Manual for SWAVALAMBAN 2010

Pension Fund Regulatory and Development Authority

First Floor, ICADR Building, Phase II, Plot No 6, Vasant Kunj Institutional Area,

New Delhi-110070
Introduction to Swavalamban Scheme

1. National Pension System (NPS)

The National Pension System is an attempt towards providing adequate retirement income to every citizen of India. NPS aims at ensuring financial security to every citizen by encouraging them to start contributing towards the old age saving. NPS has been designed to enable the subscribers to make optimum decisions regarding their future through systematic savings during their employment. NPS seeks to inculcate the habit of saving for retirement amongst the citizens.

Initially launched for Central Government employees, later it was offered to employees of various State Governments, corporate, and individuals belonging to unorganized sector and economically disadvantaged sections (NPS-Lite).

In order to promote NPS and extend NPS benefits to maximum possible target beneficiaries, Government of India has recently launched “Swavalamban” scheme.

2. Swavalamban Scheme

“Following the announcement in the Union Budget 2010, Union Finance Minister Shri Pranab Mukherjee inaugurated “Swavalamban”, a Pension Scheme for the unorganized Sector on 26th September, 2010 at Raghunathganj under the Jangipur Sub Division of Murshidabad District and distributed PRAN Cards to a few beneficiaries.”

Government of India announced a scheme under the name of ‘Swavalamban Yojana’ in which government has made a provision to pay an incentive contribution to each subscriber of Unorganized sector and NPS Lite sector who is willing to participate in this scheme and also fulfilling eligibility criterion.

All subscribers registered in FY 2010-11 will be eligible for getting the Swavalamban contribution for the financial years 2010-11, 2011-12, 2012-13, 2013-14 and the subscribers getting registered after FY 2010-11 will be eligible to get Swavalamban contribution upto FY 2013-14. Also as a special consideration, subscribers already registered in FY 2009-10 will also be eligible to participate in this scheme.
Under Swavalamban scheme GOI will contribute Rs. 1000 per year (for a period of four years) to every National Pension System (NPS) account opened subject to below mentioned conditions

- Subscriber is not covered under employer assisted retirement benefit scheme and also not covered by social security schemes under any of the following laws:
  - Employee Provident Fund and Miscellaneous Provision Act, 1952
  - The Coal Mines Provident Fund and Miscellaneous Provision Act, 1948
  - The Seamen’s Provident Fund Act, 1966
  - The Assam Tea Plantation Provident Fund and Pension Fund Scheme Act, 1955
  - The Jammu & Kashmir Employee Provident Fund Act, 1961

- Subscriber contribution in NPS is minimum Rs. 1000 and maximum Rs.12000 per annum, for both Tier1 and Tier II taken together, provided subscriber makes minimum contribution of Rs.1000 per annum to his Tier 1 account

Also there is provision for recovery of Swavalamban benefits with penal interest in case the subscriber gives false declaration.

Detailed Guidelines are provided in section 4

3. Modes to enroll for Swavalamban scheme

As per existing scheme under National Pension System (NPS), Swavalamban could be availed either in unorganized sector or in NPS Lite. In unorganized sector it can be availed through Point of Presence and in NPS Lite it can be availed through Aggregators.

**NPS Lite Model:** For the weaker and economically disadvantaged sections of the society with their limited investment potential there was need to engage the individuals in pension schemes. PFRDA, being conscious of its ultimate responsibility in providing a uniform platform for old age income security to all sections of society
has developed a cost effective and feature optimized model of NPS which facilitates economically weaker sections of the society to join the NPS platform

NPS Lite is a model specifically designed to bring NPS within easy reach of the economically disadvantaged sections of the society. NPS Lite is extremely affordable and viable due to its optimized functionalities available at reduced charges

**Aggregator:** NPS Lite is extended to its target population through specific entities identified by PFRDA, termed as “aggregators” who would enroll their underlying subscribers in NPS Lite as groups. The aggregators shall be the main interface between the NPS Lite subscriber and NPS architecture. Aggregator would be an agency which takes on the NPS related responsibility on behalf of its constituent’s viz. Self Help Groups and their federations, MFIs, NGOS, Nodal Offices of Govt. Sponsored schemes etc.

*For details about NPS Lite Model and documents prescribed under NPS Lite, please refer Section A*

**Unorganized Sector Model:** National Pension System (NPS) was rolled out from 1st May 2009 for all citizens of India, other than Government employees covered under NPS. This was called as unorganized sector under NPS. For this purpose PFRDA selected and authorize entities as Points of Presence (POPs) to extend customer interface for nongovernment subscribers/individual citizens.

**Points of Presence:** Points of Presence (POPs) are appointed by the PFRDA to provide various facilities to all citizens (known as ‘Subscribers’ in the NPS architecture) at various locations across India. POPs provide the services under NPS through their network of branches called POP Service Providers (POP-SP). A POP acts as the first point of interface between voluntary subscriber and NPS architecture

*For details about NPS – Unorganized Model and documents prescribed, please refer Section B*

4. **Prescribed Guidelines for Swavalamban scheme**

**The Scheme and its applicability**

1. The scheme will be called Swavalamban Yojana. It will be applicable to all citizens in the unorganised sector who join the New Pension System (NPS) administered by the Interim Pension Fund Regulatory and Development Authority (PFRDA).

**Benefits under the Scheme**

2. Under the scheme, Government will contribute Rs. 1000 per year to each NPS account opened in the year 2010-11 and for the next three years, that is, 2011-12, 2012-13 and 2013-14. The benefit will
be available only to persons who join the NPS with a minimum contribution of Rs. 1,000 and maximum contribution of Rs. 12,000 per annum.

Definitions:

3. Unorganised sector: For the purpose of this scheme, a person will be deemed to belong to the unorganised sector if that person:

- is not in regular employment of the Central or a state government, or an autonomous body/ public sector undertaking of the Central or state government having employer assisted retirement benefit scheme, or
- is not covered by a social security scheme under any of the following laws:
  - Employees' Provident Fund and Miscellaneous Provisions Act, 1952
  - The Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948
  - The Seamen's Provident Fund Act, 1966
  - The Assam Tea Plantations Provident Fund and Pension Fund Scheme Act, 1955

4. All other definitions as given in the NPS offer document will apply to the terms used in this scheme.

Eligibility:

5. The scheme will be applicable to all persons in the unorganised sector subject to the condition that the benefit of Central Government contribution will be available only to those persons whose contribution to NPS is minimum Rs.1,000 and maximum Rs. 12,000 per annum, for both Tier I and II taken together, provided that the person makes a minimum contribution of Rs. 1000 per annum to his Tier I NPS account.

6. As a special case and in recognition of their faith in the NPS, all NPS accounts opened in 2009-10 will be entitled to the benefit of Government contribution under this scheme as if they were opened as new accounts in 2010-11 subject to the condition that they fulfill all the eligibility criteria prescribed under these guidelines.

Funding

7. The scheme will be funded by grants from Government of India. The grants would be given such that monthly payment in the subscriber accounts would be possible.
Operation

8. A person will have the option to join the NPS as an individual as per the existing scheme or through the CRA Lite approved by PFRDA.

9. At the time of joining the NPS the subscriber will have to declare whether he/she falls within the definition of unorganised sector as defined in para 3 above and would also declare that his contribution would range between Rs. 1,000 to Rs. 12,000 per annum. If subsequent to opening the NPS account it is found that the subscriber has made a false declaration about his eligibility for the benefits under this scheme or has been wrongly given the benefit of government contribution under this scheme for whatsoever reason, the entire government contribution will be deducted along with penal interest as may be specified from time to time. If the status of the subscriber changes to ineligible after joining the NPS, he/she should immediately declare so and the benefit of government contribution will not accrue to the subscriber's account after the date on which the subscriber becomes ineligible.

10. At the end of each financial year the CRA will, by 7th April of the following year, send to the PFRDA details of the NPS accounts opened during the year, showing separately the number of eligible NPS accounts in which the subscriber's contribution has been between Rs. 1,000 and Rs. 12,000. CRA will also send these details with individual PRAN to the Trustee Bank.

Exit from NPS

11. The exit from the Swavalamban Scheme would be on the same terms and conditions on which exit from Tier-I account of NPS is permitted, that is, exit at age 60 with 40% minimum annuitisation of pension wealth and exit before age 60 with 80% minimum annuitisation of pension wealth. However, the exit would be subject to the overriding condition that the amount of pension wealth to be annuitised should be sufficient to yield a minimum amount of Rs. 1,000 per month. If the annuitised pension wealth does not yield an amount of Rs. 1,000 per month, the percentage of pension wealth to be annuitised would be increased so that the pension amount becomes Rs. 1,000 per month, failing which the entire pension wealth would be subject to annuitisation. This minimum pension ceiling may be revised from time to time.

Miscellaneous

12. PFRDA may permit members of an existing pension scheme to migrate to NPS under such terms and conditions as may be approved by the Government.
Removal of Doubts

13. In case of any doubts on the eligibility, operation of the scheme or any other issue, the Central Government will decide the matter in consultation with PFRDA and the decision of the Central Government will be final.
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Section A – Swavalamban under NPS Lite

Annexure 1 – Offer Document

Offer Document
Applicant/Aggregator should note that:

This Offer Document sets forth concisely the information about NPS Lite that an applicant or an aggregator ought to know. Applicant/Aggregator should carefully read the Offer Document and the "Regulations for Aggregator under NPS Lite - 2010" and other related rules/proviso amended from time to time and made available on PFRDA website.

This Offer Document remains effective until a material change occurs. Material changes will be notified by Pension Fund Regulatory and Development Authority (PFRDA) to all Aggregator(s) and placed on PFRDA website.

PFRDA has been established to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

NPS - Lite, regulated by PFRDA, is a defined contribution pension system which is now being offered on voluntary basis to economically disadvantaged sections of Indian society as “groups”.

