete information to the concerned entity.
19. At the end of each settlement day, the balance funds at Trustee Bank account are reconciled with CRA system.

ii. Timelines for Trustee Bank

The business activities of Trustee Bank are linked with the other processes at CRA. Therefore, bank ensures that the activities are completed within the timelines specified. The chart given below gives the basic idea of the core activities and time limit within which the same is carried out by the Bank:

Table No. 3.53: Core activities of the Trustee Bank with timelines

S. No.	Nature of activity	Cut off time*	Day*
1	Fund realization at TB	End of the Day	T
2	Return of unidentified Funds	End of the Day	T+1
3	Upload of fund receipt confirmation file	I) For Normal FRC: By 9.15 A.M on T+1 day (for cleared funds received on day T) ii) For D-Remit FRC: By 10.30 A.M on T day (for cleared funds received between 09:30:01 am on T and 09:30:00 am on day T+1); Daily	Daily
4	Download pay in instruction files	By 11:30 A.M	Daily
5	Cut off time for Confirmation of transfer of Funds to PFs and withdrawal account	i) PF transaction processing: 1.30 PM ii) WAC file processing: End of the Day	Daily
6	Transfer of M&B Funds to PFs	Within 25 minutes from download of Pay-in	T+1
7	Upload of statements and closing balance of various Accounts	End of the Day	Daily

Noncompliance with the timelines as specified by the Authority may attract penal provisions as may be specified from time to time. The present applicable rate of penal provision for non-compliance in timelines is RBI Repo plus two per cent per annum payable as compensation.

The compensation amount shall be credited to the individual PRAN of the subscriber if the amount is more than Rs. 50/- and would be credited to SEPF account if it is less than Rs.50/-

Regulatory Fee: Trustee Bank shall deposit an annual fee at Repo Rate calculated as a percentage per annum on the consolidated balances of all the NPS Trust accounts within 15 days from the end of the quarter, this is valid for entire duration of the registration period and any extension granted thereto, paid on quarterly basis directly to Authority.

iii) Direct Remittance (D-Remit):

In order to facilitate the subscriber, make regular contributions at a low cost, PFRDA has introduced an additional option/mode of contribution namely Direct remittance (D-Remit) wherein existing NPS subscribers under Government/Non-Government/ All citizen model would be able to deposit their voluntarily contributions by creating a virtual id linked to their permanent retirement account number (PRAN). D-Remit has not only eased the mode of deposit of voluntary contribution but also optimized the investment return by providing the same day NAV on the investment if contribution is received by Trustee Bank within prescribed cutoff time.

The subscribers can now put a standing instruction in their Netbanking account which will directly remit the contribution into their PRAN accounts. It would also reduce the timeline of investment from T+2 to T (for contributions made before a threshold time) or T+1. Immediate Payment System (IMPS) facility for accepting contributions under D remit.

Only NEFT and RTGS were accepted as mode of contribution. Now, UPI facility has also been enabled under D-Remit, the same will help subscribers to transfer amount under UPI and avail same day NAV.

3.14.7 The Custodian under the National Pension System

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.

"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)]

During the FY 2022-23, Deutsche Bank AG (DBAG) was acting as a Custodian of Securities.

General obligations of Custodian of Securities

As per the Regulation no. 19 of the PFRDA (Custodian of Securities) Regulations, 2015, general obligations of Custodian of Securities are listed below:

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.

Custodian Charges

Asset Servicing Charges	During the FY 2022-23, the asset servicing charges charged by Deutsche Bank AG were 0.00000000177% per annum of asset under custody for electronic and physical segment.
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3.14.8 The National Pension System Trust

The NPS Trust was established in terms of the Central Government letter D.O. No 5(75)/2006-ECB & PR dated 24th April 2007. The NPS Trust Deed was executed by PFRDA place on 27th February, 2008 with PFRDA being the Settlor of the Trust.

As per section 2(1)(j) of PFRDA Act 2013 "National Pension System Trust" means the Board of Trustees who hold the assets of subscribers for their benefit; The NPS Trust has been set up and constituted to hold the assets and funds under the NPS for the benefit of the beneficiaries (subscribers), it is also holding assets of APY. Trustees have the legal

ownership of the Trust Fund, the general superintendence, direction & management of the affairs of the Trust, and all powers, authorities and discretions appurtenant to or incidental to the purpose of the Trust absolutely vest in the Trustees, subject nevertheless to the provision of the PFRDA Act-2013, Indian Trust Act – 1882, NPS Trust Deed and further subject to such directions or guidelines that may be issued by PFRDA from time to time. However, the beneficial interest shall always vest with the beneficiaries of the NPS Trust.

The details of the Trustees of NPS Trust Board as on March 31, 2023 is provided in Table

Table No. 3.55: The details of the Trustees of NPS Trust Board as on March 31, 2023

S.No.	Name	Designation
1	Shri. Suraj Bhan	Chairman & Trustee
2	Shri. Y. Venkata Rao	Trustee
3	Ms. Chitra Jayasimha	Trustee
4	Dr. P.C. Jaffer	Trustee
5	Shri. J. K. Sharma	Trustee
6	Shri Ruchir Mittal	Trustee
7	Shri. Masil Jeya Mohan	Trustee
8.	Dr. Prasenjit Mukherjee	Trustee
9.	Dr. Santosh Kumar Mohanty	Trustee
10.	Shri Debashish Mallick	Trustee

(B) Management of NPS & APY Funds by the NPS Trust

The NPS & APY funds of subscribers held in the name of NPS Trust are managed by PFRDA appointed Pension Funds, on behalf of the Board of Trustees to realize and fulfil the objectives of the NPS Trust

in the interest of the Subscribers. The performance of the Pension Funds is monitored on a regular basis and quarterly information is submitted to the NPS Trust Board, and instructions/ guidance is given to them for protecting the interest of the subscribers.

(C) NPS Trust fee/charges

NPS Trust is empowered for monitoring, evaluation and coordination of Pension Funds, Trustee bank and Custodian on a regular basis and it is a self-sufficient entity with a regular stream of revenue. The fee/ charges of NPS Trust have been approved by the Board of PFRDA and it is @0.005% per annum of Asset Under Management (AUM) on a daily accrual basis.

(D) Appointment and extension of tenure

As per guidelines for appointment of Trustees dated 12.01.2018 under PFRDA (NPS Trust) Regulations, 2015 and amendments thereunder, two Trustees are to be nominated by State Governments such that initial preference shall be given to such

State that has the maximum subscribers under NPS, followed by a State with maximum assets under management under NPS. The tenure of trustees is of 3 years only and thereafter should be rotated between State Governments, such that each State Government is represented over some time. Also, two Trustees are to be nominated by Central Government (one through DFS and one through DoPPW) from amongst Central Government Departments/CABs. During the financial year, following appointments/extensions to the existing tenure of Trustee, NPS Trust was made. –

Appointment-

- Designation of Shri Dinesh Kumar Mehrotra as the Chairperson of Board of Trustees of NPS Trust w.e.f 12.06.2022.
- Letter of appointment has been issued to

Shri Masil Jeya Mohan as Trustee on the Board of Trustees of NPS Trust

- Designation of Sh Suraj Bhan as Chairperson of Board of Trustees of NPS Trust w.e.f. 12.11.2022
- Appointment of Trustees on the Board of Trustees of National Pension System Trust under PFRDA (NPS Trust) Regulations, 2015 and amendments made thereunder.:
 - o Sh. Pankaj Sharma, Joint Secretary, DFS
 - o Dr Prasenjit Mukherjee,
 - o Sh. Debasish Mallick
 - o Dr. Santosh Kumar Mohanty

3.14.9 Retirement Advisor

The Retirement Advisers (RAs) are appointed by PFRDA to engage in the activity of providing advice on NPS thereby to extend the reach of NPS. The RAs can be an individual, registered partnership firm, body corporate, or any registered Trust or society. The online platform has been developed and released in the CRA system to facilitate registration of an individual/entity as RA.

With shift in the design of pension systems from defined-benefit plans to defined-contribution plans where individuals need to make financial decisions and bear greater financial risk, selection of an appropriate investment pattern is crucial for the pension plan participants. India, considered to be low in financial literacy, demonstrates a tangible need for financial advice with respect to retirement decisions. Retirement advisors are playing an important role in guiding and helping consumers to have a better understanding of investment and pay-out options. This necessitates development of a pool of human resources having right skills

and expertise in retirement advice and choosing appropriate pension/savings product for retirement quality intermediation to market participants.

Taking into account international experience and the needs of the Indian system of organised and unorganised workers, with a view to protecting the interests of retiring population and more importantly, for minimising risks of losses arising out of deficient understanding of the various options in the returns from the NPS, PFRDA has accredited National Institute of Securities Markets (NISM) as the accredited institute for Certification of the Retirement Adviser Certification Examination.

With the objective to provide a framework for eligibility, registration process, fees etc. of Retirement Adviser and to define the scope of work and responsibility of the Retirement Adviser to ensure orderly growth of pension sector, Pension Fund Regulatory and Development Authority (Retirement Adviser) Regulations, 2016 were notified by PFRDA.

Certificate of Registrations were issued after evaluation of applications as per eligibility criteria defined in PFRDA (Retirement Adviser) Regulations, 2016 and subsequent amendments. During the FY 2022-23, 14 Individual Retirement Advisers & 3 other than Individual Retirement Advisers were registered under the NPS architecture. To expedite the registration process, online platform is available where applicants can apply online for registration.

3.14.10 Other functions carried out by the Authority

ITSM Portal: The Authority introduced Information Technology Service Management Portal (ITSM Portal) to streamline and facilitate officers & staffs' requests for IT related services. The portal digitized the process of user's (officer/staff) interaction for their technical requirements. Now the officers & staffs at the Authority can simply seek any IT assistance via a few simple clicks. The portal has enabled the user as well as the Authority to track the status of service request raised by officers. It has reduced turn-around-time (TAT) significantly and has brought more transparency and accountability in the Authority

Information & Cyber Security Department:

Cyber Jaagrookta Diwas: The Authority spearheaded the Ministry of Home Affairs (MHA)'s mass awareness campaign to observe 'Cyber Jaagrookta Diwas' on first Wednesday of every month, for generating sustained cyber security awareness among public on various themes, especially among the vulnerable sections and groups on cyber hygiene. In this regard, PFRDA had issued circular PFRDA/33/1/1/0002/2022-ICS dated 15th June 2022, instructing its regulated entities to observe Cyber Jaagrookta Diwas every month and conduct awareness campaigns as per the Annual action Plan.

PART IV

4.1 Functioning of Pension Advisory Committee

Section 45 of the PFRDA Act provides for the constitution of a Pension Advisory Committee (PAC) with representations from employees, associations, subscribers, commerce & industry, intermediaries and organizations engaged in pension research to advise the Authority on matters relating to the making of regulations or as may be referred to it.

The Pension Advisory Committee was reconstituted by the Authority vide the Gazette of India notification dated 19.05.2022 which is placed in the Annexure-I

During the financial year 2022-23, the eighteenth (18th) Pension Advisory Committee Meeting was held on 21st September 2022 in New Delhi and the following agenda items were taken up for discussion.

S. No.	Items Discussed
1.	Minutes of the 17th PAC Meeting
2.	ATR on Minutes of 17th PAC Meeting
3.	Optimizing the benefits of Annuity to the Subscribers during exit
4.	Review of regulation 4(d) of PFRDA (Exits and Withdrawals under the NPS) Regulations, 2015 and amendment thereof, in respect of corporate employees joining NPS after the age of 60 years
5.	Designing Minimum Assured Return Scheme (MARS) under PFRDA Act

4.2 Regulations Made or Amended

The information on Regulatory amendments during FY 2022-23 are as under:

(Details of the same are present at: <https://www.pfrda.org.in/index1.cshtml?lsid=72>)

Table No. 4.1: Amendments

S. No	Amendment	Date of Notification
1.	Pension Fund Regulatory and Development Authority (Employees' Service) (Amendment) Regulations, 2022	April 13, 2022
2.	Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) (Amendment) Regulations, 2022	May 24, 2022
3.	Pension Fund Regulatory and Development Authority (Exits and Withdrawals Under the National Pension System) (Amendment) Regulations, 2023	March 27, 2023
4.	Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) (Amendment) Regulations, 2023	March 27, 2023

4.3 Constitution of Committee for Utilization of Subscriber Education and Protection Fund.

As per Regulation 6 (1) of PFRDA (Subscriber Education and Protection Fund), Regulations, 2015, The Authority shall constitute a committee for recommending subscriber education, awareness and protection activities, and utilization of the Fund.