OFFER DOCUMENT

NPS

Pension nahi yeh Pran hai
THE REGULATOR
Pension Fund Regulatory & Development Authority

THE TRUST
New Pension System Trust

THE CENTRAL RECORDKEEPING AGENCY (CRA)
National Securities Depository Limited (NSDL)

THE CUSTODIAN
Stock Holding Corporation of India Limited

THE TRUSTEE BANK
Bank of India

THE PENSION FUNDS (in alphabetical order)

<table>
<thead>
<tr>
<th>PFM for Central Govt. Scheme</th>
<th>Single PFM</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIC Pension Fund</td>
<td>ICICI Prudential Pension Funds Management Company Limited</td>
</tr>
<tr>
<td>SBI Pension Funds Limited</td>
<td>IDFC Pension Fund Management Company Limited</td>
</tr>
<tr>
<td>UTI Retirement Solutions Limited</td>
<td>Kotak Mahindra Pension Fund Limited</td>
</tr>
<tr>
<td></td>
<td>Reliance Capital Pension Fund Limited</td>
</tr>
<tr>
<td></td>
<td>SBI Pension Funds Limited</td>
</tr>
<tr>
<td></td>
<td>UTI Retirement Solutions Limited</td>
</tr>
</tbody>
</table>

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Abbreviations and Definitions

In this Offer Document, the following words and expressions shall have the meaning specified below, unless the context otherwise requires:

Abbreviations

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<thead>
<tr>
<th>Abbreviation</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASP</td>
<td>Annuity Service Provider</td>
</tr>
<tr>
<td>CRA</td>
<td>Central Recordkeeping Agency</td>
</tr>
<tr>
<td>IMA</td>
<td>Investment Management Agreement</td>
</tr>
<tr>
<td>KYC</td>
<td>Know your Customer</td>
</tr>
<tr>
<td>NABARD</td>
<td>National Bank for Agriculture and Rural Development</td>
</tr>
<tr>
<td>NPS</td>
<td>National Pension System</td>
</tr>
<tr>
<td>PFs/PFMs</td>
<td>Pension Funds/Pension Fund Managers</td>
</tr>
<tr>
<td>PFRDA</td>
<td>Pension Fund Regulatory and Development Authority</td>
</tr>
<tr>
<td>PRA</td>
<td>Permanent Retirement Account</td>
</tr>
<tr>
<td>PRAN</td>
<td>Permanent Retirement Account Number</td>
</tr>
<tr>
<td>RBI</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>SHG</td>
<td>Self Help Group</td>
</tr>
<tr>
<td>TB</td>
<td>Trustee Bank</td>
</tr>
</tbody>
</table>

Definitions

<table>
<thead>
<tr>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregator</td>
<td>Aggregator shall be the point of interface between its underlying subscriber and the NPS Lite architecture.</td>
</tr>
<tr>
<td>Applicable NAV</td>
<td>Unless stated otherwise in the Offer Document, 'Applicable NAV' is the Net Asset Value at the close of a Working Day.</td>
</tr>
<tr>
<td>Collection Center</td>
<td>The office registered in NPS Lite architecture to facilitate collection of registration form, contribution, other relevant instructions and forward it to the Aggregator</td>
</tr>
<tr>
<td>Custodian</td>
<td>Agency responsible for holding assets of the NPS Trust. Refers to the Stockholding Corporation of India Limited (SCHIL)</td>
</tr>
<tr>
<td>IMA</td>
<td>Investment Management Agreement, entered into between NPS Trust and the Pension Funds.</td>
</tr>
</tbody>
</table>
**NABARD**

NABARD is set up as an apex Development Bank with a mandate for facilitating credit flow for promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts. It also has the mandate to support all other allied economic activities in rural areas, promote integrated and sustainable rural development and secure prosperity of rural areas.

**Offer Document**

This document, issued by PFRDA, making an offer to potential aggregators/applicants to subscribe to NPS Lite.

**Oversight Office**

The office registered in NPS Lite to monitor overall performance of its underlying Aggregator and also to monitor resolution of subscriber grievances against its Aggregators.

**RBI**

Reserve Bank of India, established under the Reserve Bank of India Act, 1934.

**SHG**

SHG is a small group of rural poor, who have voluntarily come forward to form a group for improvement of the social and economic status of the members.

**Subscriber**

An individual who has become a member of the NPS Lite.

**Trust Deed**

The Trust Deed entered into between the NPS Trust and PFRDA, as amended up to date, or as may be amended from time to time.

**Trust Fund**

The corpus of the Trust and all property belonging to and/or vested in the Trustees.

**Working Day**

A day other than any of the following (i) Saturday or Sunday; (ii) a day on which banks including the Reserve Bank of India are closed for business or clearing and (iii) a day on which the Purchase and Redemption of Units is suspended.
About NPS- Lite

Pension Fund Regulatory and Development Authority (PFRDA) has been established by the Government of India, Ministry of Finance vide Notification F.No.5/7/2003-ECB & PR dated 10th October, 2003 to promote old age income security.

Pension Fund Regulatory and Development Authority (PFRDA) has put in place the institutional framework and infrastructure required for administering the ‘National Pension System’ (NPS) for government employees & all citizens of India. The Unorganized sector model of the NPS, prescribes certain norms related to minimum amount of investment per contribution, during the year and no of contributions per year. The associated charge structure makes such small investments unviable. To facilitate the economically disadvantaged sections of society with limited investment potential also to take advantage of NPS, PFRDA now makes available a unique platform at ultra low cost with optimized features. The individuals would be able to join NPS as groups through “aggregators”.

NPS Lite model broadly has similar functionalities as the regular NPS model. However, some of the services would not be available at individual subscriber level; instead these services would be provided at Aggregator level and the individual can avail of those features through aggregators.

Under NPS Lite, Permanent Retirement Account would be available to subscribers. This will be non-withdrawable account, in which an NPS Lite subscriber shall contribute his/her savings for obtaining an annuity at the time of retirement.

Benefits of joining NPS Lite?

- **It is voluntary** - NPS is open to eligible* Indian citizens. You can choose the amount you want to set aside and save every year. Investment can be as low as Rs.100 p.m.
- **It is simple** - all you have to do is open an account through your Aggregator and get a PRAN.
- **It is uniform** - Single investment plan similar to Central Govt employees.
- **It is portable** - You can operate your account from anywhere in the country, even if you change your city, job or your Aggregator
- **It is safe** - NPS is regulated by PFRDA, with transparent investment norms and regular monitoring and performance review of fund managers by NPS Trust.
- **It is affordable** - NPS Lite has features optimized for low investment potential subscribers and is available at ultra low cost.

*eligibility as given in Regulations for Aggregators under NPS Lite-2010
PFRDA

PFRDA is the prudential Regulator for the National Pension System (NPS). PFRDA was established by the Government of India, Ministry of Finance; vide Notification F.No.5/7/2003-ECB & PR dated 10th October, 2003 to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto. PFRDA has been authorized by the Central Government Vide Notification F.No.1 (6)2007-PR dated 14\textsuperscript{th} November 2008 to appoint/establish various intermediaries in the system such as Central Record Keeping Agency (CRA), Pension Funds (PFs), Points of Presence, Trustee Bank, NPS Trust, Custodian, etc. for operationalizing the NPS roll out to unorganized sector subscribers.

The present constitution of the PFRDA Board is as under:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>SH. YOGESH AGARWAL</td>
<td>CHAIRMAN</td>
<td>PH- (D)- 91-11-26897937</td>
</tr>
<tr>
<td>SMT. MADHULIKA SUKUL</td>
<td>PART-TIME MEMBER</td>
<td>PH-(D)- 91-11-23093283</td>
</tr>
<tr>
<td>SH. TARUN BAJAJ</td>
<td>PART-TIME MEMBER</td>
<td>PH-(D)- 91-11-23747507</td>
</tr>
</tbody>
</table>
OFFICIALS OF THE AUTHORITY:

SMT. RANI S. NAIR  
EXECUTIVE DIRECTOR  
PH-(D)- 91-11-26130189

SH. P. K. TIWARI  
EXECUTIVE DIRECTOR  
PH-(D)- 91-11-26897939

SH. KAMAL CHAUDHRY  
CHIEF GENERAL MANAGER  
PH-(D)- 91-11-26897942

SH. PUSKAL UPADHYAY  
GENERAL MANAGER  
PH-(D)- 91-11-26130568

SMT. DEEPA KOTNIS  
GENERAL MANAGER  
PH-(D)- 91-11-26897934

NPS Trust

PFRDA has established the NPS Trust under Indian Trust Act, 1862 and appointed NPS Board of Trustees in whom the administration of the “National Pension System” vests under Indian Law. The Trust is responsible for taking care of the funds under the NPS. The Trust holds an account with the Bank of India and this bank is designated as the NPS Trustee Bank.

Trustees

Names and Addresses

1. SH. YOGENDRA NARAIN  
(Formerly Secretary General, Rajya Sabha)  
CHAIRMAN  
H. No.7, Shivalik Houses,  
Sector- 61, Near Sai Baba Mandir, Noida - 201 301

2. SH. N. R. RAYALU  
(Former Deputy Comptroller and Auditor General of India)  
MANAGING TRUSTEE  
C-7/1, M.S. Flats,  
Sector - 13, R. K. Puram,  
New Delhi - 110 066

3. SH. UMRAOMAL PUROHIT  
TRUSTEE  
Flat No.13/14, IInd Floor,Plot No. 42  
Western Railway Colony, Malad (East)  
Mumbai-400097
Functions of NPS Trust

- To call for any information, report etc. from PF(s), Trustee Bank and Custodian
- To issue directions to PF(s) for protecting the interest of subscribers
- To appoint a panel of independent auditors to undertake compliance audit
- To verify that Trustee Bank is performing its functions as per the provisions of the Agreement with NPS Trust
- To verify that PF(s) are strictly following the terms and condition of Investment Management Agreement (IMA) Agreement with NPS Trust

Central Recordkeeping Agency (CRA)

National Securities Depository Limited (NSDL) has been appointed as the CRA. The recordkeeping, administration and customer service functions for all subscribers of the NPS shall be centralized and performed by the CRA.

Services provided by CRA

The following services would be provided by CRA:

- Issuing unique Permanent Retirement Account Number (PRAN) to each subscriber, maintain database of all PRANs and record the transactions related to each subscriber’s PRAN. The PRAN kit to the subscriber would be provided through Aggregator
- Receive instructions from subscribers through their Aggregator; transmit such instructions to appointed Trustee Bank, Annuity Service Provider, Pension Fund Managers
- Monitor each Aggregator’s contributions and instructions and transmit the information to the relevant Pension Fund and schemes on a daily basis
➢ Web enabled services: CRA would provide Aggregators with a web based interface to view/ download detailed history of transactions of PRA.
➢ Sending Annual Account statements: Providing subscribers with periodic PRAN account statements detailing the total contribution, time-wise credits into the account and other relevant information. This would be sent through Aggregator.
➢ Grievance Redressal: An Aggregator for its underlying subscriber can register grievances through the web interface. Alternatively, subscriber can send grievances through other channels also. CRA would registers all complaints received in physical form also.
➢ Investment Scheme and Switching: Acting on/transmitting instructions of Aggregators in respect of :-
  ✓ Investment option selection;
  ✓ Switching over options;
  ✓ Confirmation report.
➢ Retirement Account Information to be provided to subscribers:
  ✓ Pension wealth accumulated in their PRA.
  ✓ Amount that can be withdrawn by subscriber in lump sum.

Trustee Bank

**Bank of India** is functioning as NPS Trustee Bank. It would manage the banking of the Pension Funds in accordance with applicable provisions of the NPS Lite, the schemes the guidelines/notifications, issued by PFRDA, Ministry of Finance, and Government of India from time to time as per applicable law.

Functions of Trustee Bank

➢ Upload of details of contribution received from Aggregator in specified file format to CRA.
➢ Transfer of funds to the PFM’s bank account based on the instructions received from CRA and information flow for same.
➢ Receipt of funds from the PFM’s bank account to the NPS Trust Bank’s account based on the instructions received from CRA and information flow for same.
➢ Electronic Fund Transfer/ Preparation of cheques for disbursement from withdrawal account and forwarding it to CRA.
➢ Transfer of funds based on the instructions of CRA to the Bank to Annuity service provider and or to the withdrawal account.

Pension Funds (PFs)/Pension Fund Managers (PFMs)

Appointed PFMs would manage the retirement savings of subscribers under the NPS Lite. The PFMs are required to invest strictly in accordance with guidelines issued by the Government/PFRDA.

➢ The aggregators may choose one of the PFMs to whom the entire corpus can be entrusted, Or
➢ They may also choose to invest the contributions through all the three PFMs as per Central Govt scheme.
### Single PFMs

- ICICI Prudential Pension Funds Management Company Limited
- IDFC Pension Fund Management Company Limited
- Kotak Mahindra Pension Fund Limited
- Reliance Capital Pension Fund Limited
- SBI Pension Funds Limited
- UTI Retirement Solutions Limited

### PFMs for Central Government Scheme

- LIC Pension Fund
- SBI Pension Funds Limited
- UTI Retirement Solutions Limited

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### Annuity Service Providers (ASPs)

ASPs would be responsible for delivering a regular monthly pension to the subscriber for the rest of his/her life.

### AGGREGATOR(s)

#### Who are Aggregators?

Aggregator shall be the point of interaction between its underlying subscriber and the NPS Lite architecture. Aggregator shall perform the functions relating to registration of subscribers, undertaking Know Your Customer (KYC) verification, receiving contributions and instructions from subscribers and transmission of the same to designated NPS Lite intermediaries. Entities approved by PFRDA would be acting as Aggregator in NPS Lite for their underlying subscribers.

The Aggregator would be responsible for collection of contribution amounts from the subscribers and uploading the contribution files into the CRA Lite system. The investment of the amount comprising of NPS-Lite subscriber will be
done through an Aggregator level PRA in the main CRA system. Units allocated to this Aggregator Level PRA will be distributed across all the under lying subscribers in the ratio of their investments and the same (units) would then be credited to individual subscribers’ (NPS – Lite) accounts. The subscriber under NPS Lite will have a common scheme preference and PFM as prescribed by PFRDA from time to time.

Aggregators shall be intermediaries identified and approved by PFRDA, to perform subscriber interface functions under NPS-Lite in respect of their constituent groups.

The Aggregators shall be entities already in existence having continuous functional relationship with a known customer base for delivery of some socio-economic goods / services.

Following entities have been considered as potential aggregators:-
   a) Nodal offices running certain schemes for identified beneficiary groups under Central and State Governments.
   b) Micro-Finance Institutions (MFIs).
   c) Non Banking Finance Companies (NBFCs).
   d) Non Government Organizations (NGOs).
   e) Entities running common service centers under National E-Governance Plan.
   f) Any other category as identified by PFRDA from time to time.

Detailed Eligibility criteria for “aggregators” and conditions of their functioning are regulated by PFRDA under proviso of “Regulations for Aggregators under NPS Lite-2010” as amended from time to time.

An illustrative listing of these features is given below (reference may be made to the latest information available on PFRDA website):

- **Eligibility criteria (section 9 of the Regulations for Aggregators under NPS Lite-2010)**
  - The entities desirous of taking on the role of aggregator must be registered (under an act of Central or state government as prescribed in section 9.2 of “Regulations for Aggregators under NPS Lite-2010”) and/or adequately regulated by any of the financial sector regulator(s).
  - The registered entities willing to be enlisted as an aggregator must have been registered under following:
    - Societies Registration Act 1860 (or a State amendment of this Act)
    - Indian Trusts Act, 1862
    - Charitable and Religious Trusts Act, 1920
    - Indian Companies Act, 1956 (section 25, for non profit companies)
    - Indian Companies Act 1956 with necessary certification from RBI (for NBFCs)
    - Indian Companies Act 1956, for any other company
    - Any other act/rule as specified by PFRDA from time to time
  - Any other entity/class of entities, not covered under the provision at para 9.2 above may also be registered as aggregator(s), at the discretion of PFRDA, if such entity/class of entities facilitates inclusion of their subscriber base under NPS and have established capability with proven track record in the area of their operation.
• The entity must have been in business of financial services or commodity development for at least 3 years as on date of application with a proven track record and must be financially viable.
• The entity must have formal governance structure (Board, Managing Committee or equivalent) with members on board having adequate experience in financial services / social development.
  o At least one third of the Directors (or equivalent) must be independent.
  o The entity must have ‘Audit Committee’ in place headed by an independent director (or equivalent).
• The entity must meet the following net worth criteria:-
  ▪ Rs.1.0 crore for those having been in business for last 3-5 years.
  ▪ Rs.50.0 lakhs for those having been in business for more than 5 years.
  ▪ For entities having exceptional track record and more than 10 years of experience, the net worth criteria can be relaxed completely/partly at the discretion of PFRDA
• The entity must have capability to manage large customer databases suitable to their organisation and must meet other technology parameters prescribed by PFRDA.
• The entity must have cash management and its transfer capabilities as prescribed by PFRDA.
• The entity must have trained staff with sufficient capability as prescribed.
• The entity or any of its directors /promoters etc must not have been subjected to any disciplinary proceeding(s) under the rules, regulations and bye-laws of any regulator/disciplining body during the last three years.
• PFRDA may, at its discretion, relax some, or all of these eligibility criteria in case of entities which are fully or partly controlled by either Central or any State government or have been created under any specific arrangement of the Central or State government or any other entity with proven track record, on a case to case basis, in the initial stages of development of the sector.

❖ Security Deposit( section 10 of the Regulations for Aggregators under NPS Lite-2010):

• Each entity enlisted as an aggregator shall have to submit a security deposit in the form of a demand draft or a bank guarantee from a scheduled commercial bank.
• The quantum of security deposit shall be determined in terms of the net worth of the entity and the ‘Highest Daily Cash Collection’ (HDCC)” recorded by the entity during the previous quarter completed (as on date of application).
• The relaxation as contemplated under clause 9.11 shall also be applicable in case of security deposit requirement.
• The matrix of security deposit determination is as below :-
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<td>3 times of HDCC OR Rs.5 lacs whichever is higher</td>
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<td>More than 10</td>
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- **Aggregators – role and responsibilities (section 11 of the Regulations for Aggregators under NPS Lite-2010):**

  - The aggregators shall be responsible for:
  - Promotion of NPS and awareness about the need for old age income security among its constituent group members.
  - Meeting the ‘Know Your Customer’ requirements in respect of potential NPS subscribers as mandated under AML/CFT requirements.
  - KYC requirements in case of NPS Lite subscribers shall be governed by provisions of RBI Master Circular no RBI/2008-09/72 dated July 01, 2008 and as amended from time to time till separate orders on this aspect are issued by PFRDA.
  - Discharge of responsibilities relating to fund and data upload within prescribed time limits.
  - Collection of contributions from subscribers and ensuring its passage to Trustee Bank.
  - Ensuring availability of services including distribution of Annual Statement of Transactions and showing online statements to its underlying subscribers as mandated under NPS-Lite.
  - Handling grievances received from subscribers and their resolution.
  - Any other responsibility as assigned to them by PFRDA to ensure protection of subscribers’ interest.

- **Functions of Aggregators under NPS Lite Architecture:**

  Broad functions of Aggregator(s) under NPS Lite would include:

  - Registration & PRAN Generation
    - Aggregator would collect subscriber application and does KYC verification
    - Verified forms would be forwarded to CRA/CRA-FC, for digitization and PRAN generation.
    - CRA would generate and forward PRAN Card to Aggregator to be redistributed further to the individual subscribers.
  - Regular subscriber contribution upload
    - Aggregator would collect contributions from individual subscribers and would prepare and upload SCF on CRA Lite system
    - Accordingly Aggregator would transfer funds to Trustee Bank
Subscriber servicing
- Subscribers would submit their change detail requests to respective Aggregator
- Aggregator would verify and make necessary changes on the system
- Aggregator would prepare file of change details and would upload on CRA-lite system

Withdrawal Processing
- Subscriber would submit the withdrawal request through Aggregator.
- Aggregator would prepare file of withdrawal request and would upload on CRA system.

Grievance Handling
- Subscriber would be eligible to lodge grievances against CRA in this model through their Aggregator

What investment choice does the aggregator have?
- Currently PFRDA has provided a single investment pattern similar to the one prescribed by Government of India for government employees vide Gazette notification no.5(88)/2006-PR dated 14th August 2008 applicable to Non Government Provident Funds, Superannuation Funds etc.
  - PFRDA may at its discretion provide similar choices of investment patterns as available under NPS.

Choice of PFMs available?
- The aggregators may choose one of the Single PFMs to whom the entire corpus can be entrusted. The Single PFMs are:
  - ICICI Prudential Pension Funds Management Company Limited
  - IDFC Pension Fund Management Company Limited
  - Kotak Mahindra Pension Fund Limited
  - Reliance Capital Pension Fund Limited
  - SBI Pension Funds Limited
  - UTI Retirement Solutions Limited

- The aggregators may also choose to invest the contributions through all the three PFMs as per Central Govt. Scheme in the same manner as for government employees. The allocation ratio of this scheme is reviewed by PFRDA on a periodic basis. In this scheme the allocation is made across following Fund Managers:
  - LIC Pension Fund
  - SBI Pension Funds Private Limited
  - UTI Retirement Solutions Limited

Net Asset Value (NAV) will be released on a daily basis.