Further, as per Regulation 6(2) The committee shall consist of the following members, namely: –

- (a) the Executive Director of the Authority who shall be the convener of the committee;
- (b) two other officials of the Authority;
- (c) five other members who have expertise in the financial market and experience in matters of subscriber grievance redressal or subscriber education.

Accordingly, the committee was re-constituted on October 06, 2021, the Committee shall recommend the utilization of funds for subscribers' education, awareness and protection. Following is the composition of the committee:

No.	Name & Designation	Organization
	Internal Members	
1.	Shri A. G. Das, Executive Director, PFRDA	Convener of the committee
2.	Shri Venkateswarlu Peri, Executive Director, PFRDA	Member
3.	Shri Ashish Bharti, GM, PFRDA	Member
	External Members	
4.	Dr Arundhathi Chandrasekhar IAS, Commissioner of Treasuries	Govt of Karnataka
5.	Shri Sushil Pal, Chief Controller of Accounts	Ministry of Home Affairs
6.	Prof Partha Ray, Director.	NIBM
7.	Shri Satyajit Dwivedi, CEO.	NCFE
8.	Shri Vivek Krishna Sinha, CGM.	NABARD

The 5th SEPF committee meeting was held on 29th March 2023, wherein committee members discussed the terms of reference, the Status of the Subscriber Education and Protection Fund (SEPF) Account and the recently launched Retirement Planner scheme.

As per Regulation 5 (1) of PFRDA (Subscriber Education and Protection Fund), Regulations, 2015, the Fund shall be utilised for the

protection of subscriber's interests and the promotion of subscribers' education and awareness. Educational activities including seminars, symposia, training, research and publications, aimed at subscribers across different geographical locations including metros, non-metros and smaller towns and sectors including unorganized sectors, corporates, self-help groups and others.

PART V

Organizational Matters of the Pension Fund Regulatory and Development Authority

5.1 Constitution of the Authority

Section 4 of the PFRDA Act provides for the composition of the Authority consisting of a Chairperson, three whole time members; and three part-time members to be appointed by the Central Govt. The composition of the Authority was as under:

(I) Chairperson

Dr. Deepak Mohanty is the Chairperson. He joined PFRDA as Chairperson on 20th March 2023. Dr. Deepak Mohanty is an Economist, with substantive policy experience. Earlier, he was Chief Economic Advisor, Federation of Indian Chambers of Commerce and Industry (FICCI) and was an independent Director on a few companies' Boards. Prior to that, Dr. Mohanty was Whole Time Member (Economics)-PFRDA from 01.09.2020 till 31.05.2022. He served as Executive Director of the Reserve Bank of India (RBI) before joining PFRDA as Whole Time Member (Economics). He worked as Senior Adviser at the International Monetary Fund (IMF), and worked in various positions in economic research and was head of the monetary policy department in the RBI.

Shri Supratim Bandyopadhyay was the Chairperson from 21st February 2020 till 16th January 2023. He joined PFRDA as Chairperson on 21st February 2020. Prior to this, he was Whole Time Member (Finance)-PFRDA from 12.03.2018 to 16.01.2020. Prior to joining PFRDA, he has spent almost three and a half decades in the Insurance industry after joining LIC of India in the year 1985.

(ii) Whole-Time Members

1. Shri Pramod Kumar Singh, Whole-Time Member (Law) from 03.03.2020 till 04.05.2022.
2. Dr. Deepak Mohanty, Whole-Time Member (Economics) from 01.09.2020 till 31.05.2022.
3. Dr. Manoj Anand, Whole-Time Member (Finance) from 01.10.2020 till date.

(iii) Part-Time Members

1. Ms. Annie George Mathew (IA & AS 1988), Additional Secretary (Pers), Department of Expenditure from 12.12.2014 till date.
2. Ms. Sujata Chaturvedi (IAS 1989), Additional Secretary (in-charge of Establishment Division), Department of Personnel & Training (DoPT) from 16.01.2020 till 30.09.2021.

**Note: Ms. Sujata Chaturvedi, (IAS 1989), Additional Secretary, DoPT informed about her discontinuation to be the Part-time Member, PFRDA on being transferred from DoPT w.e.f. 30.09.2021 which was acknowledged by the Authority in its 99th Board Meeting held on 09.11.2021.*

3. Shri Rahul Singh (IAS 1996), Joint Secretary (S&V), Department of Personnel & Training (DoPT) from 15.07.2022 till date.
4. Ms. Vandita Kaul (IPoS 1989), Additional Secretary, Department of Financial Services, Ministry of Finance from 22.12.2021 till 27.05.2022.
5. Shri Pankaj Sharma (ICAS 2000), Joint Secretary, Department of Financial Services, Ministry of Finance from 27.05.2022 till date.

5.2 Meetings of the Authority

During the financial year 2022-23, eight (08) Meetings of the Authority were held as noted hereunder:

S. No.	Authority Meeting	Date of Meeting
1.	103rd Authority Meeting	By Circulation-19.05.2022 (Thursday)
2.	104th Authority Meeting	29.06.2022 (Wednesday)
3.	105th Authority Meeting	By Circulation-19.07.2022 (Tuesday)
4.	106th Authority Meeting	30.09.2022 (Friday)
5.	107th Authority Meeting	20.12.2022 (Tuesday)
6.	108th Authority Meeting	By Circulation-12.01.2023 (Thursday)
7.	109th Authority Meeting	By Circulation-09.03.2023 (Thursday)
8.	110th Authority Meeting	27.03.2023 (Monday)

The extracts of the Board meeting minutes are available in the Authority's website at <https://www.pfrda.org.in/index1.cshhtml?lsid=1113>

5.3 Staff Strength in PFRDA

As on 31st March, 2023, the regular staff strength of PFRDA is Seventy-Two (72) out of which Seventy (70) are in officer cadre, one (01) Junior Assistant & one (01) Staff Car Driver.

5.4 Functioning of SC/ST Cell and OBC Cell in PFRDA

To implement Government instructions on welfare of SC/ST/PWD/EWS/Ex-SM

employees, a cell has been set up in PFRDA. A Chief General Manager grade officer has been nominated as Liaison Officer for SCs/STs/PWD/Ex-SM/EWS. Further, a separate cell for welfare of OBCs has been set up. A General Manager grade officer has been nominated as Liaison Officer for OBCs. Members of both the Cells meet with their respective Liaison Officers on quarterly basis to discuss welfare measures related to them.

Table No. 5.1: - Group-wise representation of the reserved category employees as on 31.03.2023

S. No.	GROUP	Group-wise representation of OBC, SC, ST, PWD and EWS					Total Number of Employees as on 31.03.2023
		SC	ST	OBC	PWD	EWS	
1	Executive Director	Nil	Nil	Nil	Nil	Nil	6
2	Chief General Manager (Grade 'F')	1	Nil	3	Nil	Nil	8
3	General Manager (Grade 'E')	Nil	Nil	1	Nil	Nil	7
4	Deputy General Manager (Grade 'D')	1	Nil	2	Nil	Nil	6
5	Assistant General Manager (Grade 'C')	1	Nil	3	1	Nil	14
6	Manager (Grade 'B')	3	1	5	1	Nil	13
7	Assistant Manager (Grade 'A')	2	1	5	1	1	16
8	Junior Assistant	Nil	Nil	Nil	Nil	Nil	1
9	Staff Car Driver	1	Nil	Nil	Nil	Nil	1

5.5 Committee for Prevention of Sexual Harassment at Workplace

An Internal Complaints Committee (ICC) for prevention of Sexual Harassment at workplace is in place for receiving complaints, holding enquiry etc. in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and it meets on quarterly basis.

5.6 Staff Welfare Committee

A Staff Welfare Committee has been constituted in PFRDA to identify and organize various staff welfare activities. The Committee will help evolve measures for securing and preserving good relations amongst the employees and also between employees and the management. A Chief General Manager grade officer has been nominated as Chairperson of the Staff Welfare Committee.

5.7 Initiatives for Staff Well Being

PFRDA always strives to provide the best working environment to all officials and employees in PFRDA. Various initiatives were taken for ensuring better employee relationships and creating positive employee experiences. With these objectives, the following events were organized during FY 2022-23:

- Celebration of International Day of Yoga (IDY 2022) on 21 June 2022.
- Arrangement of Vaccination camp for Booster dose of Covishield vaccine for the employees of PFRDA and their dependent family members on 24 June 2022.
- Independence Day celebration on 15 August 2022 in PFRDA's premises
- Republic Day celebration on 26 January, 2023 in PFRDA's premises

- Various actions were taken regarding Swachhata Pakhwada (16th to 31st Jan 2023) to maintain cleanliness in the premises and creating awareness among the employees.

Events as mentioned above help in motivating employees and development of team spirit among them. They also help in creating an atmosphere of bonhomie and camaraderie among the employees, which leads to higher productivity.

5.8 Training of Employees in PFRDA

During the financial year 2022-23, officers from different cadres were nominated by PFRDA for trainings/workshops on various subject areas like:

1. Public Procurement
2. Soft Skills
3. Anti-Money Laundering and Combating Financing of Terrorism
4. Managing Non-SLR investments
5. Preventive Forensics
6. Financial Derivatives
7. Developing Leadership Potential
8. Decision Making for Managerial Effectiveness
9. Financial Crime Compliance
10. Effective Communication & Executive Presence
11. Managerial Leadership and Team Building
12. Organizational Excellence Through Leadership
13. Finance for Non-Finance Executives
14. Enhancing Assertiveness & Positive Attitude

15. Leadership and Team Building
16. Investment Decisions and Behavioural Finance
17. Data Science - Re-Defining Future Value of Actuaries
18. Domestic Enquiries and Disciplinary Actions
19. Effective Communication Skills & Presentation Skills
20. Right to Information for Public Information Officer

In addition to the above, induction training programme for officers recruited in Grade-A (Assistant Manager) was also conducted during FY 2022-23.

A total of 55 employees were provided trainings in different areas during the FY 2022-23.

5.9 Promotion of Official Language

PFRDA endeavours to work regularly in Hindi to ensure compliance with the Official Language Policy of the Govt of India. It is also committed to promoting the use of Official Language in all official communications as per directions of the Ministry of Home Affairs and Department of Financial Services, Ministry of Finance. In FY 2022-23, appropriate steps were initiated for implementation of the Official Language and to ensure compliance with various requirements of the Official Language policy. The details are given below:

- PFRDA follows the guidelines and action plans received from Ministry of Home Affairs and Department of Financial Services, Ministry of Finance.
- In order to promote Hindi in the Authority, the functions are carried out

under the able guidance and directions of the respected Chairperson and the Executive Director (ED), in the monitoring and supervision of General Manager (Rajbhasha), with the help of Assistant Manager (Rajbhasha) and Hindi Translator.

- Efforts are being made by the Authority to issue all the documents bilingually. International Form of Numerals is recognized in bilingual documents.
- All the computers of Authority are enabled with Hindi functionalities and being equipped with Unicode font and Google Input facility.
- Letters received from 'क' and 'ख' region are being replied bilingually.
- Hindi RTIs, Parliamentary Questions and Legislative Questions are being replied to in Hindi.
- Names, titles and entries on registers and files are being made in Hindi also. Nameplates have been made bilingual as well.
- Under 'Word of the Day' initiative, a new word with its meaning is sent through email in order to enhance the vocabulary of the employees.
- Hindi notice board and Hindi table calendar were prepared for officers. Also, speeches of senior officers for Yoga Day, Republic Day and Independence Day were prepared in Hindi.
- The activities related to the promotion of prestigious Pension Schemes of Government of India, i.e. National Pension Scheme & Atal Pension Yojana, and creating awareness among the public are being done in Hindi.

5.9.1 Official Language Implementation Committee

Official Language Implementation Committee has been constituted in PFRDA with Executive Director being the presiding officer. Every HoD is a member of this committee. The quarterly meetings of the committee have been organized in every quarter of FY 2022-23 and the minutes have been issued in Hindi. In each meeting, the progress report of previous meeting is discussed and reviewed and action plans for the next quarter are prepared. Hindi Nodal Officers have been nominated to handle the work related to Hindi in the concerned departments.