The investments under NPS Lite are subject to market risks and there is no explicit or implied assurance/guarantee from PFRDA or from the Government of India regarding the returns.
SUBSCRIBERS

Who can join?
A citizen of India, who is either economically disadvantaged or covered under the provision of section 6 Part B of the “Regulations for Aggregators under NPS Lite- 2010” subject to the following conditions:

- Should be member of an Entity eligible for being enlisted as “Aggregator” in terms of conditions laid earlier in this document.
- Should be between 18 – 60 years of age as on the date of submission of his/her application by Aggregator.
- Should comply with the KYC process carried out by Aggregator

Who cannot join?
The following applicants cannot join:

- Individuals of unsound mind: An individual is said to be of unsound mind for the purposes of making a contract if, at the time when he makes it, he is incapable of understanding it and of forming a rational judgment regarding its effect upon his/ her self-interest.
- Pre-existing account holders under NPS.

How much does a subscriber need to contribute?
You are required to make your first contribution at the time of applying for registration through Aggregator. You are required to make contributions subject to the following conditions:

- Minimum contribution amount at the time of Registration - Rs 100
- Though there is no Minimum contribution requirement per year, however minimum of Rs 1000 contribution per year is recommended. Those desirous of availing Swavalamban scheme of Govt of India must invest at least Rs 1000 during the year. For details of the same please refer to Operating Guidelines of Swavalamban Scheme issued by Deptt. of Financial Services, Govt of India vide their letter no. 13/10/2006-PR dated 21st June 2010.

When can a subscriber withdraw the amount?

<table>
<thead>
<tr>
<th>Vesting Criteria</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>At any point in time before</td>
<td>You would be required to invest at least 80% of the pension wealth</td>
</tr>
<tr>
<td>60 years of Age</td>
<td>to purchase a life annuity from any IRDA – regulated life insurance</td>
</tr>
<tr>
<td></td>
<td>company. Rest 20% of the pension wealth may be withdrawn as lump sum.</td>
</tr>
<tr>
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<td>Benefit</td>
</tr>
<tr>
<td>------------------</td>
<td>---------</td>
</tr>
<tr>
<td>On attaining the Age of 60 years and upto 70 years of age</td>
<td>At exit you would be required to invest minimum 40 percent of your accumulated savings (pension wealth) to purchase a life annuity from any IRDA-regulated life insurance company. You may choose to purchase an annuity for an amount greater than 40 percent. The remaining pension wealth can either be withdrawn in a lump sum on attaining the age of 60 or in a phased manner, between age 60 and 70, at the option of the subscriber.</td>
</tr>
<tr>
<td>Death due to any cause</td>
<td>In such an unfortunate event, option will be available to the nominee to receive 100% of the NPS pension wealth in lump sum. However, if the nominee wishes to continue with the NPS, he/she shall have to subscribe to NPS individually after following due KYC procedure.</td>
</tr>
</tbody>
</table>

Exit from the NPS Lite system in respect of those who avail Swavalamban Scheme of Govt of India shall also be subjected to conditions prescribed under Operating Guidelines of Swavalamban Scheme issued by Dept. of Financial Services, Govt of India vide their letter no. 13/10/2006-PR dated 21st June 2010.

Subscriber Grievance Redressal Mechanism
Central Grievance Management System (CGMS) has been provided under NPS Lite to receive, resolve and record different types of grievances, from different entity/actors of NPS-Lite system. In NPS Lite, Subscribers would be eligible to lodge grievances either through their Aggregator or directly to CRA.

Subscriber/ Aggregator has the option of registering grievance/complaint through the following alternatives:

**Call Centre/Interactive Voice Response System (IVR)**
Aggregator on behalf of its underlying subscriber can contact the CRA call centre at toll free telephone number 1-800-222080 and register the grievance. Aggregator will have to authenticate itself through the use of T-pin allotted at the time of registration under the NPS Lite. On successful registration of the grievance, a token number will be allotted by the Customer Care representative for any future reference.
**Web based interface**

Aggregator on behalf of its underlying subscriber can register the grievance at the website www.npscra.nsdl.co.in with the use of the I-pin allotted at the time of registration under the NPS Lite. On successful registration, a token number will be displayed on the screen for future reference.

**Physical forms**

Subscribers can submit the grievance against their Aggregator in a prescribed format to CRA, who would forward it to PFRDA for resolution. The form prescribed is available on CRA website.

**How to check the status of the Grievance?**

Aggregator can check the status of the grievance at the CRA website www.npscra.nsdl.co.in or through the Call Centre by mentioning the token number. Aggregator can also raise a reminder through any one of the modes mentioned above by specifying the original token number issued.

*CRA system also has provision of generating SMS alerts, which would be directly sent on subscriber mobile number registered with CRA*

**Charge Structure**

NPS Lite offers Indian citizens a low cost option for planning their retirement. A 0.0009%* fee (based on assets under management) for managing your wealth, pension funds under NPS perhaps the world's lowest cost money managers. Following are the charges under NPS:

<table>
<thead>
<tr>
<th>Intermediary</th>
<th>Activity</th>
<th>Charges</th>
<th>Method of Deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Record Keeping Agency</strong></td>
<td><strong>Account Opening Charges</strong></td>
<td>Rs. 35/- (Digitization will be carried out by CRA – FC)</td>
<td></td>
</tr>
<tr>
<td><strong>(CRA)</strong></td>
<td><strong>Annual Maintenance Charges¹</strong></td>
<td>Rs. 70/- per annum, <strong>with 12 free subscriber contributions per financial year.</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Transaction Charges²</strong></td>
<td>Nil for first 12 transactions and Rs. 5/- per transactions beyond 12 free subscriber contributions in each year.</td>
<td>Rs. 5/- per transaction</td>
</tr>
<tr>
<td>Intermediary</td>
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</tr>
<tr>
<td>Trustee Bank</td>
<td>Per transaction emanating from a Non RBI location(^3)</td>
<td>Rs. 15 <em>(Trustee Bank, levy collection charges of Rs. 15 per transaction for collection of funds, only at Non RBI Centers)</em></td>
<td>Through NAV deduction</td>
</tr>
<tr>
<td>Custodian(^4) (On asset value in custody)</td>
<td>Asset Servicing Charges</td>
<td>0.0075% (^{\text{p.a.}}) for Electronic segment &amp; 0.05% (^{\text{p.a.}}) for Physical Segment <em>(These charges are loaded on NAV, hence would be borne by individual subscriber)</em></td>
<td>Through NAV deduction</td>
</tr>
<tr>
<td>PFM</td>
<td>Investment Management Fee(^5)</td>
<td>0.0009% (^{\text{p.a.}}) <em>(PFMs get a fee of Rs 90,000 for every Rs.1000 crores of corpus they manage. These charges are loaded on NAV, hence would be borne by individual subscriber)</em></td>
<td>Through NAV deduction</td>
</tr>
</tbody>
</table>

*Service tax and other levies, as applicable, will be levied as per the existing tax laws.

\(^1\) When the number of accounts in CRA reaches 15 lakh the service charges, exclusive of Service Tax and other taxes as applicable will be reduced to Rs. 50 (Rupees fifty only) for annual PRA maintenance per account. CRA’s charge for maintenance of your permanent retirement would include charges for maintenance of electronic information of the balances in your PRA, for incorporating changes to PRA details received by the CRA in electronic form, for sending annual account information once a year in printed form etc.

\(^2\) Transaction cost will be reduced to Rs. 4/- and Rs. 3/- per transaction when the thresholds of 15 lakh and 30 lakh subscribers respectively are attained.

\(^3\) Trustee Bank charges are not charged to subscriber directly. Transaction refers to the entire chain of activities starting from receipt of electronic instructions/ receipt of physical instrument to transfer of funds to the designated PFMs. On the outflow side, it would include all activities leading to credit of beneficiary account.

\(^4\) Charges for Demat/Remat, Receipt of shares & SEBI charges are extra.
The Investment Management Fee is inclusive of all transaction related charges such as brokerage, transaction cost etc. except custodian charges and applicable taxes. The Investment Management Fee is calculated on the average monthly assets managed by the pension fund.

Other Matters

Power to make guidelines and give directions
PFRDA may, from time to time, issue such directions and Guidelines to NP S Lite intermediaries as may be necessary for protecting the interests of the subscribers.

Risks
Investments under NPS are subject to Market Risks associated with the pattern of investment. PFRDA does not guarantee any return on investments made.

Currently there is a single investment scheme available under NPS Lite. PFRDA may provide more option(s) in future. Returns would be subject to such choices made.

For more details of risks and other matters reference can be made to Offer Document on NPS available at PFRDA website.

How to become an aggregator?

The entities desirous of becoming an aggregator should carefully read the “Regulations for Aggregators under NPS Lite-2010” available at the website of PFRDA and make an application to the PFRDA in the format prescribed (available at PFRDA website).
Pension Fund Regulatory and Development Authority

1st Floor, ICADR Building, Plot No.6,
Vasant Kunj Institutional Area,
Phase – II, New Delhi

Tel: (011) 26897948
Regulation For Aggregators under NPS Lite - 2010
PART-A: SHORT TITLE AND INTRODUCTION

1. Short Title:

The regulations contained here-in shall be termed as “Regulations for Aggregators under NPS Lite-2010” and shall be referred so hereinafter. These provisions regulate the NPS Lite model of National Pension System which is a low-cost, feature optimized model, aimed at economically disadvantaged sections of the society. These regulations shall also apply for implementation of “Swavalamban Scheme” of Government of India through NPS Lite.

2. Introduction:

2.1. National Pension System (NPS) is an initiative of Pension Fund Regulatory and Development Authority (PFRDA), the apex body established by Government of India to regulate and develop the pension sector in India. NPS has been extended to all citizens of India with effect from 1st May 2009. For the weaker and economically disadvantaged sections of the society with their limited investment potential to be able to avail of NPS for securing their old age income security there is need to leverage group dynamics to keep the individuals engaged in pension schemes. There is also need to extend NPS in the rural areas.

2.2. PFRDA, being conscious of its ultimate responsibility in providing a uniform platform for old age income security to all sections of society has developed a cost effective and feature optimized model of NPS which facilitates economically weaker sections of the society to join the NPS platform in “groups” through “aggregators” i.e. a set of grass root intermediaries identified by PFRDA to function as subscriber interface under NPS architecture. “Group” essentially would mean the constituent members of an entity which qualifies for being an “aggregator” under proviso of these regulations. The model is termed as NPS Lite and the proviso contained herein lay down the regulatory framework for NPS Lite model in general and for functioning of “Aggregators” in particular.
PART-B: CONCEPT AND MAIN PROVISO

3. NPS Lite- Concept

3.1. NPS Lite is a model specifically designed to bring NPS within easy reach of the economically disadvantaged sections of the society. NPS Lite is extremely affordable and viable due to its optimized functionalities available at reduced charges.