5.9.2 TOLIC (Town Official Language Implementation Committee)

After consistent efforts, PFRDA got membership of Town Official Language Implementation Committee South Delhi-03, in the first quarter of FY 2022-23. Authority has participated in the Half Yearly Meetings organized by TOLIC. It has also ensured participation in the Joint Regional Official Language Conference (Amritsar). Rajbhasha Vimarsh (magazine) has also been subscribed.

5.9.3 Management Information System (MIS) Portal, Rajbhasha Department, Ministry of Home Affairs

The Authority has registered itself on the Management Information System (MIS) portal of the Ministry of Home Affairs. The progress reports have been uploaded on the portal for every quarter in FY 2022-23.

5.9.4 Training for Officers

- A roster related to Hindi knowledge of officers has been prepared by the Authority. Targeted training for the Officers is arranged on the basis of roster.

- A Hindi workshop was organized for the newly appointed Assistant Managers in the Authority. An expert from Kendriya Hindi Sansthan was invited to impart training in this workshop.
- Hindi workshop was organized in every quarter for the Officers of Region 'ग' (in last quarter for officers of both ख and ग regions).
- In this FY, a training was arranged by an external Hindi instructor for all Officers of the Authority.
- Authority is planning to implement Praveen, Prabodh, Pragya and Parangat examinations for Officers to promote the use of Official Language.

5.9.5 PFRDA Website

- PFRDA is engaged in updating Hindi version of its website www.pfrda.org.in.
- Also, it has been decided to make the Pension Sanchay, PFRDA's financial literacy initiative, bilingual.

5.9.6 Hindi Diwas Samaaroh and Hindi Fortnight

During the year 2022-23, Hindi Fortnight was organized in the month of September 2022. The main purpose of this fortnight was to encourage employees towards working in Hindi. Essay, Slogan and Debate competitions were organized during the fortnight, in which the participation of the Officers was very enthusiastic. Winners were awarded with prize money and certificates in a magnificent program. Also, the books were procured for the library during this fortnight. Further, books related to the management skills and office files were distributed to all the Officers.

5.9.7 Magazine

Efforts are being made to make PFRDA's online e-magazine 'Pension Bulletin' bilingual. Some of its Hindi issues have already been published on the PFRDA website. Along with this, daily Hindi newspapers and periodicals are also arranged.

5.9.8 Dialogue from the Other Bodies

PFRDA had a meeting with SEBI officials about their best practices upon implementation of Official Language.

5.10 Right to Information

There is a dedicated cell in PFRDA to implement the Right to Information Act, 2005 (RTI Act). The Cell processes the applications received under the Right to Information Act, 2005, and works under Central Public Information Officer (CPIO). As per the RTI Act, 2005, PFRDA has designated an officer as the First Appellate Authority (FAA) in PFRDA with whom the appeals can be filed against an order of the CPIO.

As per RTI Act, any citizen can seek information under RTI by making an appropriate application in writing along with the prescribed fees to the Central Public Information Officer, Pension Fund Regulatory and Development Authority, First Floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutab Institutional Area, New Delhi 110016 and/or can also file an RTI under RTI Act, 2005 on the link of online RTI Portal available at www.pfrda.org.in.

During the financial year 2022-23, a total of 595 RTI Applications (551 in online mode and 44 in offline mode) and 63 First Appeals were received inter- alia regarding contribution under the National Pension system (NPS),

opening of individual pension account, transfer, withdrawal & exit under NPS, APY scheme, etc. All the applications and appeals were replied to/disposed of within the stipulated time as prescribed under RTI Act, 2005.

Section 4 of the RTI Act casts an obligation on every public authority to make certain Suo-moto disclosures on its website. PFRDA has also made such Suo-moto disclosures on its website. The focus of the disclosure is to improve the level of transparency in the working and functioning of PFRDA. In this regard, information regarding various functions, powers, and duties of PFRDA & its officers, etc. has been provided on PFRDA's website. Further, the PFRDA Act, Rules and Regulations made there under, Circulars, and Manuals issued by PFRDA are also available on the website.

5.11 Parliamentary Questions

During 2022-23, PFRDA received 69 Parliamentary Questions, referred by the Department of Financial Services (DFS), Ministry of Finance, Government of India on various aspects related to old age income security comprising queries on NPS and APY. PFRDA has furnished the information and material for replies in a time-bound manner for facilitating replies to the same to Parliament.

5.12 Accounts of PFRDA

During the financial year 2022-23, PFRDA met all its administrative and establishment expenses through its own resources. PFRDA received grant from Govt of India towards Atal Pension Yojana, Swavalamban Kosh & GAP fund grant under Atal Pension Yojana. The Atal Pension Yojna (APY) was announced in the budget speech for the FY 2015-16. This

pension scheme is meant for all citizens in the age group of 18-40 years, with a focus on persons belonging to unorganized sector. All subscribers under NPS Lite/ Swavalamban between the age of 18-40 years are eligible to shift to Atal Pension Yojana. During the FY 2022-23, PFRDA has received a grant of Rs. 183.00 crores under APY towards incentive to service providers and other promotional activities.

An amount of Rs. 1.31 crores were received as Grant from Govt of India for Swavalamban Scheme towards Government Co-contribution.

An amount of Rs. 542.00 crores were received from Government of India under "GAP Fund Grant under Atal Pension Yojana" to bridge the gap between the pension liabilities and

pension assets under APY based on actuarial valuation reports for years 2020 and 2021. Based on the report, Government of India has approved a grant of Rs. 542.00 crores and the same was received during FY 2022-23. The funds received were invested in the "NPS Trust A/C APY Fund Scheme" as per the existing APY investment guidelines and asset allocation.

The annual statement of accounts of the Authority consisting of Balance Sheet as on 31.03.2023, Income & Expenditure A/c and Receipt & Payment A/c for the period 01.04.2022 to 31.03.2023, along with the schedules have been finalized as per the Pension Fund Regulatory and Development Authority (Form of Annual Statement of Accounts and Records) Amendment Rules, 2022.

PART VI

Any Critical Areas affecting the interest of subscribers

6. Some of the areas affecting the interest of the subscribers are as below:

6.1 Absence of enabling regulation precludes the government nodal officers

- The timelines for the completion of various activities under NPS by the nodal offices of the Central Government have been prescribed under NPS CCS Rules 2021, which may be indicative timelines in the case of State Government and autonomous bodies. Based on the above timelines prescribed and as per the data on time taken by the nodal offices, it is observed that delays in PRAN Generation, Credit extension, and timely remittance of contribution are major areas of concern, as it adversely impacts the NPS corpus accumulation and consequently the pension receivable on superannuation by the employee-subscribers.
- The Authority, during review meetings, workshops, and conferences, has been continuously flagging them to the concerned Govt Nodal offices and urging them to take certain policy as well as operational measures, to bring discipline in the implementation of NPS in their underlying offices, in order to protect the interest of the employee-subscribers.
- It is to mention that the CCS (Implementation of National Pension System) Rules, 2021 as notified by DoPPW vide notification dated 30.03.2021, lays down the General conditions of Implementation of NPS, which applies to the Central Government only. In this regard, the State Governments (except Tripura, which has

already notified NPS rules) may also define rules regarding the implementation of NPS.

6.2 Age limit of 40 years for joining APY

NPS Lite/Swavalamban which was started for unprivileged unorganised sector workers has been discontinued from w.e.f. April 2015. In place of NPS Lite/Swavalamban scheme, Atal Pension Yojana (APY) was launched which provides guaranteed benefits to the underlying subscribers. Subscribers of NPS Lite scheme have been given option to migrate to APY. However, APY scheme allows entry of subscribers from 18 years to 40 years. Accordingly, potential subscribers beyond 40 years of age who are currently generating income are unable to join Atal Pension Yojana. Therefore, to make the scheme available to these people, the age of eligibility may be considered for increase from 40 years to at least 50 years.

6.3 Statutory Obligations that the Authority has not complied with: - Minimum Assured Returns Scheme

Under sub-section 2(d)(b) of Section 20 of PFRDA Act, 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. However, sub-section 2(g) of Sec 20 states that there shall not be any implicit or explicit assurance of benefits except market-based guarantee mechanism to be purchased by the subscriber. The designing of Minimum Assured Returns Scheme (MARS) under NPS as envisaged under PFRDA Act is in progress and structures proposed by the appointed

consultant in discussions with an expert Committee and representatives of Pension Funds is being analysed. The MARS will be offered by Pension Funds after obtaining approval from the Authority.

6.4 Taxation on employer contribution beyond 10% of employee's salary

- Central Government had increased the employer NPS contribution from 10% to 14% effective from 1st April 2019. Subsequently various State Governments, Autonomous Bodies and PSBs/PSUs have also increased the employer NPS contribution for their employees at par Central Government.
- The increased employer NPS contribution was exempted for Central Government employees under 80CCD (2). In the Union Budget 2022-2023, this exemption was extended to State Government employees also. However, for employees other than Central and State Governments, the employer contributions in excess of 10% of salary is taxable in the hands of the employees which currently impacts employees of PSBs/PSUs constituting more 7 lakh NPS subscribers.
- Further, contribution made by employer towards employees' NPS account is allowed as a business expense to the employer u/s 36 (i) (iva) of the Income Tax Act upto 10% of salary (Basic+DA) of the employee. Employers' adopting NPS as a retiral benefit scheme for its employees are unenthusiastic to contribute more than 10% of employee's salary towards NPS for creation of a larger pension corpus for the employee/subscriber.

6.5 Cap on employer contribution for calculating taxable perquisite

- Prior to 1st April 2020, employer contribution towards NPS (upto 10% of salary) was exempted from tax without any monitory ceiling. From 1st April 2020, the aggregated deduction on employer contributions towards Recognized Provident Fund, Approved Superannuation Fund and NPS has been capped at Rs 7.50 lakh and amount in excess of Rs 7.50 lakh is treated as taxable perquisite in the hands of an employee u/s 17(2)(vii) of Income Tax Act. Further, the annual accretion on such excess contributions (if any) is also treated as taxable perquisite in the hands of an employee u/s 17(2) (viia) of Income Tax Act.
- As NPS investments are market linked, the gains/losses depicted in an individual's pension account (NPS) are notional until realized and therefore taxation of notional gains may not be appropriate for NPS subscribers.

6.6 Tier-II Tax Saver with tax benefit of 80C restricted only to Central Government Employees

Government has notified National Pension Scheme Tier II- Tax Saver Scheme (NPS TTS Scheme) in July 2020 which has tax benefits on contributions u/s 80C of Income Tax Act (subject to lock-in period of 3 years) only for Central Government employees. To date, the scheme is not made available for subscription by other NPS subscribers.

6.7 Taxation on gains arises on Tier-II investment

- NPS Tier-II account which is the optional account under NPS (introduced as replacement of GPF) has no special tax treatment stipulated and therefore gains arising at the point of withdrawals are subject to tax at applicable marginal rates,
- thereby making Tier-II less appealing to subscribers.
- Similarly, gains arising from National Pension Scheme Tier II- Tax Saver Scheme, 2004 (NPS TTS Scheme) investments are also taxable at applicable rates in the hands of the central government employee/subscriber.

PART VII

Any other measure taken by the Authority to protect the interest of subscribers to the National Pension System and other pension schemes under the Act.

7.1 In addition to the steps mentioned previously, some initiatives as taken by the Authority to protect the interest of the subscribers are below:-

- Various new initiatives were taken and guidelines were issued in the form of Circulars by PFRDA to protect the interest of subscribers as mentioned in detail above. Also, necessary amendments to Regulations were carried out based on the requirements and feedback received from stakeholders.
- Linking of PAN with Aadhaar:- All existing subscribers have been requested to ensure the linking of their PAN with their Aadhaar number before March 31, 2023, for continual and smooth transactions and to avoid consequences of non-compliance with the said CBDT circular, as such NPS accounts would be considered non-KYC compliant, and there could be restrictions on NPS transactions until the PAN and Aadhaar are linked.
- Advisory on "Digital Safety Practices to be followed by Govt Nodal offices to access technological platform/system provided by Central Recordkeeping Agencies ("CRA") under NPS architecture:- To enable the Nodal offices to fulfil such function/role in the CRA system, the Nodal offices have been provided with separate maker-checker login IDs to access the CRA system so that any single user is not able to unilaterally execute the transaction taking the Authority's endeavour forward of providing ease of transacting through post-pandemic digital/technological tools/enhancement, together with security and safeguard of the interest of the NPS subscriber against digital threats and frauds.
- Financial Information (FI) Types for Balances under National Pension System (NPS): - To ensure secured and seamless movement of data across Financial Institutions across Financial Sector Regulators under different IT systems, a set of core technical specifications for the participants of the AA ecosystem are framed by Reserve Bank Information Technology Private Limited (ReBIT) for which PFRDA has issued FI types for Balances under NPS published on ReBIT website under AA framework under the link <https://api.rebit.org.in/schema>. These FI Types shall be the basis of information exchanges regarding Balances under NPS that could be requested by FIU through AA from CRAs as per API specifications defined by ReBIT.
- Mandatory upload of Withdrawal/ KYC documents to enable Parallel Processing of Exit and Annuity for the benefit of NPS Subscribers: - PFRDA in regulatory collaboration with IRDAI had simplified the process of buying Annuity wherein Annuity Service Providers (ASPs) shall use the NPS withdrawal form submitted at the time of exit by the Subscribers at nodal officers / POPs for issuing Annuity. In the interest of Subscribers

and to benefit them with the timely payment of annuity income, the upload of the documents shall be mandatory with effect from 1st April 2023. The Subscribers and the associated nodal officers/POPs/ Corporate need to ensure that the documents will be uploaded to the respective CRA user interface.

- **Reinvestment of Returned & Unsuccessful Transaction amount into the same PRAN and Ease of reclaiming the amount by Subscriber through MWM:** - There are instances where the corpus of the subscribers could not be credited into their Savings Bank account because of incorrect bank account details. These amounts are identified as 'withdrawn but unclaimed' which do not earn any investment returns to the benefit of Subscribers. The Subscribers can reclaim the amount that can be submitted to the nodal officers, Points of Presence (POP), APY Service Providers, CRAs and NPS Trust (NPST) as the case may be. Post-building the MWM, the amount which lies beyond one month without transferring to the beneficiary's Bank Acct shall be reinvested in the same PRAN. It will be as per the choice of investment/PF prevailed at the time of exit, to benefit the subscribers with Market Linked Returns.
- **Reduction of Turn-Around Time:** - Minimum Timelines for Maximum Subscribers' benefits - Reduction in Turn Around Time to perform various activities from T+4 to T+2.
- **KYC/AML/CFT Guidelines Issued:** - In line with the requirements of the Prevention of Money Laundering Act,

2002 as per Regulation 15 of the PFRDA (Point of Presence) Regulations, 2018 guidelines for KYC/AML/CFT have been issued by PFRDA.

- **Independent Bank Account Verification & Name/PAN Matching for enhanced due diligence using PRAN-PAN-VPA(UPI) using NPCI Framework:** - PFRDA has launched an advanced mode of Bank Acct Verification of the Subscribers (PAN-PRAN- VPA(UPI)) with elegant features where the joint holder details, PAN and UPI Ids are verified through NPCI and matched with Permanent Retirement Acct Number (PRAN).
- **Empowering APY Subscribers with ease of Aadhaar Seeding - Launch of Seeding Convenience through CRA Portal & Mobile App:** - The facility of Aadhaar seeding is provided for the benefit of Subscribers through the CRA portal and NPS Mobile app "APY and NPS Lite". Additionally, APY-SPs can also collect the Aadhaar details from their associated subscribers who are their customers with due consent which would then be shared with CRA for seeding.
- **Online Claim Processing by Intermediaries using Technology - Aadhaar & VCIP:** - Intermediaries have been allowed to use technological intervention by using VCIP as an added due diligence mechanism for verification of the nominee/claimant/legal heir while processing the withdrawal claims in case of the death of NPS subscribers. VCIP augments the existing due diligence efforts undertaken by the intermediaries by making the process

more secure with respect to the verification of the nominee/claimant/legal heir, being the same person as the one submitting the documents for processing the claim and maintaining a video record of the same. The credentials of the nominee can be established using Aadhaar e-KYC or DigiLocker.

- NPS Prosperity Planner (NPP) for Adequacy in Retirement Income Planning: - Allowing the subscribers would be able to estimate the projected Retirement Income (Annuity) as per the Annuity options based on their existing contribution under NPS. NPP provides the tool for higher Retirement Income through an Accelerated Contribution plan in the residual period until retirement duly considering inflation and the projected cost of living expenses. It offers personalized retirement planning based on their past contribution, expected income rise in the future and their cost of living. Thus, it can provide the subscriber with reasonable projections to ensure adequate and sustainable old-age income.
- e-NPS Govt offers ease & convenience in account opening for the Subscribers: - e-NPS Govt provides the opportunity for the employees of the Government Sector and empowers them to open NPS Acct with ease and a lot of convenience in a paperless mode. The major benefits of e-NPS Govt. are faster account opening, higher efficiency and brings operational finesse to the nodal offices due to the paperless process & optimizing their time due to non-deposit of the physical account opening forms to CRA FC which are collected in other modes of acct opening. Since e NPS - Government significantly reduces the turnaround time (TAT) for Acct opening, the monthly contributions of NPS for the employees can be invested timely which leads to higher investment returns for the benefit of Subscribers.
- NPS Digital Onboarding through CKYC: - Central KYC (CKYC), a unique initiative of the Government of India (GoI) to empower NPS Subscribers/ financial investors to complete their KYC only once for interacting with multiple service providers across the financial sector under the ambit of various Regulators Management Services CRA (CCRA).
- Change in Operational Guidelines for National Pension Scheme Tier II- Tax Saver Scheme, 2020 (NPS - TTS): - The investment limit has been revised from 10% to 20% (of the scheme corpus) for investment in Money Market instruments.
- Change in Investment Guidelines-2021 for NPS Schemes {Other than Govt. Sector (CG & SG), Corporate CG, NPS Lite and APY} and Change in Investment Guidelines-2021 for NPS Schemes (Applicable to Scheme CG, Scheme SG, Corporate CG and NPS Lite schemes of NPS and Atal Pension Yojana): - For investment in debt instruments issued by InvIT/REIT, the limit has been increased from 10% to 15% of the total outstanding debt instruments issued by a single InvIT/REIT issuer. (For all sectors); Change in exposure norms- The exposure norms shall not apply to any of the schemes under the Private sector (Scheme E/C/G) till the scheme AUM

reaches Rs.5 Crore. and to Scheme A till the scheme AUM reaches Rs.15 Crore.

- Parallel Processing of Exit and Annuity Components for the Benefit of NPS Subscribers: - It ensures ease of Annuity and speed of its issuance, parallel Processing of Lump sum payment and Annuity issuance, payment of Retirement Income through Annuity immediately after one's retirement and hence uninterrupted income flow to the retirees, ease of Old Age Income Support, and, Ease of doing business for the associated stakeholders.
- Building a Pensioned Society through Digilocker: - Updating CRA's functionalities to tie into the Digilocker system. Account opening and updation of address via Digilocker through the use of a Driver's License.
- Processing Death Claims where Nomination is changed post-death of Subscribers: - Clarification on nominations made post the death of the subscriber by using their login credentials.
- Allowing the option to allocate 75% of the subscriber's contribution in Asset E (Equity) in Tier I and 100% in Tier II: - The limit of 75% assets class gets tapered off at 2.5% every year and is re-allocated to Government securities when subscribers attain 51 years of age. It has been decided by the Authority to allow the option to allocate 75% of subscribers' contribution in Asset Class E (Equity) in Tier - I under active choice without any conditions of tapering from the age of 51 years. It is also decided that to allow 100 % of the subscriber's contribution in Asset Class E(Equity) in Tier- II under active choice without any conditions is tapering.
- Handling NPS corpus of deceased Subscribers meant for the purchase of Annuity: - The exit and withdrawals under NPS are handled as per the provisions of PFRDA (Exits and withdrawals under NPS) Regulations 2015 and amendments thereunder.
 - o Government Sector Subscribers - The annuity shall mandatorily be purchased by the spouse (if any) providing annuity for the life of the spouse with provision for return of purchase price (ROP). On the demise of the spouse, the annuity be re-issued to the living dependent mother of the deceased subscribers or the living dependent father of the deceased subscribers.
 - o All citizen and corporate subscribers - Entire accumulated pension wealth paid to the nominees or legal heirs. However, the legal heirs or nominees if opted for can buy the annuity. NPS Trust (NPST), POPs, Corporate and Nodal Officers can engage with all those claimants of those deceased Subscribers who have availed lump sum but not bought Annuity as per the provisions mentioned above.
- Enabling the government and corporate subscribers to continue with their existing scheme choice: - The subscribers under the Corporate and Government sectors have not exercised Inter Sector Shifting (ISS) after leaving their employment on account of resignation or retirement. Those Subscribers are still associated with their erstwhile employers in NPS architecture even though they no longer work with them.

The subscribers have shown reluctance to shift to the All citizen sector, since in certain cases, the scheme/ investment option made available to the subscriber during their employment may not be available in case they shift to the All Citizen Sector. Currently, such Inter Sector Shifting (ISS) may entail changes in PF/Investment. It has been decided to permit such subscribers under the Government/ Corporate sector to continue with their existing investment pattern and Pension Fund (PF) choice as an option, for their shifting to All citizen sector. For such subscribers, their prospective and legacy contributions would continue to be invested as per the existing investment pattern/PF which was prevailing during their employment. Such subscribers will be free to choose any other investment pattern and PF also, rather than continuing the same investment pattern post the inter-sector shifting. Further, hitherto, Govt subscribers can not contribute to their NPS account post their superannuation until they choose to continue their account. It has been decided that such subscribers under Govt sector can continue to contribute to their NPS account seamlessly even after their superannuation without the need of submitting any request in this regard.

- Reduction of Timelines for Withdrawal from T+4 to T+2 for the benefit of subscribers: - The intermediaries of PFRDA viz Central Recordkeeping Agencies (CRAs), Pension Funds (PFs), and Custodian have improved the system interface and enhanced PFs and Custodian have improved the system

interface and enhanced their IT capabilities to reduce the timelines of various transactions under NPS for providing better subscriber experience to fulfill their evolving needs. The withdrawal requests of Subscribers at the time of exit were hitherto executed on T+4 working/settlement days (T being the day of authorization of withdrawal request by Nodal office/PoP/Subscriber) and the timeline has been reduced to T+2. The reduced timelines of final exit from NPS would benefit the subscribers associated with the respective CRA. Subscribers associated with Protean eGov Technologies Ltd CRA: Requests authorized up to 10:30 AM will be settled on a T+2 basis; Subscribers associated with KFin Technologies Ltd & CAMS CRA: Requests authorized up to 11 AM will be settled on a T+2 basis.

- Changes in the process flow of e-Nomination for the benefit of Government / Corporate Sector Subscribers: - PFRDA had introduced an e-Nomination facility for the benefit of NPS Subscribers. The existing Subscribers of NPS who wish to change their nomination in their PRAN can use 'e Nomination' through their login credentials. In case of e Nomination of the Subscribers associated with the Government/ Identified Corporate, the e-nomination requests need to be authorized by the associated Nodal Office/Identified Corporate for changing the nomination in the PRAN of Subscribers as maintained by the respective CRA. There is a large amount of pendency of e Nomination requests of

Subscribers, which are attributed to the non-authorization by the associated Nodal Office/Corporate.

- Voluntary Contributions under D Remit enabled through UPI: - PFRDA is pleased to launch of UPI handle for depositing contributions through D-Remit for the benefit of Subscribers. At present, the Subscribers deposit their voluntary contributions under D-Remit into Tier I/II from the net banking account of the Subscriber's Bank Account by using IMPS/NEFT/RTGS. Now, contributions through UPI are enabled to further ease the process of depositing contributions.
- e-Investment Choice for Government sector subscribers: - The Central Government NPS Subscribers can choose any one of the available PFs and Investment Options as per their choice among the following: A. Active Choice - 100% Allocation into Government Securities B. Conservative Auto Choice - 25% Allocation in Equity Asset Class C. Moderate Auto Choice - 50% Allocation in Equity Asset Class. The Asset allocation can be changed two times a year and PF can be changed once in a year. it has been decided to allow the change in Investment choice online, wherein the subscriber can submit the request directly in the CRA login and which has to be authenticated through OTP (One Time Password) received on the Registered Mobile/Email-id.
- Responsible Innovation through Regulatory Sandbox: - Regulatory Sandbox (RS) nurtures responsible innovation in Financial/Pension/Retirement Planning

services to promote efficiency, which eventually benefits the investors, Subscribers, consumers, and users. It is a formal regulatory program for market participants/Stakeholders to test new products/modified variants, services, or creative business models with users in an environment, subject to certain safeguards, reasonable caution, and adequate oversight. The proposed financial service which is to be launched under the RS should invariably include new or emerging technology or the use of existing technology in an innovative way and should necessarily address a problem, fill a void, and bring benefits to consumers. RS is a framework that allows Fin-tech innovators to perform live experiments in a controlled environment under the supervision of PFRDA or the respective Sector Regulator.