3.2. NPS Lite shall be extended to its target population through specific entities identified by PFRDA, termed as “aggregators” who would enroll their underlying subscribers in NPS Lite as groups. The aggregators shall be the main interface between the NPS Lite subscriber and NPS architecture.

4. NPS Lite Architecture and its intermediaries:

The details of NPS Lite architecture and its intermediaries have been provided in Schedule- A of these regulations.

5. Charge structure under NPS Lite:

Various charges and their mode of realization are given in Schedule-B and are subject to revision by PFRDA from time to time.

6. Investment Limits under NPS Lite accounts:

6.1. NPS Lite, being aimed at economically disadvantaged sections of the society, shall have minimum and maximum limits of investment amount in each account prescribed by PFRDA and as amended from time to time.

6.2. The maximum investment limit prescribed by RBI vide their master circular number RBI/2008-09/72 dated 1st July 2001 for “Small Deposit Accounts” shall be applicable for each NPS account opened under NPS Lite, till PFRDA prescribes separate limits.

7. Investment options under NPS Lite:

7.1. The choice of Pension Fund Managers and asset classes shall be made by the individual under an aggregator.

7.2. An investment class can be specified by PFRDA. The investment choice shall remain uniform across all subscribers under one particular aggregator.

7.3. PFRDA shall specify, from time to time, the Pension Fund Manager(s) who may be assigned the responsibility of managing the funds under NPS Lite.

7.4. PFRDA may, at its discretion and in the interest of subscribers, specify a pre-defined set of asset classes for investments from which aggregators may choose one or leave it open to the aggregators to devise their own mix.
7.5. For the present, scheme with the investment pattern similar to that prescribed by the Central government for its own employees, as amended from time to time shall be available for NPS Lite.
   a) An aggregator can select only one PFM and the entire investment will take place as per the prescribed scheme.
   b) The aggregators shall have the option to get the money invested through all the three PFMs as per Central Government Scheme. The contributions shall be apportioned across all the three PFMs in a ratio as applicable for Central Government Scheme amended from time to time.

8. **Aggregators under NPS Lite:**

8.1. Aggregators shall be intermediaries identified and approved by PFRDA, to perform subscriber interface functions under NPS-Lite in respect of their constituent groups. The Aggregators shall be entities already in existence having continuous functional relationship with a known customer base for delivery of some socio-economic goods / services.

8.2. **Potential entities for role of aggregator** -
   a) Following entities have been considered as potential aggregators:-
      (i) Nodal offices/entities running certain schemes for identified beneficiary groups under Central and State Governments.
      (ii) Micro-Finance Institutions (MFIs).
      (iii) Non Banking Finance Companies (NBFCs).
      (iv) Non Government Organizations (NGOs).
      (v) Entities running common service centers under National E-Governance Plan.
      (vi) Any other category as identified by PFRDA from time to time.

   b) All the entities mentioned above must meet the criteria prescribed by PFRDA for becoming an aggregator and must have necessary infrastructure for collection of money from public for passing on to prescribed entities.
9. Eligibility criteria

9.1. The entities desirous of taking on the role of aggregator must be registered (under an act of Central or State Government as prescribed in section 9.2 of these regulations) and/or adequately regulated by any of the financial sector regulator(s).

9.2. The registered entities willing to be enlisted as an aggregator must have been registered under any of the following:
   a) Societies Registration Act 1860 (or a State amendment of this Act)
   b) Indian Trusts Act, 1862
   c) Charitable and Religious Trusts Act, 1920
   d) Indian Companies Act, 1956 (section 25, for non-profit companies)
   e) Indian Companies Act 1956 with necessary certification from RBI (for NBFCs)
   f) Indian Companies Act 1956, for any other company
   g) Any other act/rule as specified by PFRDA from time to time

9.3. Any other entity/class of entities, not covered under the provision at para 9.2 above may also be registered as aggregator(s), at the discretion of PFRDA, if such entity/class of entities facilitates inclusion of their subscriber base under NPS and have established capability with proven track record in the area of their operation.

9.4. The entity must have been in business of financial services or commodity development for at least 3 years as on date of application with a proven track record and must be financially viable.

9.5. The entity must have formal governance structure (Board, Managing Committee or equivalent) with members on board having adequate experience in financial services/social development.
   a) At least one third of the Directors (or equivalent) must be independent.
   b) The entity must have ‘Audit Committee’ in place headed by an independent director (or equivalent).

9.6. The entity must meet the following net worth* criteria:
   a) Rs.1.0 crore for those having been in business for last 3-5 years.
   b) Rs.50.0 lakhs for those having been in business for more than 5 years.
   c) For entities having exceptional track record and more than 10 years of experience, the net worth criteria can be relaxed completely/partly at the discretion of PFRDA.

9.7. The entity must have capability to manage large customer databases suitable to their organisation and must meet other technology parameters prescribed by PFRDA.

9.8. The entity must have cash management and its transfer capabilities as prescribed by PFRDA.

9.9. The entity must have trained staff with sufficient capability as prescribed.
9.10. The entity or any of its directors /promoters etc must not have been subjected to any disciplinary proceeding(s) under the rules, regulations and bye-laws of any regulator/disciplining body during the last three years.

9.11. PFRDA may, at its discretion, relax some, or all of these eligibility criteria in case of entities which are fully or partly controlled by either Central or any State government or have been created under any specific arrangement of the Central or State government or any other entity with proven track record, on a case to case basis, in the initial stages of development of the sector.

10. Security Deposit:

10.1. Each entity enlisted as an aggregator shall have to submit a security deposit in the form of a demand draft or a bank guarantee from a scheduled commercial bank.

10.2. The quantum of security deposit shall be determined in terms of the net worth of the entity and the ‘Highest Daily Cash Collection’ (HDCC)” recorded by the entity during the previous quarter completed (as on date of application).

10.3. The relaxation as contemplated under clause 9.11 shall also be applicable in case of security deposit requirement.

10.4. The matrix of security deposit determination is as below :-

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10.4.1. OR Rs.5 lacs whichever is higher

11. Aggregators – role and responsibilities:

11.1. The aggregators shall be responsible for:

a) Promotion of NPS and awareness about the need for old age income security among its constituent group members.

b) Meeting the ‘Know Your Customer’ requirements in respect of potential NPS subscribers as mandated under AML/CFT requirements.

c) KYC requirements in case of NPS Lite subscribers shall be governed by provisions of RBI Master Circular no RBI/2008-09/72 dated July 01, 2008 and as amended from time to time till separate orders on this aspect are issued by PFRDA.

d) Discharge of responsibilities relating to fund and data upload within prescribed time limits.

e) Collection of contributions from subscribers and ensuring its passage to Trustee Bank.
f) Ensuring availability of services to its underlying subscribers as mandated under NPS-Lite.
g) Handling grievances received from subscribers and their resolution.
h) Any other responsibility as assigned to them by PFRDA to ensure protection of subscribers’ interest.

12. Fund collection by Aggregators:

12.1. The aggregators shall make sure that credible collection infrastructure is available for their underlying subscribers.
12.2. The amount collected by the ‘Collection Centres’ shall be regularly transferred to the main account of the aggregator as per turnaround time prescribed by PFRDA.
12.3. Each aggregator would maintain a designated account with a scheduled bank in the name of NPS Trust to which all collections shall be remitted.
12.4. The oversight office of the aggregators would ensure necessary vigil and due diligence on the entire fund collection process and shall remain responsible for the same.
12.5. All defaults in the cash collection and transfer process causing loss to the subscribers shall be made good from the security deposit of the respective aggregator and/or remuneration due to them, if any.

13. Penal Provisions for Aggregators:

PFRDA shall lay down necessary provisions for imposing penalty on aggregators who fail to meet the responsibilities entrusted and maintain the standard of service expected from them or act in a manner contrary to the interest of the subscribers in the opinion of PFRDA.

14. Code of conduct for aggregators:

The aggregators shall be subjected to model code of conduct as prescribed by PFRDA and as amended from time to time.

15. Revenue model for aggregators:

15.1. The aggregators shall not be authorized to collect any sum from the subscribers towards their own fee/service charges.
15.2. The aggregators shall receive a fixed sum after each completed year of business from PFRDA and the same will be decided on a “Subscriber Acquisition cum Retention Model”.

15.3. The remuneration shall be based on a “per capita sum” paid for each subscriber enrolled during the year and all those accounts (enrolled in previous years) which remained active during the year. Each account enrolled and retained during the year must have a minimum annual contribution of Rs 1000/- in each account for making the aggregator eligible for remuneration.

15.4. The “per capita sum” shall be uniform and fixed by PFRDA from time to time. This sum for the FY 2010-11 shall be Rs 50/- per eligible NPS Lite account.

15.5. The aggregators must meet the criteria prescribed by PFRDA to ensure reasonable level of “persistency” ie retention of accounts opened during previous years in an active state, during subsequent years.

15.6. Remuneration to aggregators shall be paid out of “promotion and development” funds available with PFRDA.

15.7. Normally such remuneration shall not be applicable to central and state entities which extend NPS Lite to their target population. In case such entities utilize the services of an approved “Facilitator under NPs Lite” or come as a “consortium” in partnership with a private entity, the remuneration of the private partner should be met out of their own funds and PFRDA would normally not contribute towards the same.

15.8. However PFRDA may, in the initial stages of development, extend such financial support to aggregators from Government sector which utilize the services of an approved “Facilitator under NPs Lite” or come as a “consortium” in partnership with a private entity. The eligibility and quantum of support in such cases shall be decided on a case to case basis.

15.9. The remuneration shall be paid by PFRDA to each aggregator based on claim submitted by them and verified by PFRDA on an annual basis. Procedure for preference of claim, its verification and consequent payment shall be prescribed by PFRDA.

16. Role of Point(s) of Presence (PoP-SP) under NPS

16.1. All PoPs appointed by PFRDA are automatically qualified to become an aggregator under NPS Lite in respect of their own constituent subscriber base.

16.2. The PoPs may also act as “facilitator” to any other aggregator. The terms of engagement, level of service and fees for the same shall be negotiated between the aggregator and PoP and settled between them. PFRDA shall not be responsible for such arrangement(s) and the aggregator in this case shall not be entitled to receive any additional remuneration other than that prescribed in clause 15 of these regulations.
17. Aggregators in consortium:

17.1. Two or more entities may also get enlisted as aggregator. However, the distribution of responsibilities between them has to be ensured through an internal formal arrangement presented to PFRDA at the time of enlistment.