- Subscriber Centric Services through DigiLocker: - Central Record Keeping Agencies (CRAs) appointed by PFRDA have integrated their system with DigiLocker in order to provide Subscriber Centric Services. DigiLocker offers the following benefits to NPS stakeholders:
 - i. Access of ePRAN card through DigiLocker for existing subscribers.
 - ii. Access to Account Statements through DigiLocker for existing subscribers.
 - iii. Undertaking KYC for NPS account opening for prospective subscribers.
 - iv. Currently, three services have been made available by the respective CRAs through Digilocker Account: Protean e-

Governance Technologies CRA (PCRA), KFin Technologies CRA (KCRA), and Computer Age Management Services CRA (CCRA).

- Cyber Security Directions and FAQs issued by the CERT-In: - CERT-In has issued cyber security directions relating to information security practices, procedures, prevention, responses, and reporting of cyber incidents under the Information Technology, Act, of 2000. These directions cover aspects related to the synchronization of information and Communication Technology (ICT) system clocks, reporting of cyber incidents to CERT-In types of cyber incidents to reported maintaining logs of ICT systems among others. In this connection, CERT-In has also released a Frequently Asked Question (FAQ) document.
- Risk Profiling of Schemes managed by Pension Funds under NPS: - The investment under various asset classes of the Schemes of Pension Funds would involve a different level of risks for subscribers and, therefore, it is desired that the adequate disclosure of the risks involved in various Schemes of NPS are made available for awareness of the subscribers. It has been decided by the Authority that Pension Funds managing the Tier I and Tier II Schemes of Assets Classes Equity (E), Corporate Debt (C), Government Securities (G), and Scheme A, shall maintain and disclose risk profiling of the Schemes. The risk profiling shall have six levels of risk of the schemes- low risk, low to moderate risk, moderate risk, moderately high risk, high risk, and very high risk. Based on the scheme characteristic, pension funds shall assign risk levels for the schemes E-tier 1, E-Tier 2, C-Tier 1, C-Tier-2, G-Tier-1, G-Tier-2, and Scheme A. The risk profiling must be disclosed on the website and shall be evaluated on a quarterly basis.
- Change in Investment Guidelines-2021 for NPS Schemes (Applicable to Scheme CG, Scheme SG, Corporate CG and NPS Lite schemes of NPS and Atal Pension Yojana): - In partial modification of Investment Guidelines, it has been decided by the authority to make the following changes regarding Short-term Debt Instruments and Related Investments. Investments in units of a Debt scheme of a Mutual Fund as regulated by the Securities and Exchange Board of, India where investment is in short-term securities with a Macaulay duration of less than 1 year viz. The overnight fund, Liquid Fund, Ultra Short Duration Fund, and Low duration fund with the condition that the average total asset under management of AMC for the most recent six-month period should be at least Rs. 5,000/- crores. The Pension Funds are allowed to invest in Government Securities as Lender in Triparty Repo conducted over the Triparty repo system provided by RBI. While preparing the single consolidated list of stocks, the average full market capitalization of the previous six months of the stocks shall be considered.
- Change in Investment Guidelines-2021 for NPS Schemes {Other than Govt. Sector (CG & SG), Corporate CG, NPS Lite and APY}: - The Pension Funds are allowed to invest in Government

Securities as Lender in Triparty Repo conducted over the Triparty repo system provided by RBI through Clearing Corporation of India Limited as the settlement guarantor. While preparing the single consolidated list of stocks, the average full market capitalization of the previous six months of the stocks shall be considered. After any updation in the list, Pension Funds would have to rebalance their portfolios in line with the updated list, within a period of six months.

- e-APY-Ease of onboarding through Aadhaar: - All APY-Service Provider Banks are encouraged to provide e-APY links in their respective corporate website

for the benefit of their customer and facilitate the eligible customers with ease of onboarding.

List of Annexure

Annexure I

Composition of Pension Advisory Committee (PAC)

Annexure II

State wise total number of Active PoP-SPs

Annexure III

Annual statement of accounts of the Authority along with the Schedules

**Further details for the same can be accessed at <https://www.pfrda.org.in/index1.cshhtml?lsid=366>.*

Annexure I

Composition of Pension Advisory Committee

- | | |
|--|--|
| 1. Deputy Secretary (Establishment II), Department of Personnel & Training | 11. Chief Executive Officer, Kotak Pension Fund Ltd |
| 2. Deputy Controller General of Accounts (Technical Advice), Department of Expenditure, Ministry of Finance | 12. Managing Director & CEO, Protean eGov Technologies Ltd. (formerly NSDL e-Governance Infrastructure Ltd) Management, Pune |
| 3. Director (A/Cs), Department of Posts, New Delhi | 13. Director, National Institute of Bank Management, Pune |
| 4. Director (Fin/Budget), Defence Finance as representative of Ministry of Defence | 14. President, Institute of Actuaries of India |
| 5. Shri Gourav Sharma, Deputy Commandant Border Security Force as representative of Ministry of Home Affairs | 15. Dr. K.P. Krishnan, Honorary Research Professor, Centre for Policy Research (CPR) |
| 6. Shri Ramesh Chandra Pandey, Section Officer, Finance Establishment (FE) Directorate as representative of Ministry of Railways | 16. Shri Dharendra Kumar, Founder & CEO, Value Research |
| 7. Chief Executive-Indian Banks' Association | 17. Chief Executive Officer Fixed Income Money Market and Derivatives Association of India |
| 8. Director, Budget, Department of Finance, Bhopal, Government of Madhya Pradesh | 18. Chairman – CII-National Committee on Insurance & Pensions Director, Budget, Department of Finance, Bhopal, Government of Madhya Pradesh |
| 9. Chairman, NPS Trust | The Chairperson and the Members of the Authority shall be the ex-officio Chairperson and ex officio members of the Pension Advisory Committee. |
| 10. Chief Executive Officer, LIC Pension Fund Ltd | |

Annexure II

State wise total number of Active POP-SPs

S. No.	State Name	2023
1	Andaman & Nicobar Islands	128
2	Andhra Pradesh	14,728
3	Arunachal Pradesh	393
4	Assam	3,157
5	Bihar	9,571
6	Chandigarh	460
7	Chhattisgarh	4,867
8	Dadra & Nagar Haveli and Daman & Diu	108
9	Goa	821
10	Gujarat	13,475
11	Haryana	6,092
12	Himachal Pradesh	3,131
13	Jammu & Kashmir	2,118
14	Jharkhand	4,189
15	Karnataka	14,240
16	Kerala	10,367
17	Lakshadweep	11
18	Ladakh	15
19	Madhya Pradesh	13,214
20	Maharashtra	21,168
21	Manipur	263
22	Meghalaya	532
23	Mizoram	248
24	Nagaland	241
25	NCT of Delhi (New Delhi)	4,028
26	Odisha	6,742
27	Puducherry	303
28	Punjab	9,384
29	Rajasthan	10,853
30	Sikkim	138
31	Tamil Nadu	15,104
32	Telangana	5,519
33	Tripura	659
34	Uttar Pradesh	23,929
35	Uttarakhand	2,890
36	West Bengal	10,185
	Total (All India)	2,13,271

Note: List includes data of CRA-NSDL and exclusive POP-SPs registered under Kfintech-CRA and CAMS CRA.

Annexure III

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of Pension Fund Regulatory and Development Authority (PFRDA), New Delhi for the year ended 31st March 2023

1. We have audited the attached Balance Sheet of the Pension Fund Regulatory and Development Authority (PFRDA) as at 31st March 2023, Income & Expenditure Account and Receipts & Payments Account for the year ended on that date under Section 19 (2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 42 of Pension Fund Regulatory and Development Authority Act, 2013. These financial statements are the responsibility of the PFRDA's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. The Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. **Based on our audit, we report that:**
 - (i) We have obtained all the information and explanations, subject to the observations in the report, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) The Balance Sheet, Income & Expenditure Account and Receipts & Payments Account dealt with by this report have been drawn up in the format as prescribed in Pension Fund Regulatory and Development Authority (Form of Annual Statement of Accounts and Records) Rules, 2015.
 - (iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Pension Fund Regulatory and Development Authority (PFRDA), in so far as it appears from our examination of such books.
 - (iv) We further report that:

A. Current Liabilities and Provisions (Schedule-7): ₹14.62 crore

The above does not include ₹14.63 lakh being payment towards manpower services provided by M/s Sovereign Enterprises, M/s S.N. Enterprises, M/s Aagami Indo Pvt. Ltd. and Sybex Support Services (P) Ltd. for the month of March 2023. Though the Invoice date was 11.04.2023 but the payment was related to salary and the same was paid regularly by the Authority. Moreover, accounts were still open when the amount was approved by the competent authority for payment on 03.05.2023. Hence, provision for ₹14.63 lakh should have been created in the books of accounts. Non-provision of the above has resulted in understatement of Current Liabilities and Provisions and overstatement of Surplus by ₹14.63 lakh

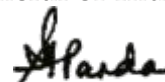
B. Grants in Aid

PFRDA received Grants-in-aid from Government of India during 2022-23 to the tune of ₹726.31 crore and had an opening balance of ₹51.46 crore. During the year, interest earned on Government Grant was ₹0.89 crore, and credit received under Swavalamban account was ₹0.15 crore and APY account was ₹15.03 crore. Out of the total available balance of ₹793.84 crore during 2022-23, PFRDA utilized ₹780.28 crore (including refund of grant of ₹15.16 crore and interest earned on Government grant amounting to ₹0.78 crore) leaving an unspent balance of ₹13.56 crore.

C. Deficiencies, which have not been included in the Audit Report, have been brought to the notice of the Management through a management letter issued separately for remedial/corrective action.

- v. Subject to our observations in the preceding paragraph, we report that the Balance Sheet and Income and Expenditure Account/ Receipt & Payment Account dealt with by this report are in agreement with books of accounts.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes to Accounts, and subject to the significant matters stated above and other matters mentioned in **Annexure-I** to this Audit Report, give a true and fair view in conformity with accounting principles generally accepted in India:
 - a In so far as it relates to Balance Sheet, of the state of affairs of the PFRDA as at 31st March 2023; and
 - b In so far as it relates to Income and Expenditure Account of the Excess of Income over Expenditure (positive) for the year ended on 31st March 2023.

For on behalf of the
Comptroller and Auditor General of India



(S. Ahladini Panda)
Principal Director of Audit
Industry & Corporate Affairs

Place: New Delhi

Dated: 21 JUL 2023

Annexure I

Annexure to Separate Audit Report

A. Adequacy of Internal Audit System

Internal Audit Wing of PFRDA has completed the audit of all wings of PFRDA for the year 2021-22. Internal audit for the year 2022-23 is under progress. Internal Audit needs to be strengthened and made commensurate with the size and nature of the activities of PFRDA.

Additionally, the audit of accounts of PFRDA for the year 2022-23 was conducted by a Chartered Accountant firm engaged on contract basis. The findings were reported to PFRDA management and PFRDA has submitted the action taken report on the observations given by the CA firm.

B. Adequacy of Internal Control System

Internal control system regarding booking of grants received for specific purposes and the maintenance of vouchers, various control registers, record relating to grant in aid and sanctions and regularity in expenditure approval was satisfactory.

C. System of physical verification of fixed assets

The physical verification of fixed assets was conducted at the end of financial year by PFRDA. Assets Identification No. of employees-related fixed assets such as home office computers and Mobile handsets were not mentioned in the Fixed Assets Register. The same needs to be mentioned for easy verification. Further, assets declared as scrap need to be disposed of.

D. System of physical verification of inventory

There were 'Nil' inventories during the financial year 2022-23.

E. Regularity in payment of statutory dues

As per the records furnished to the audit, no statutory dues over six months were outstanding as on 31.03.2023.


Dy. Director (AMG-II)

Annexure C

PFRDA Comments to the Separate Audit Report

For Point A of SAR and Point A and C of Annexure to SAR:

The invoices submitted by the vendor were not in order and the revised invoices were received after the due date for submission of bills for finalization of the accounts of the Authority for FY 2022-23. Hence, in the absence of availability of the sufficient information to ascertain the provision amount, the same could not be made. However, it will be ensured that such instances may not occur in future.