17.2. In such cases, one of the entities shall be enlisted as Primary Aggregator which will be responsible for meeting all eligibility requirements and all responsibilities arising out of their enlistment as aggregator.

17.3. All remunerations due to such aggregators shall be paid to the primary aggregator and its subsequent reallocation between the other consortium partner(s) shall not be responsibility of PFRDA.

18. Role of Citizen Service Centres/ Common Service Centres (CSCs) /post offices and other designated agencies as facilitators

18.1. Common Service Centres established under the National E-Governance Plan are coming up as the largest financial / data distribution network in the country. These CSCs shall be eligible to function as aggregators or facilitators to enlisted aggregators.

18.2. Enlisted aggregators may utilize the services of these CSCs for discharging responsibilities under NPS-Lite. However, the revenue model for CSCs shall be worked out by the CSCs nodal agency and aggregator directly.

18.3. PFRDA may in future, make available other designated agencies including post offices as facilitators under NPS Lite

18.4. PFRDA in due course of time shall prescribe necessary rules and associated fee(s) in this regard.

19. Due diligence on role of aggregators by PFRDA

19.1. The aggregators shall be subjected to due diligence procedure of PFRDA.

19.2. Each aggregator shall make available to PFRDA the following documents duly certified by a Chartered Accountant within 6 months from end of respective financial year failing which corresponding penalty shall be invoked:

a) Audited Annual Accounts.

b) Net worth certificate.

c) Share holding pattern.

d) Dominant promoter group detail.

e) Any other document prescribed by PFRDA from time to time
19.3. The aggregators shall be subjected to an independent audit as deemed fit by PFRDA periodically and the same shall form the basis for their continuation as aggregators.

19.4. PFRDA may at its discretion and in the interest of subscribers impose additional conditions, relax some of the existing ones or frame new regulations which will automatically supersede the earlier regulations.

20. Exit Management and business continuity:

20.1. The aggregators shall be appointed for a fixed term by PFRDA. However, PFRDA may consider termination of the appointment as laid down in terms and conditions of appointment. PFRDA may also terminate such appointments if it is convinced that continuation of business by the aggregator is detrimental to the interests of the subscribers.

20.2. The aggregators, after expiry of their initial period of appointment, may opt out of their engagement as aggregators in terms of their appointment conditions. However, such exit shall be authorized by PFRDA only after ensuring that the underlying subscribers have been suitably mapped to another aggregator or a suitable arrangement has been put in place to ensure continuity of service to the subscribers.

20.3. PFRDA may also impose additional condition(s) and requirements on exiting aggregator(s) to ensure protection of subscribers’ interest.

20.4. PFRDA may, from time to time, issue directions, prescribe additional conditions and impose requirements on all intermediaries under NPS Lite including aggregators, in the interest of subscribers and the same shall be binding on all.

**************************
Title: NPS Lite Architecture

1.1. NPS Lite is based on the same unbundled architecture as available for NPS. Only the subscriber interface role shall be performed by “Aggregators”.

1.2. Schematic representation of NPS Lite architecture:

1.3. Main intermediaries under NPS Lite:

1.3.1. **PFRDA**

PFRDA is the prudential Regulator for the New Pension System (NPS). PFRDA was established by the Government of India, Ministry of Finance; vide Notification F.No.5/7/2003-ECB & PR dated 10th October, 2003 to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.
1.3.2. **NPS Trust**

PFRDA has established the NPS Trust under Indian Trust Act, 1882 and appointed NPS Board of Trustees in whom the administration of the “New Pension System” vests under Indian Law. The Trust is responsible for taking care of the funds under the NPS. The Trust holds an account with the Bank of India and this bank is designated as the NPS Trustee Bank.

1.3.3. **Central Recordkeeping Agency (CRA)**

National Securities Depository Limited (NSDL) has been appointed as the CRA. The record-keeping, administration and customer service functions for all subscribers of the NPS shall be centralized and performed by the CRA.

1.3.4. **Trustee Bank**

Bank of India has been appointed as NPS Trustee Bank. It manages the banking of the Pension Funds in accordance with applicable provisions of the NPS Lite, the schemes and the guidelines/notifications, issued by PFRDA, Ministry of Finance, and Government of India from time to time as per applicable law.

1.3.5. **Pension Funds (PFs)/Pension Fund Managers (PFMs)**

(i) Appointed PFMs manage the retirement savings of subscribers under the NPS Lite. The PFMs are required to invest strictly in accordance with guidelines issued by the Government/PFRDA.

(ii) The aggregators may choose one of the PFMs to whom the entire corpus can be entrusted. They may also choose to invest the contributions through all the three PFMs as per Central Government scheme.

<table>
<thead>
<tr>
<th>Single PFMs</th>
<th>PFMs for Central Government Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ ICICI Prudential Pension Funds Management Company Limited</td>
<td>☒ LIC Pension Fund</td>
</tr>
<tr>
<td>☒ IDFC Pension Fund Management Company Limited</td>
<td>☒ SBI Pension Funds Limited</td>
</tr>
<tr>
<td>☒ Kotak Mahindra Pension Fund Limited</td>
<td>☒ UTI Retirement Solutions Limited</td>
</tr>
<tr>
<td>☒ Reliance Capital Pension Fund Limited</td>
<td></td>
</tr>
<tr>
<td>☒ SBI Pension Funds Limited</td>
<td></td>
</tr>
<tr>
<td>☒ UTI Retirement Solutions Limited</td>
<td></td>
</tr>
</tbody>
</table>

(iii) **Annuity Service Providers (ASPs)**

ASPs shall be identified by PFRDA and would be responsible for delivering a regular monthly pension to the subscriber(s).
1.3.6. **Aggregators (AGG)**

Aggregators are entities identified by PFRDA for making NPS available to their constituent subscriber base and maintain them into NPS Lite System.
**Schedule-B**

**Title: Schedule of charges under NPS Lite**

<table>
<thead>
<tr>
<th>Intermediary</th>
<th>Activity</th>
<th>Charges</th>
<th>Method of Deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Record Keeping Agency (CRA)</strong></td>
<td>Account Opening Charges</td>
<td>Rs. 35/- (Digitization will be carried out by CRA – FC)</td>
<td>Through cancellation of units from each subscriber pension account</td>
</tr>
<tr>
<td></td>
<td>Annual Maintenance Charges</td>
<td>Rs. 70/- per annum with 12 free subscriber contributions per financial year.</td>
<td>Through NAV deduction</td>
</tr>
<tr>
<td></td>
<td>Transaction Charges</td>
<td>Nil for first 12 transactions and Rs. 5/- per transactions beyond 12 free subscriber contributions in each year</td>
<td>Through NAV deduction</td>
</tr>
<tr>
<td><strong>Trustee Bank</strong></td>
<td>Per transaction emanating from a Non RBI location</td>
<td>Rs. 15 (Trustee Bank, levies collection charges of Rs. 15 per transaction for collection of funds, only at Non RBI Centers)</td>
<td>Through NAV deduction</td>
</tr>
<tr>
<td><strong>Custodian</strong> (On asset value in custody)</td>
<td>Asset Servicing Charges</td>
<td>0.0075% p.a for Electronic segment &amp; 0.05% p.a for Physical Segment</td>
<td>Through NAV deduction</td>
</tr>
<tr>
<td><strong>PFM</strong></td>
<td>Investment Management Fee</td>
<td>0.0009% p.a (PFMs get a fee of Rs 90,000 for every Rs.1000 crores of corpus they manage.)</td>
<td>Through NAV deduction</td>
</tr>
</tbody>
</table>

*Service tax and other levies, as applicable, will be levied as per the existing tax laws.*

1. When the number of accounts in CRA reaches 15 lakh the service charges, exclusive of Service Tax and other taxes as applicable will be reduced to Rs. 50 (Rupees fifty only) for annual PRA maintenance per account. CRA’s charge for maintenance of permanent retirement account includes charges for maintenance of electronic information of the balances in PRA, for incorporating changes to PRA details received by the CRA in electronic form, for sending annual account information once a year in printed form etc.

2. Transaction cost will be reduced to Rs. 4/- and Rs. 3/- per transaction when the thresholds of 15 lakh and 30 lakh subscribers respectively are attained.

3. Trustee Bank charges are not charged to subscriber directly. Transaction refers to the entire chain of activities starting from receipt of electronic instructions/ receipt of physical instrument to transfer of funds to the designated PFMs. On the outflow side, it would include all activities leading to credit of beneficiary account.

4. Charges for Demat/Remat, Receipt of shares & SEBI charges are extra.

5. The Investment Management Fee is inclusive of all transaction related charges such as brokerage, transaction cost etc. except custodian charges and applicable taxes. The Investment Management Fee is calculated on the average monthly assets managed by the pension fund.
### Guidelines in supplement to “Regulations for Aggregators under NPS Lite-2010”

<table>
<thead>
<tr>
<th>S. No</th>
<th>Referred Section of NPS Lite Regulations</th>
<th>Clarification/ Reference required on</th>
<th>Guideline prescribed by PFRDA</th>
</tr>
</thead>
</table>
| 6.1   | Maximum & Minimum Investment Limits under NPS Lite accounts | Max limit for total investment* in each NPS Lite account shall be Rs 50,000 per year as currently prescribed by RBI for “Small Deposit Accounts”.  
*The term “Investment” means total contribution made by the subscriber in absolute terms and not the aggregate value of corpus.  
No minimum limits prescribed for now but at the time of Registration minimum is Rs 100.  
However those desirous of availing the benefit of Swavalamban Scheme must meet the minimum/maximum criteria laid down vide Dept. of Financial Services, Govt of India letter no. 13/10/2006-PR dated 21st June 2010. | |
| 9.6   | The entity must have capability to manage large customer databases suitable to their organisation and must meet other technology parameters prescribed by PFRDA. | A formal data management set-up, already established for the core business of the entity which has data in respect of each of its beneficiaries shall suffice.  
Technology parameters as laid in Annexure-1 to this guideline | |
| 9.7   | The entity must have cash management and its transfer capabilities as prescribed by PFRDA. | As in Annexure-II to this guideline | |

45
| 9.8 | The entity must have trained staff with sufficient capability as prescribed. | Declaration from the entity to the effect that “all individuals assigned on NPS related activities shall have necessary capability and shall be trained on all operational issues to ensure proper discharge of NPS related responsibilities before their deployment” shall suffice. Format for declaration is available in Application format for enlistment as Aggregator. |
| 11.1 (d) | Discharge of responsibilities relating to fund and data upload within prescribed time limits |  |
| 12.2 | Fund transfer as per prescribed turn around time |  |
| 12.3 | Each aggregator would maintain a designated account with a scheduled bank in the name of NPS Trust to which all collections shall be remitted | As in Annexure-II to this guideline |
ANNEXURE-1 to Guidelines in supplement to “Regulations for Aggregators under NPS Lite-2010”

TITLE: TECHNOLOGY PARAMETERS

The basic minimum infrastructure requirement will be as stipulated by PFRDA from time to time.