With respect to system of physical verification of Fixed Assets, it is mentioned that, the assets are verified at the end of every year and no such issue regarding non-identification has been faced as such. However, a unique identification number shall be assigned to each asset for better tracking.

Suitable measures for further strengthening of the Internal Audit department of the Authority are being put in place such as risk based internal audit.

FORM A
[See Rule 3(a)]
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
BALANCE SHEET AS ON 31-03-2023

(Unit-Indian Rupee)

Liabilities	Schedule	Current year	Previous year	Assets	Schedule	Current year	Previous year
1. Corpus/Capital Fund	1	2,974,384,095	1,871,018,798	1. Fixed Assets	8		
				Gross block		1,407,155,918	1,001,522,291
2. Reserves and Surplus	2		-	Less: Depreciation		28,609,928	23,641,478
				Net Block		1,378,545,990	977,880,813
3. Earmarked/ Endowment funds	3	169,458,907	539,598,993	2. Investments from Earmarked/ Endowment Fund	9	29,151,498	24,388,564
4. Secured loans and borrowings	4	-	-	3. Investment- Others	10	1,234,998,001	774,456,001
5. Unsecured loans and borrowings	5	-	-	4. Current assets, Loans, Advances etc.	11	647,352,483	740,617,402
6. Deferred credit liabilities	6	-	-	5. Miscellaneous expenditure (to the extent not written off or adjusted)		-	-
7. Current liabilities and provisions	7	146,204,970	106,724,989				
Total		3,290,047,972	2,517,342,780	Total		3,290,047,972	2,517,342,780

Note:-

All Schedules to Balance Sheet shall form part of Account.

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar**
Member**Dr. Manoj Anand**
Member**Dr. Deepak Mohanty**
Chairperson

FORM B [See rule 3(b)] PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD 01-04-2022 TO 31-03-2023 (Unit-Indian Rupee)							
Expenditure	Schedule	Current year	Previous year	Income	Schedule	Current year	Previous year
1. Establishment Expenses	20	350,886,790	350,334,730	1. Income from Sales/ Services	12	-	-
2. Other Administrative expenses etc.	21	300,527,315	394,489,233	2. Grants/ Subsidies	13	-	-
3. Expenditure on Grants, Subsidies etc.	22	-	-	3. Fee/ Subscription	14	1,687,300,953	1,335,893,795
4. Interest	23	10,044	5,993	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)		5,554,677	5,963,505	5. Income from Royalty, Publications etc.	16	-	-
				6. Interest Earned	17	68,342,542	38,610,168
				7. Other Income	18	4,700,630	2,292,607
				8. Increase/ (decrease) in stock of Finished goods and Work-in-progress	19	-	-
TOTAL		656,978,827	750,793,461	TOTAL		1,760,344,124	1,376,796,570
Balance being excess of Income over Expenditure		1,103,365,297	626,003,109				
Transfer to Special Reserve (specify each)		-	-				
Transfer to/from General Reserve		-	-				
BALANCE BEING SURPLUS/(DEFICIT) CARRIED TO CORPUS/CAPITAL FUND		1,103,365,297	626,003,109				
Significant Accounting Policy	24						
Contingent Liabilities and Notes on Accounts	25						
Notes :- All Schedules to Income and Expenditure Account shall form part of account. <div style="display: flex; justify-content: space-between;"> <div> Place: New Delhi Date: 22/05/2023 </div> <div> P. Arumugarangarajan Chief Accounts Officer </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div> Mamta Shankar Member </div> <div> Dr. Manoj Anand Member </div> <div> Dr. Deepak Mohanty Chairperson </div> </div>							

FORM C
[See rule 3(c)]
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
RECEIPT AND PAYMENT ACCOUNT FOR THE PERIOD 01-04-2022 to 31-03-2023

(Unit-Indian Rupee)

SI No	Receipts	Current year	Previous year	SI No	Payments	Current year	Previous year
1.	Opening Balances			1.	Expenses		
(a)	Cash in hand	12,291	20,000	(a)	Establishment Expenses	328,776,113	322,778,542
(b)	Bank Balances			(b)	Administrative Expenses	331,935,828	291,693,067
(i)	In Current accounts		-	2	Grants Utilised		
(ii)	In Time Deposit accounts		-	(a)	Swavalamban Contribution	(1,549,343)	(6,420)
(iii)	In Saving Bank deposit accounts	593,107,928	400,142,196	(b)	Swavalamban Promotion	9,052,700	11,382,300
2.	Grants Received			(c)	Grant to National Pension system Trust		-
(i)	From Government of India			(d)	APY Contribution	(150,314,665)	(13,910,719)
(a)	Grant-in-aid Salaries	-	-	(e)	APY Promotion and Development	2,214,311,676	1,702,029,612
(b)	Grant-in-aid-General	-	-	(f)	Refund of Grant	151,600,000	158,400,000
(c)	Grant-in-aid-Swavalamban Contribution	13,100,000	-	(g)	Refund of Interest	7,826,865	7,253,252
(d)	Grant-in-aid-Swavalamban Promotional & Development activities		-	(h)	Others APY GAP Fund	5,420,000,000	-
(e)	Grant-in-aid APY Contribution		-	3.	Investments and deposits made		
(f)	Grant-in-aid APY Promotion & Development	1,830,000,000	2,030,000,000	(a)	Out of Earmarked/ Endowment funds	3,600,000	400,000
(g)	Others (GAP Fund Grant under APY)	5,420,000,000	-	(b)	Out of Own Funds (Investments-Others)	460,542,000	257,324,780
(ii)	From State Government			4.	Expenditure on Fixed Assets and Capital Work-in-progress		
(a)	Grant-in-aid Salaries	-	-	(a)	Purchase of Fixed Assets	1,192,062	1,227,422
(b)	Grant-in-aid-General	-	-	(b)	Expenditure on Capital Work-in-progress	320,129,640	480,194,460
(c)	Grant-in-aid-Swavalamban Contribution	-	-	5.	Refund of surplus money/ Loans		
(d)	Grant-in-aid-Swavalamban Promotional & Development activities	-	-	(a)	Recoverable from National pension system trust		-
(e)	Others	-	-	(b)	To the State Government		-
(iii)	From Other Sources (SPCPA)	3,547,818	-	(c)	To other providers of funds		-
3.	Income on Investments			6.	Finance Charges (Interest)		
(a)	Earmarked/Endowment Funds	5,592	4,616	(a)	Bank charges	9,540	5,993
(b)	Own Funds (other investment)	-	-	(b)	Others		-
4.	Interest Received			7.	Other Payments (Specify)		
(a)	On Bank deposits	70,028,129	52,543,693	(a)	Prepaid	3,854,019	4,945,765
(b)	Loans, Advances etc.	-	-	(b)	Loan/ Advance to employees	787,000	142,591
(c)	Others (Interest on Loan)	-	-	(c)	Advance against Expenses	4,721,304	39,010,557
5.	Other Income (Specify)			(d)	Security Deposits	-	982,000
(a)	Annual Fees	1,599,583,336	1,305,629,042	8.	Closing Balances		
(b)	Fees from Miscellaneous Services	6,714,002	15,491,724	(a)	Cash in hand	40,000	12,291
(c)	Miscellaneous Income	5,520,592	1,877,272	(b)	Bank Balances		
6.	Amount Borrowed	-	-	(i)	In Current accounts		
7.	Any Other receipts			(ii)	In Time Deposit accounts	270,000,000	
(a)	Security/Earnest Money Received	30,500	50,000	(iii)	In Saving Bank deposit accounts	176,903,444	593,107,928
(b)	Recovery of Advance	7,520,196	16,151,168				
(c)	Transfer of Assets		-				
(d)	Subscribers Education and Protection Fund	3,783,167	363,711				
(e)	Others	464,632	34,700,000				
	TOTAL	9,553,418,184	3,856,973,421		TOTAL	9,553,418,184	3,856,973,421

Place: New Delhi
Date: 22/05/2023

P. Arumugarangarajan
Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 1

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

CORPUS/ CAPITAL FUND

(Unit-Indian Rupee)

Particulars	Current year	Previous year
Balance as at the beginning of the year	1,871,018,798	1,245,015,689
Add : Opening Balance of unutilized corpus fund	-	-
Less: Closing Balance of unutilized corpus fund	-	-
Add/Deduct: Balance of net income/expenditure transferred from the Income and Expenditure	1,103,365,297	626,003,109
Add : Government Grant to be received from government/transferred from the Income and Expenditure Account		-
BALANCE AS AT THE PERIOD END	2,974,384,095	1,871,018,798

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer**

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 2

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

RESERVES AND SURPLUS

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. <u>Capital Reserve</u>		
a) At the beginning of the year	-	-
b) Addition during the year	-	-
c) Less: Deductions during the year	-	-
2. <u>Revaluation Reserve</u>		
a) At the beginning of the year	-	-
b) Addition during the year	-	-
c) Less: Deductions during the year	-	-
3. <u>Special Reserve</u>		
a) At the beginning of the year	-	-
b) Addition during the year	-	-
c) Less: Deductions during the year	-	-
4. <u>General Reserve</u>		
a) At the beginning of the year	-	-
b) Addition during the year	-	-
c) Less: Deductions during the year	-	-
Total	-	-

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan
Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY									
SCHEDULE 3									
ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023									
EARMARKED/ ENDOWMENT FUNDS									
Particulars	Fund wise break up						Current Year	Previous Year	(Unit-Indian Rupee)
	Atal Pension Yojana	Subscriber Education and Protection Fund	Swavlamban Kosh	Subscriber Pension Contribution Protection Account	GAP Fund Grant under Atal Pension Yojana				
1. Opening balance of the funds	503,386,587	25,013,267	11,199,139				539,598,993	367,508,115	
2. Additions to the funds							-	-	
a) Donations / grants	1,830,000,000	1,404,662	13,100,000				7,263,100,000	2,030,000,000	
b) Income on Investments made on account of funds							1,404,662	1,147,136	
c) Receipts during the year	158,663,569	3,788,759	1,718,965	3,561,598	424,600		168,157,492	20,052,655	
d) Other Additions (Specify nature)									
TOTAL (1+2)	2,492,050,156	30,206,688	26,018,105	3,561,598	5,420,424,600		7,972,261,147	2,418,707,907	
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	2,373,529,502		9,272,739		5,420,000,000		7,802,802,241	1,879,108,914	
iv) Others:	2,373,529,502	-	9,272,739	-	5,420,000,000		7,802,802,241	1,879,108,914	
Total	2,373,529,502	-	9,272,739	-	5,420,000,000		7,802,802,241	1,879,108,914	
TOTAL (3)	118,520,655	30,206,688	16,745,366	3,561,598	424,600		169,458,907	539,598,993	
NET BALANCE AT THE PERIOD END (1+2-3)									
<div>Place: New Delhi</div> <div>Date: 22/05/2023</div> <div> <div>Mamta Shankar Member</div> <div>Dr. Manoj Anand Member</div> <div>P. Arumugarangarajan Chief Accounts Officer</div> <div>Dr. Deepak Mohanty Chairperson</div> </div>									

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 4

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

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: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer**

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 5

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

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: New Delhi

Date: 22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar****Member****Dr. Manoj Anand****Member****Dr. Deepak Mohanty****Chairperson**

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 6

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

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: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar****Member****Dr. Manoj Anand****Member****Dr. Deepak Mohanty****Chairperson**

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 7

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

CURRENT LIABILITIES AND PROVISIONS

(Unit-Indian Rupee)

Particulars	Current year	Previous year
<u>Current Liabilities</u>		
1. Acceptances	-	-
2. Sundry Creditors & Payables	126,334,783	21,845,986
3. Advances Received	23,200	34,700,000
4. Interest Accrued but not due on:		
a) Secured Loans / Borrowings	-	-
b) Unsecured Loans/ Borrowings	-	-
5. Statutory Liabilities:		
a) Overdue	-	-
b) Others: TDS	1,441,073	2,974,117
TDS under GST	14,254	-
Goods and Service Tax	39,023	-
6. Other Current Liabilities		
a) Others: Security Deposits	5,647,500	5,617,000
MAF Fund	6,310,763	
TOTAL	139,810,595	65,137,103
<u>Provisions</u>		
1. For Taxation	-	-
2. Gratuity	(4,843,223)	5,819,474
3. Trade Warranties/ Claims	-	-
4. Accumulated Leave encashment	10,499,118	34,663,549
5. Pension Contribution Payable		612,543
6. Leave salary payable	-	-
7. Others - CAG Audit fee payable	738,480	492,320
TOTAL	6,394,375	41,587,886
GRAND TOTAL	146,204,970	106,724,989
<div> <div>Place: New Delhi Date:22/05/2023</div> <div> P. Arumugarangarajan Chief Accounts Officer </div> </div> <div> <div> Mamta Shankar Member </div> <div> Dr. Manoj Anand Member </div> <div> Dr. Deepak Mohanty Chairperson </div> </div>		