The current requirement is as below:

I. For access to CRA system the concerned Aggregator will:
   ✓ have internet connectivity to access the CRA system for web based interaction
   ✓ have demonstrated capability to electronically transmit clear NPS subscriber contribution &
     and information as per prescribed timelines. *(The Undertaking of such capability to be
     submitted as a part of the proposal)*
   ✓ have adequate desktop machines with Operating System(OS) and Internet explorer at Account
     office level.
   ✓ Back Office Systems

II. Each Aggregator shall establish necessary systems, procedures and back-office software for
    ✓ Receiving transaction requests and upload in CRA system.
    ✓ Issuance of acknowledgement with unique ID against application for account opening,
      subscription and all other transactions
    ✓ Monitoring status of each transaction and generating regular MIS reports
ANNEXURE-II to Guidelines in supplement to “Regulations for Aggregators under NPS Lite-2010”

Cash Management Procedure in NPS Lite

Following procedure and parameters have been laid down to ensure transparency, uniformity and risk minimization and for strict compliance by the aggregators. Each aggregator must prepare a standard operating procedure for cash management for NPS contributions within their organizations with the approval of their Boards/competent authority, in accordance with these guidelines and get the same approved by PFRDA –

NPS contribution collection Process

(i) The collection of subscriber contribution under NPS shall be done only from the designated collection center or by the designated collection officer appointed by the aggregator. The list of NL-CC officials authorized to collect subscriber contribution must be made publicly available.

(ii) Cash/cheque collected from the subscriber must be acknowledged by issuing a physical receipt on behalf of the aggregator.

(iii) Cash collected from the subscriber must be credited to the aggregator’s bank account on the same day. In case if the cash is collected after 2 P.M. then it must be submitted on the next working day.

(iv) The subscriber should be informed of the date of credit into his/her IRA by issuing a suitable advice.

Pooling of Contribution in Aggregator’s Bank Account–

(i) An aggregator will open a Current Account with a scheduled bank titled “Aggregator organization name NPS Lite Collections Account”, for example - APCLWB – NPS Lite Collections Account.

(ii) The aggregator account will be a non withdrawable account with an option to transfer the funds into NPS Trust account only. The authority to transfer the collection amount will reside with the compliance office of the aggregator only.

(iii) The cash collected by NL-CC officers shall be deposited during the bank working hours.

(iv) It shall be ensured that the deposit slips signed by the Bank authority with their Stamp affixed is available with aggregator.
Remittance of subscriber contribution amount to NPS Account—

Data in respect of contributions collected during the week must be uploaded on the CRA system on Friday before EOD.

Corresponding remittances must be credited to the NPS account held with Trustee bank by the next Monday.

Other timelines prescribed by PFRDA as per operating guidelines and as listed below should be strictly adhered to.

Risk Mitigation Measures

(i) Cash collection and deposit into the aggregator’s bank account should be monitored on a daily basis by the aggregator over sight office.

(ii) The oversight office of the aggregators would ensure necessary vigil and due diligence on the entire fund collection process and shall remain responsible for the same.

(iii) The aggregator should conduct periodic audits on a quarterly basis to ensure that the movement of funds has taken place as per the guidelines prescribed by PFRDA.

(iv) SMS, call center or contribution pass book facility to intimate subscriber about the subscriber contribution or total facility should preferably be made available by the aggregator.

Redressal of Grievance

(v) Aggregator should constitute an appropriate Grievance Redressal Machinery internally for redressing complaints about services rendered by its collection centers. The name and telephone number of the designated Grievance Redressal officer of the ‘aggregator’ should be made available to the subscriber. The designated officer should ensure that genuine grievances of subscribers are redressed promptly.

If a customer feels that his complaint has not been satisfactorily addressed, he will have the option to approach the Office of the concerned aggregator for redressal of his grievance/s.
Support Scheme For Aggregators
A. Introduction

Section 15 of the Regulation for Aggregators under NPS Lite-2010 prescribes the revenue model for Aggregators. However effective implementation of NPS Lite-Swavalamban would require considerable promotional/advocacy efforts on the part of aggregators. To ensure early coverage of NPS in its target population and to achieve the broader agenda of financial inclusion, it has been decided to support the promotional efforts of aggregators by providing additional financial support over and above that prescribed under section 15 of the Regulations.

B. Support Scheme for Aggregators (SSA)

Support scheme for Aggregators would be a mix of promotional assistance and financial assistance. SSA would be classified at two levels: Centralized and Decentralized.

1. Centralized Support Model

Centralized support would focus on initiatives which would be taken by PFRDA in promoting NPS Lite and would be common to all aggregators. This model would include

1.1. Media Campaign

1.1.1. Nationwide Media Campaign
PFRDA/MoF on periodical basis would release advertisement of NPS Lite. These advertisements would be aimed at increasing general awareness about Pension, NPS and Swavalamban. It would also target for bringing more and more Aggregators on board. Periodicity of these advertisements would be finalized by PFRDA and media plan would be shared with all Aggregators in advance. This would include,

Print Media: The advertisement would be published in all National level newspapers with large coverage. The advertisements would be published in both Hindi and English

Audio/Visual media: PFRDA will tie up with appropriate agency that will support PFRDA on making contents for NPS Lite and Swavalamban awareness which would be broadcasted in TV channels and other popular Radio/FM channel. The standard media would be made available to all aggregators.

1.1.2. Targeted Media Campaign
Targeted media campaign would focus on supporting regional awareness campaign. This campaign would be based on demographics, regional significance, language and areas in which aggregators are active. This would supplement the efforts of aggregators and to the extent feasible would be aligned with promotion plan of specific aggregator. Aggregators can also approach PFRDA with their plans and if approved, PFRDA may support fully or partially at its discretion.

Print Media: The advertisement would be published in regional newspapers with large coverage. The advertisements would also be published in vernacular languages.

1.2. Capacity Building Program

1.2.1. National/Regional Workshops
PFRDA may conduct workshop, where in various organizations would be invited and briefed about NPS Lite/ Swavalamban. All Aggregators may also be invited for the workshop. Aggregators may be allowed to invite representatives from their target groups, on approval from PFRDA.

1.2.2. Training Programs
PFRDA in association with CRA, may conduct training programs for Aggregators. These training programs would familiarize Aggregators with functions to be performed under NPS Lite and also to resolve any operational issues faced by Aggregators. These training programs would be conducted in New Delhi, Mumbai and/or any other location as deemed fit by PFRDA.

2. De-Centralized Support Model

2.1. Decentralized support would primarily focus on incentivizing/subsidizing the Aggregators for their promotional efforts. Under this model aggregators would be encouraged to undertake specific promotional activity as listed in this section. Prior approval would not be required for activities listed at 2.5.1, 2.5.2 and 2.5.3. However any activity under scope of section 2.5.4 has to be approved by PFRDA before being undertaken. Towards these activities PFRDA would support the aggregators financially by providing an additional per capita remuneration of Rs 20 per account over and above remuneration prescribed under section 15 of the Regulations.

2.2. Aggregators would also be allowed to claim an advance of this support amount to the extent of 50% of the eligible support based on projected target subscriber base for the year. Rest of the amount can be claimed only after completion of financial year.
2.3. Aggregators would ensure that the money is spent specifically for the activities listed in this section or with approval of PFRDA and must maintain reasonable accounts for the same for verification/audit by PFRDA. Please refer to section 2.4 for process and requirements for claiming incentive/advances.

2.4. Any mis-utilisation/underutilisation shall be adjustable from final remuneration due to the aggregator along-with penal interests as prescribed by PFRDA.

2.5. Activities approved by PFRDA for promotion by aggregators

2.5.1 Workshops/Training

State Governments/Aggregators may tie-up with probable organizations that could join NPS Lite and a workshop in their region could be organized. PFRDA representative may join the workshop, if feasible. In case target base is large, PFRDA may also financially support in organization of the workshop. In case Aggregator requires financial support from PFRDA for organizing workshop, the Aggregator shall send its proposal to PFRDA at least 6 weeks prior to the date of workshop. Approval would be given on case to case basis, after scrutiny of proposal.

2.5.2 Promotional Literature/Tools/NPS Stationary

Aggregators are free to print NPS Lite promotional literature in regional language; however content of these literature shall be approved by PFRDA. Additionally PFRDA may also provide financial support to Aggregators in printing literature on case to case basis.

2.5.3 Adoption of technology

Aggregators are encouraged to introduce new technologies in their areas of operation to ensure better subscriber governance, increasing transparency and subscriber outreach, accountability, reduction in operational costs and service delivery cost to subscribers at the same time providing subscriber with a grievance handling mechanism.

2.5.4 Other Initiatives

Aggregators may also send their proposals to PFRDA on any initiative they want to take, which leads to NPS Lite promotion. PFRDA would fund those initiatives completely/partially on case to case basis.
2.6. Volume Driven Incentives

2.6.1. Under this scheme PFRDA would provide direct financial incentive over and above what is mentioned in section 15 of Regulations and section 2.1 of this framework.

2.6.2. In addition, incentive will be given to an aggregator based on performance. The incentive structure ensures that the incentive amount increases with higher performance. The incentive model is as shown in the table below:

<table>
<thead>
<tr>
<th>No of subscribers Under aggregator*</th>
<th>Per capita incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 1 lakh</td>
<td>Rs 10</td>
</tr>
<tr>
<td>Above 3 lakh</td>
<td>Rs 17</td>
</tr>
<tr>
<td>Above 5 lakh</td>
<td>Rs 22</td>
</tr>
</tbody>
</table>

*As defined under section 15.3 of regulations. This would be applicable only for new and active acquisitions during the year under consideration.

2.7 Illustration on various supports available to aggregators:

The eligibility for incentive and advances for that Aggregator is illustrated below for guidance of aggregators.