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
SCHEDULE 8
ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023
FIXED ASSETS

(Unit-Indian Rupee)

Description	Gross Block			Cost/ Valuation as at the year end	Depreciation			Net Block		
	Cost/ Valuation as at the beginning of the year	Additions during the year	Deductions during the year		As at beginning of the year	For the year	Deductions during the year	Total upto the 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	2,256,883	886,753	-	3,143,636	977,858	258,360	-	1,236,218	1,907,418	1,279,025
5. Furniture & Fixtures	5,259,462	82,449	-	5,341,911	2,622,781	267,791	-	2,890,571	2,451,340	2,636,681
6. Office Equipments	10,835,866	1,202,383	615,975	11,422,274	4,786,909	993,934	146,679	5,634,164	5,788,109	6,048,957
7. Computer/ Peripherals	22,373,199	3,551,403	826,323	25,098,278	14,895,914	3,723,344	439,549	18,179,709	6,918,569	7,477,285
8. Electrical Installations	163,960	-	-	163,960	137,671	2,737	-	140,409	23,551	26,289
9. Library Books	243,942	9,000	-	252,942	220,345	13,039	-	233,384	19,558	23,597
10. Intangibles	-	1,181,888	-	1,181,888	-	295,472	-	295,472	886,416	-
Total Of Current Year	41,133,312	6,913,876	1,442,298	46,604,889	23,641,478	5,554,677	586,227	28,609,928	17,994,961	17,491,834
Previous Year	30,553,260	11,556,150	976,098	41,133,312	17,949,562	6,043,755	351,840	23,641,478	17,491,834	12,603,697
Capital work-in-progress	960,388,979	400,162,050	-	1,360,551,029	-	-	-	-	1,360,551,029	960,388,979
Total									1,378,545,990	977,880,813

Note to be given as to cost of assets on hire purchase basis included above.

Place: New Delhi
Date: 22/05/2023P. Arumugarangarajan
Chief Accounts OfficerMamta Shankar
MemberDr. Manoj Anand
MemberDr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 9****ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023****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. Fixed Deposits	29,151,498	24,388,564
7. Others		-
TOTAL	29,151,498	24,388,564

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar****Member****Dr. Manoj Anand****Member****Dr. Deepak Mohanty****Chairperson**

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 10

ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023

INVESTMENT- OTHERS

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. Government securities	-	-
2. Other approved securities	-	-
3. Shares (Unquoted)		
Shares of National Center for Financial Education (NCFE)		
10,00,00,000/-		
Less: Invest made from Government Grants		
<u>9,99,99,999/-</u>	1.00	1.00
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint ventures	-	-
6. Fixed Deposits	1,234,998,000	774,456,000
7. Others	-	-
TOTAL	1,234,998,001	774,456,001

Refer point 7 to Schedule 25.

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar****Member****Dr. Manoj Anand****Member****Dr. Deepak Mohanty****Chairperson**

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
SCHEDULE 11
ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31st March, 2023
CURRENT ASSETS, LOANS AND ADVANCES

(Unit-Indian Rupee)

Particulars	Current year	Previous year
<u>(A) Current Assets</u>		
1. Inventories :		
a) Stores and Spares	-	-
b) Loose Tools	-	-
c) Stock-in-trade		
Finished goods	-	-
Work-in-progress	-	-
Raw Materials	-	-
2. Sundry Debtors :		
a) Debt outstanding for a period exceeding six months	-	-
b) Others:	-	-
3. Cash in hand	40,000	12,291
4. Bank Balances :		
a) with Scheduled Banks:		
i) On Current Accounts	-	-
ii) On Time Deposit Accounts	270,000,000	-
iii) On Savings Bank Deposit A/c	176,903,444	593,107,928
b) with Non- Scheduled Banks:		
i) On Current Accounts	-	-
ii) On Time Deposit Accounts	-	-
iii) On Savings Bank Deposit A/c	-	-
5. Post Office- Savings Accounts	-	-
6. Others	-	-
TOTAL (A)	446,943,444	593,120,219
<u>(B) Loans, Advances And Other Assets :</u>		
1. Loans:		
a) Staff	1,025,000	238,000
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 (Prepaid exp)	3,879,210	4,945,765
c) Security Deposits	3,964,480	3,964,480
d) Others:	17,262,661	17,937,477
3. Income Accrued:		
a) On Investments from Earmarked/ Endowment funds	726,030	484,302
b) On Investments- Others	32,370,882	25,039,998
c) On Loans and Advances	-	-
d) Others (includes income due unrealized:)	141,180,776	94,887,162
4. Claims Receivable	-	-
Total (B)	200,409,039	147,497,184
Grand Total (A)+(B)	647,352,483	740,617,402
<div style="display: flex; justify-content: space-between; align-items: flex-start; padding-top: 20px;"> <div style="width: 30%;"> <p>Place: New Delhi</p> <p>Date: 22/05/2023</p> </div> <div style="width: 30%; text-align: center;"> <p>P. Arumugarangarajan Chief Accounts Officer</p> </div> <div style="width: 30%; text-align: center;"> <p>Dr. Deepak Mohanty Chairperson</p> </div> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 20px;"> <div style="width: 30%; text-align: center;"> <p>Mamta Shankar Member</p> </div> <div style="width: 30%; text-align: center;"> <p>Dr. Manoj Anand Member</p> </div> </div>		

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 12

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023

INCOME FROM SALES/SERVICES

(Unit-Indian Rupee)

Particulars	Current year	Previous year
<u>1. Income from Sales</u>		
a) Sale of Finished goods	-	-
b) Sale of Raw Materials	-	-
c) Sale of Scraps	-	-
<u>2. 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: New Delhi

Date:22/05/2023

P. Arumugarangarajan
Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 13

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023GRANT/ 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 / Welfares bodies	-	-
5. International Organisations	-	-
6. Others : (Specify)	-	-
Total	-	-

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan
Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 14

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023

FEES / SUBSCRIPTIONS

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. Entrance Fees	-	-
2. Annual Fees	1,680,551,951	1,320,402,071
3. Seminar/ Program Fee	-	-
4. Consultancy Fees	-	-
5. Licence Fees	-	-
6. Fees from Miscellaneous Services	6,749,002	15,491,724
7. Others (Specify)	-	-
Total	1,687,300,953	1,335,893,795

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan
Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
SCHEDULE 15

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD 01-04-2022 TO 31-03-2023
INCOME FROM INVESTMENTS

(Income on investment 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	1,404,662	1,147,136	-	-
2. Dividend				
a) On Shares	-	-	-	-
b) On Mutual Funds	-	-	-	-
c) Others	-	-	-	-
3. Rents	-	-	-	-
4. Others (specify)	-	-	-	-
Total	1,404,662	1,147,136	-	-
Less: Transferred to Earmarked/Endowment Funds	1,404,662	1,147,136		
Net balance	-	-	-	-

Place: New Delhi
Date: 22/05/2023

P. Arumugarangarajan
Chief Accounts Officer

Mamta Shankar
Member

Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 16

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023

INCOME FROM ROYALTY, PUBLICATION ETC.

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. Income from Royalty	-	-
2. Income from Publications	-	-
3. Others (specify)	-	-
Total	-	-

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer**

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 17****ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD 01-04-2022 TO 31-03-2023****INTEREST EARNED**

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. On Term Deposits Accounts		
a) with Scheduled Banks	62,422,290	33,269,079
b) with Non-Scheduled Bank	-	-
c) with Institutions	-	-
d) Others	-	-
2. On Savings Bank Deposits Accounts		
a) with Scheduled Banks	5,920,252	5,341,089
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	68,342,542	38,610,168
Tax deducted at source to be indicated	-	-

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar****Member****Dr. Manoj Anand****Member****Dr. Deepak Mohanty****Chairperson**

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 18

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023

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	4,700,630	2,292,607
Total	4,700,630	2,292,607

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan**Chief Accounts Officer**

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 19

ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023

INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS AND WORK IN PROGRESS

(Unit-Indian Rupee)

Particulars	Current year	Previous year
A) Closing Stock		
1. Finished Goods	-	-
2. Work-in-progress	-	-
B) Less: Opening Stock		
1. Finished Goods	-	-
2. Work-in-progress	-	-
Net Increase/(Decrease) (A-B)	-	-

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer**

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 20**

**ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023**

ESTABLISHMENT EXPENSES

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. Salaries and Wages	305,452,257	288,246,416
2. Allowances and Bonus	-	-
3. Contribution to Provident Fund	-	-
4. Contribution to Pension	24,892,466	23,773,295
5. Staff Welfare Expenses	-	-
6. Expense on Employee Retirement and Terminal Benefits	-	-
7. Leave Salary	13,328,660	29,456,283
8. Tution Fees reiumbursement	-	-
9. Medical reiumbursement	5,744,737	3,805,100
10. Gratuity Contribution	1,468,670	5,053,636
11. Others: (specify)	-	-
Total	350,886,790	350,334,730

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan**Chief Accounts Officer****Mamta Shankar****Member****Dr. Manoj Anand****Member****Dr. Deepak Mohanty****Chairperson**

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 21****ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR
THE PERIOD 01-04-2022 TO 31-03-2023****OTHER ADMINISTRATION 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	1,927,091	1,772,164
5. Water Charges	939,873	686,823
6. Insurance	4,875,244	1,799,867
7. Repair and Maintenance	6,141,763	5,636,902
8. Excise Duty	-	-
9. Rent, Rates and Taxes	81,557,285	81,443,062
10. Vehicles Running and Maintenance	26,621,491	23,548,764
11. Postage, Telephone and Communication Charges	6,761,172	6,975,702
12. Printing and Stationary	2,417,035	1,638,459
13. Travelling and Conveyance Expenses	24,786,339	7,205,131
14. Expenses on Seminar/ Workshops/ Meetings and conferences	22,273,031	8,113,200
15. Subscription Expenses	4,209,104	-
16. Expenses on Fees	-	-
17. Auditors Remuneration	246,160	349,702
18. Hospitality Expenses	-	-
19. Professional Charges	35,059,125	64,581,121
20. Books and Periodicals	515,408	303,304
21. Recruitment Expenses	20,820,403	10,524,747
22. Provision for Bad and Doubtful Debts/ Advances	-	-
23. Incentive to Point of presence	-	-
24. Irrevocable balances Written off	-	-
25. Packing charges	-	-
26. Freight and Forwarding Expenses	-	-
27. Distribution Expenses	-	-
28. Advertisement and Publicity Expenses	24,474,471	118,502,678
29. Others: a. Membership fees	902,328	587,305
b. Staff Welfare expenses	1,765,164	1,483,833
c. Consultancy expenses	6,216,099	3,490,294
d. APY Promotion	6,650,122	51,824,736
e. Reclassified under Sch 3 (Earmarked fund)		(698,402)
f. Others (Website fee expense, Fund management expense, Computer consumables+NCFE Expenses etc)	21,368,608	4,719,842
Total	300,527,315	394,489,233

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan
Chief Accounts Officer**Mamta Shankar**
Member**Dr. Manoj Anand**
Member**Dr. Deepak Mohanty**
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

SCHEDULE 22

**ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023**

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 :		
a. Refund of Grants		
b. Refund of Interest		
Total	-	-

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan

Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**SCHEDULE 23**

**ATTACHED TO AND FORMING PART OF INCOME AND EXPENDITURE ACCOUNT FOR THE
PERIOD 01-04-2022 TO 31-03-2023**

INTEREST

(Unit-Indian Rupee)

Particulars	Current year	Previous year
1. On Fixed Loans	-	-
2. On Other Loans	-	-
3. Bank charges	10,044	5,993
4. Other(specify)	-	-
Total	10,044	5,993

Place: New Delhi

Date:22/05/2023

P. Arumugarangarajan**Chief Accounts Officer**

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
SCHEDULE 24
ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD
01-04-2022 TO 31-03-2023
SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting and preparation of financial statements

The financial statements of the Authority is prepared in accordance with the Pension Fund Regulatory and Development Authority (Form of Annual Statement of Accounts and Records) Rules, 2015. The forms and schedules of Annual Accounts are prescribed under the above-mentioned Rules in which expenditure under the Swavalamban scheme is shown in Schedule 21 i.e "Other Administrative expenses". Similarly, Grant/Subsidies received are shown under Schedule 13 (Grant/Subsidies) which is part of the Income and expenditure account. Accordingly, the Grant and expenditure under Swavalamban and APY scheme are considered as income and expenditure in the books of accounts of PFRDA. This treatment of Government grant received has affected the Income and Expenditure account of the PFRDA. Comptroller & Auditor General of India reported this treatment in its Separate Audit Report in the previous financial years.

To rectify the Accounting Methodology/ Presentation Government of India has amended the PFRDA (Form of Annual Statement of Accounts and Records) Rules, 2015 on 05th July 2022 there by the additions and expenditure from the Governments Grants can be routed through the Schedule 3 without affecting the Income and Expenditure account of PFRDA. The financials of PFRDA for the FY 2022-23 are prepared based on the amended rules. To facilitate comparison of the

accounts of FY 2022-23 with the previous year financials i.e FY 2021-22, the accounts of PFRDA for the FY 2021-22 were inter se reclassified without any material impact on the overall Balance Sheet.

PFRDA had a practice and policy of account of receipt of grants on cash basis and expenditure on mercantile basis and net amount pertaining to unutilised grants was reported in Other Current Liabilities on cash basis. As per change in policy now, the grants receipt and utilization are shown on cash basis. Previous year figures have been recasted and accordingly, Rs. 19.96 Cr. have moved from Income and Expenditure to Schedule 3 (Earmarked/ Endowment Fund) and Rs. 0.07 Cr. have been disclosed as separate line item in Schedule 21. The impact of the said change in the current year is NIL.

The financial statements have been prepared on accrual basis under the historical cost convention except the accounts for the schemes of Government of India namely Atal Pension Yojana Scheme, Swavalamban Scheme and Gap Fund Grant under APY which are maintained on cash basis. The figures of these Earmarked/ Endowment fund are mentioned under Schedule 3 of the Annual accounts.

2. Revenue Recognition

- (I) Annual/Quarterly Fees from all our intermediaries have been recognized on accrual basis.
- (ii) Registration or renewal fees from our intermediaries are accounted in the first

year of registration/renewal, irrespective of the validity of the registration or renewal period

- (iii) Interest Income is recognized on Accrual basis except in cases where Authority is in receipt of Government Grants, the interest income received on such grants is on cash basis.
- (iv) Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established.
- (v) Interest income on investments made out of SEPF fund (Earmarked fund) is recognized on accrual basis and the same are shown under Schedule 11.

3. Government Grants

- (i) Government grants are received for Atal Pension Yojna, Swavalamban and GAP Fund Grant under APY. These grants and its associated expenditures are accounted on cash basis.

- (ii) Government grants relating to specific assets have been shown as a deduction from the gross value of the assets concerned, in arriving at their book value and the related assets have been shown in the balance sheets at a nominal value.

4. Investments

Investments are carried at the acquisition cost.

5. Fixed Assets

Fixed assets are stated at their original cost including taxes for which benefits cannot be claimed elsewhere and other incidental expenses related to acquisition.

6. Retirement benefits

The Authority has funded the Gratuity and Leave encashment liabilities in respect of its employees by contributing to Group Gratuity Scheme and Group Leave encashment scheme respectively, of LIC of India and the treatment of the same is done as per AS-15:-

Table 1 - Present Value of Obligation (In Rs.)

Particulars	Gratuity		Leave Encashment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Present Value of obligations as at beginning of year	3,64,48,117.00	3,03,78,457.00	7,62,38,060.00	5,08,00,041.00
Interest cost	25,52,183.00	21,26,492.00	55,27,259.00	36,83,003.33
Current Service cost	11,06,069.00	15,34,262.00	18,05,278.00	18,05,278.00
Benefits paid	(1,66,436.00)	(10,28,960.00)	(48,93,317.00)	(46,87,363.00)
Actuarial (gain)/ Loss on obligations	41,209.00	34,37,866.00	84,95,158.00	2,46,36,831.03
Present value of obligations at the end of year	3,99,81,142.00	3,64,48,117.00	8,71,72,438.00	7,62,37,790.00

Table 2 - Fair Value of Assets (in Rs.)

Particulars	Gratuity		Leave Encashment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Fair value of plan assets at beginning of year	3,06,28,642.42	2,06,27,738.93	4,15,74,239.60	2,69,53,003.07
Expected return on plan assets	29,39,922.10	20,44,983.80	51,33,735.20	27,59,629.69
Contributions	1,14,22,235.55	89,84,880.09	3,48,58,662.16	1,65,48,970.84
Benefits paid	(1,66,436.00)	(10,28,960.00)	(48,93,317.00)	(46,87,363.00)
Actuarial (gain)/ Loss on plan assets	-	-	-	-
Fair value of plan assets at the end of year	4,48,24,365.13	3,06,28,642.82	7,66,73,320.04	4,15,74,241.00

Principal Actuarial Assumptions					
	Particulars	Gratuity		Leave Encashment	
		Policy 1	Policy 2	Policy 1	Policy 2
As on 31.03.2023	Discount Rate	7.25%	7.25%	7.25%	7.25%
	Salary Escalation	6.00%	6.00%	6.00%	6.00%
As on 31.03.2022	Discount Rate	7.25%	7.00%	7.25%	7.25%
	Salary Escalation	6.00%	6.00%	6.00%	6.00%

7. Depreciation

- (i) Depreciation is provided on the written down value method as per rates specified in "The Income tax Act 1961."
- (ii) Items costing Rs. 5,000/- or less each are treated as revenue expenditure.
- (iii) The depreciation is charged at 100% of rate prescribed if an asset is acquired on or before 30th September and 50% of rate prescribed if assets are acquired after 30th September.

8. Cash and Cash Equivalent

Cash and cash equivalents in the receipt and payment account comprises cash at bank, cash on hand and short term investments with an original maturity of three months or less.

9. Liabilities

All known and ascertained liabilities and all income and expenses related to financial year ended 31st March 2023 have been duly provided/ accounted for in the books of accounts.

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan

Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY
SCHEDULE 25
ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD
01-04-2022 TO 31-03-2023
CONTINGENT LIABILITIES AND NOTES TO ACCOUNTS

1. Contingent Liabilities

There is no contingent liability of the Authority as at 31.03.2023.

2. Current Assets, Loans & Advances

The Current assets, Loans and advances have a value on realisation equal at least to the aggregate amount shown in the Balance Sheet.

Under Schedule 11

- (i) Advances and other amounts recoverable from "Others" of Rs. 1, 72, 62,661/- includes the advances paid to DAVP, Prasar Bharti, National Informatics Centre Services Incorporated, PBBCI, Central Sales Unit All India Radio and GST Input.
- (ii) An amount of Rs. 14.12 Cr, which is shown as Income accrued from "Others" includes the fee of Rs. 11.03 Cr. to be received from Trustee Bank and of Rs. 3.09 Cr. from Central Recordkeeping Agencies for the Quarter 4 of FY 2022-23 which is accounted on accrual basis.

3. Taxation

- (i) In view of the Section 34 of The Pension Fund Regulatory and Development Authority Act 2013, 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. Accordingly, no provision for the same has been provided in the books of accounts.

- (ii) Goods and Services Tax Input Credit has been recognised in the books in the corresponding period in which the supply of goods or service received is recognised.

- 4. The unutilised Government grants as on 31.03.2023 has been shown under Schedule 3 Earmarked/Endowment Funds. The Earmarked/Endowment Funds are shown under Schedule 3 which includes Atal Pension Yojana (APY), Subscriber Education and Protection Fund (SEPF), Swalamban Kosh, Subscribers' Pension Contribution Protection Account (SPCPA) and Gap Fund Grant under Atal Pension Yojana.

- 5. Corresponding figures for the previous year have been reclassified, wherever necessary.

- 6. The schedule 1 to 25 are annexed to and form an integral part of the Balance sheet as at 31-03-2023 and the Income and Expenditure account for the period 01-04-2022 to 31-03-2023.

- 7. PFRDA has contributed Rs.10 crores towards Share Capital of 'National Center for Financial Education (NCFE)' from the Grants received from Central Government in the FY 2019-20. Hence, this investment has been shown at a notional value of Re.1 under Schedule 10.

8. Fixed Assets

- (I) The Gross Block figure (Rs. 140.72 Cr.) under Fixed Assets as shown in the

Balance Sheet is arrived at by adding the "Total for Current year" (Rs. 4.66 Cr.) and "Capital Work in progress" (Rs. 136.06 Cr.) figures under the "Cost/ Valuation at the end of the year" Column in Schedule 8. Thus, the Net Block figure (Rs. 137.86 Cr.) as on 31.03.2023 is arrived at by subtracting the total depreciation up to the year-end for the current year (Rs. 2.86 Cr.) from the Gross block as arrived at above.

- (ii) Capital Work In Progress -The Board of PFRDA in its 88th meeting approved the purchase of own premises for PFRDA from NBCC (India) Ltd in its upcoming project at World Trade Center, Nauroji Nagar, New Delhi. The cost of the building purchased is as per allotment letter (Rs. 164.78 Cr.)

Accordingly, PFRDA has made a payment of Rs 32.01 Cr to NBCC during 2022-23 towards the purchase of said premises. A total of Rs 128.05 crores has been paid upto 31st March 2023. The said building is still under construction. The same has been shown as 'Capital Work-in-Progress' in

Schedule-8. An amount of Rs 8.01 crores has been provided under Schedule 7 (Current Liabilities) for work carried out during the year for Capital work in progress.

- (iii) Capital Commitment - Capital work-in-progress comprises of the instalments paid to NBCC to acquire office premises, which is not yet ready for its intended use at the reporting date. Estimated amount of Contracts in respect to "Capital Work In Progress" remaining to be executed on Capital Account (net of advances) and not provided for is Rs 43.22 crore approx.
9. The value of Investments from Earmarked / Endowment funds (Rs. 2.91 Cr) shown in Schedule 9 of the annual accounts, corresponds to the Term Deposits made from the funds received in the Subscribers' Education and Protection Fund (SEPF) Account.
10. The details of Investments - others (Rs. 1,23,49,98,000) as on 31st March 2023 as shown under Schedule 10 are as under -

S.No	Name of the Bank	Amount of Investments (in Rs)
1	State Bank of India	51,00,00,000
2	Canara Bank	30,00,00,000
3	Bank of Baroda	28,00,00,000
4	Axis Bank	13,99,98,000
5	Medical Assistance Fund (created with Indian Overseas Bank)	50,00,000
6	Total	1,23,49,98,000

11. Medical Assistance Fund Scheme

The Authority has implemented the Medical Assistance Fund Scheme during the FY 2022-23 to provide financial assistance to the

employees of PFRDA for meeting any medical expenses incurred by them. The balance shown under the MAF fund under Schedule 7 corresponds to the initial contribution made by the Authority, the subsequent contributions

received from the employees along with the matching contribution made by the Authority and the interest earned on such contributions thereon. Any claim received under the MAF is paid from the fund.

12. GAP Fund Grant under Atal Pension Yojna

An amount of Rs 542 crore received from Government of India under "GAP Fund Grant under Atal Pension Yojana" during FY 2022-23 to bridge the gap between the projected pension liabilities and pension assets under APY based on actuarial valuation reports as on

31.03.2020 and 31.03.2021. Amount received under this head was invested in the "NPS Trust A/C APY Fund Scheme" as per the existing APY investment guidelines and asset allocation. The corresponding figures have been under Schedule 3 of the annual accounts.

13. "Swavalamban Contribution" and "APY Contribution" figures (under Grants utilized) under Receipts and Payments are showing negative balance on account of refund of Government co-contribution due to premature closure of accounts by the subscribers from the respective Government schemes.

Place: New Delhi

Date: 22/05/2023

P. Arumugarangarajan

Chief Accounts Officer

Mamta Shankar
Member

Dr. Manoj Anand
Member

Dr. Deepak Mohanty
Chairperson



PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

**B-14/A, Chhatrapati Shivaji Bhawan, Qutub Institutional Area,
Katwaria Sarai, New Delhi-110016**