<table>
<thead>
<tr>
<th>Aggregator</th>
<th>Subscriber Base</th>
<th>Revenue as Per Regulation</th>
<th>Assistance towards Promotion</th>
<th>Allowed Advance* out of promotion exp. of Rs 20</th>
<th>Volume Driven Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregator 1</td>
<td>70000</td>
<td>2500000 (50x50000)</td>
<td>1000000 (20x50000)</td>
<td>700000 (10x70000)</td>
<td>NIL</td>
</tr>
</tbody>
</table>

(A) Projected (for FY-2009-10)
(B) Achieved (till 31st March 2011)

Slab as per section 2.2 (10/17/22)
<table>
<thead>
<tr>
<th>Aggregator</th>
<th>Subscriber Base</th>
<th>Revenue as Per Regulation</th>
<th>Assistance towards Promotion</th>
<th>Allowed Advance* out of promotion exp. of Rs 20</th>
<th>Volume Driven Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregator 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Slab as per section 2.2 (10/17/22)</td>
</tr>
<tr>
<td></td>
<td>Projected (for FY-2009-10)</td>
<td>Achieved (till 31st March 2011)</td>
<td>50</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>(A)</td>
<td>(B)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregator 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>70000</td>
<td>120000</td>
<td>6000000 (50x120000)</td>
<td>2400000 (20x120000)</td>
<td>700000 (10x700000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1200000 (10x120000)</td>
</tr>
<tr>
<td>Aggregator 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>300000</td>
<td>200000</td>
<td>10000000 (50x200000)</td>
<td>4000000 (20x200000)</td>
<td>3000000 (10x300000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3400000 (17x200000)</td>
</tr>
<tr>
<td>Aggregator 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>300000</td>
<td>500000</td>
<td>25000000 (50x500000)</td>
<td>10000000 (20x500000)</td>
<td>3000000 (10x300000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11000000 (22x500000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Payout Cycle</th>
<th>End of Financial Year</th>
<th>End of Financial Year</th>
<th>Anytime after appointment (based on approval)</th>
<th>End of Financial Year</th>
</tr>
</thead>
</table>

*If there is difference between A & B, then excess/short payments made towards Advances would be adjusted in final remuneration payout

3. **Procedure for Claiming Incentive/Advances**

3.1 Procedure for making various claims on account of these support/Incentive shall be prescribed by PFRDA in due course. However the procedure for claiming advance of support as prescribed in section 2.2 above is as follows:

3.1.1 An Aggregator fulfilling the preceding conditions prescribed for claiming advance can claim the same by sending below mentioned documents to PFRDA.
3.1.2 The documents would be scrutinized by PFRDA and based on scrutiny corresponding amount would be sanctioned. PFRDA also reserves right to ask for any additional document/information, other than mentioned below in order to sanction the amount.

a) An Undertaking indicating claimed amount (either advance/reimbursement) along with the supporting facts. Undertaking and supporting documents to authorized by MD/CEO/HOD or equivalent handling NPS Lite business for the organization

b) Supporting documents shall include
   i. Total number of subscribers targeted
   ii. List of activities on which incentive amount would be utilized, along with utilization certificate (this info has to be provided only in case of claiming advances)

c) Proof of security deposit submission to PFRDA
An undertaking authorizing PFRDA to recover incentive amount along with prescribed penal interest from Aggregator or adjust against security deposit, in case any information/facts given by Aggregator is found false.
Annexure 5 - Enlistment Procedure

Enlistment Procedure
Procedure for Enlistment as Aggregator

Aggregator shall be the point of interaction between its underlying subscriber and the NPS Lite architecture. Entities approved by PFRDA would be acting as Aggregator in NPS Lite for their underlying subscribers.

How to become Aggregator?

Any institution/organization intending for registration as Aggregator under NPS Lite is required to submit a Letter of Consent to PFRDA, in the prescribed format. Prescribed format can be downloaded from PFRDA website. The details submitted would be evaluated by PFRDA on case to case basis. PFRDA will issue Appointment letter to the selected entity, based on which an Aggregator would execute Agreement with Central Record Keeping Agency (CRA). Selected entity would then proceed through prescribed registration process with CRA and post registration entity would be eligible to operate under NPS Lite.
Annexure 6 - Letter of Consent for Government Entities

Letter of Consent
for
Government Entities
CONSENT DOCUMENT/APPLICATION

FOR REGISTRATION AS “AGGREGATOR”

UNDER NATIONAL PENSION SYSTEM (NPS) - LITE

FOR MEMBERS OF

<ORGANIZATION NAME>
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I. Letter of Consent

(to be provided on company/official letter head)

Date DD\textsuperscript{th} Month, YYYY

To

XYZ
Executive Director
Pension Fund Regulatory Development Authority
1\textsuperscript{st} Floor, ICADR Building, Plot No 6
Vasant Kunj Institutional Area
Phase-II, New Delhi-110070

Sub:- Letter of Consent for Registration as Aggregator under National Pension System (NPS) - Lite

for members of <Organization Name>

Dear Sir/Madam,

I/we, the undersigned, have examined and familiarised me/ourselves with “Regulations for Aggregators under NPS Lite 2010” and “Operating Guidelines for Aggregators” prescribed by PFRDA.

2. We are desirous of being enlisted as an “Aggregator under NPS Lite” for providing prescribed services to the potential NPS Lite subscribers belonging to <Organization Name>. We hereby agree to perform activities prescribed in “Operating Guidelines for Aggregator” and other associated rules/guidelines prescribed by PFRDA from time to time.

3. We confirm that we have understood and agree to abide unconditionally by all the requirements as set out in “Regulations for Aggregators under NPS Lite 2010”.

4. Further, we also undertake to sign separate agreement(s) with PFRDA or its designated agency in the format prescribed by PFRDA, if required.

5. Necessary details with supporting documents are attached with this consent letter in prescribed format for consideration of our request.

6. I/we understand that PFRDA reserves the right to accept or reject our proposal without assigning any reason thereof.
It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this letter as well as other such letters/documents which may be required for registration.

Dated this ___ Day of ___ 2010

(Signature)___________

Name:__________________ (In the capacity of)____________________

Duly authorized to sign the Consent letter for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
## II. Aggregator Compliance Sheet for Government or Government Sponsored Agencies

<table>
<thead>
<tr>
<th>Name of the Entity</th>
<th>Status of Entity (please tick)</th>
<th>Ref: Section 9.1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ Department of Central Government</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Department of State Government</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Central Government Autonomous Bodies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ State Government Autonomous Bodies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Others, if any (pls. Specify) .......................</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Registered Address</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Existing customer base and Services Rendered</th>
<th>Details in Annexure 1 is provided</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ Yes</td>
</tr>
<tr>
<td></td>
<td>☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commercial Undertaking</th>
<th>Entity is entitled for receiving remuneration as prescribed by PFRDA</th>
<th>Commercial undertaking in Annexure 2 is provided</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ Yes</td>
<td>☐ Yes</td>
</tr>
<tr>
<td></td>
<td>☐ No</td>
<td>☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consortium partner Details</th>
<th>If Aggregator is proposing to undertake NPS Lite activities in consortium with other entities, Annexure 3 is provided</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ Yes</td>
</tr>
<tr>
<td></td>
<td>☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Facilitator Details</th>
<th>If Aggregator is proposing to share/outsource NPS Lite activities to facilitator: Name of Entity Appointed as Facilitator: ____________</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Seeking Financial Support</th>
<th>(An entity from Government sector, if seeking financial support from PFRDA would separately sent letter to PFRDA for consideration)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>My/our organization is seeking financial support from PFRDA</td>
</tr>
<tr>
<td></td>
<td>☐ Yes</td>
</tr>
<tr>
<td></td>
<td>☐ No</td>
</tr>
</tbody>
</table>
Dated this Day of 2010

(Signature)___________

Name:______________________  (In the capacity of)____________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)  (Seal/Stamp of Organization)
Annexure 1: Details of Customer Base and Services Rendered

An entity shall provide details covering:

- Types of services provided to existing subscribers

- Details of potential subscribers/ target mass for NPS Lite

- NPS Lite subscriber base projection for next three years
  
  Year 1:
  Year 2:
  Year 3:
Annexure 2: Commercial Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that my institution, if registered as Aggregator under NPS Lite by PFRDA, shall not charge any fees/service charge from subscribers for providing NPS Lite services.

We also confirm that we would only receive fixed sum towards these services, as prescribed by PFRDA in Regulations for Aggregators under NPS Lite.

This commitment is valid for the entire duration of the registration period and any extension granted thereto.

I/We commit to provide information regarding services provided by my/our institution at such intervals as may be prescribed by PFRDA from time to time.

Dated this Day of 2010

(Signature)_____________

Name:____________________ (In the capacity of)____________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
Annexure-3: Declaration of Details of Consortium Partner

It is hereby confirmed that I/we are entitled to act on behalf of our /company/firm/organization and empowered to provide this undertaking that my/our institution, is creating a consortium of one or more entity for providing NPS Lite services. In NPS Lite my/our institution would act as Primary Aggregator and details of our consortium partner(s) is mentioned below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Registered Under</th>
<th>Registered Address</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consortium Partner 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Consortium Partner 2</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(*More rows could be added based on number of consortium partners*)

My/our institution also understands that being a Primary Aggregator we would be responsible for meeting all eligibility requirements and all responsibilities arising out of their enlistment as aggregator under NPS lite. We also declare that below details/ supporting documents of our consortium partner(s) is provided along with this consent document:

- Attested copy of Registration certificate
- Organization Brief
- Balance Sheet of last 3 years
- Copy of MOU between Primary Aggregator and Consortium partner(s)

We also declare that in NPS Lite my/our institution and our consortium partner would be mapped as mentioned below.

<table>
<thead>
<tr>
<th>NPS Lite Oversight Office would be</th>
<th>My/our Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Only Primary Aggregator would be Oversight Office</em></td>
<td></td>
</tr>
</tbody>
</table>

| NPS Lite Accounts Office would be | |

| NPS Lite Collection Centre would be | |

Dated this Day of 2010
(Signature)___________

Name:______________________  (In the capacity of)____________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization)  (Seal/Stamp of Organization)
Annexure 7 - Letter of Consent for Non Government Entities

Letter of Consent for Non Government Entities
CONSENT DOCUMENT/APPLICATION

FOR REGISTRATION AS “AGGREGATOR”

UNDER NATIONAL PENSION SYSTEM (NPS) - LITE

FOR MEMBERS OF

<ORGANIZATION NAME>
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I. Letter of Consent

(to be provided on company/official letter head)

Date DDth Month, YYYY

To

XYZ
Executive Director
Pension Fund Regulatory Development Authority
1st Floor, ICADR Building, Plot No 6
Vasant Kunj Institutional Area
Phase-II, New Delhi-110070

Sub: Letter of Consent for Registration as Aggregator under National Pension System (NPS) - Lite for members of <Organization Name>

Dear Sir/Madam,

I/we, the undersigned, have examined and familiarised me/ourselves with “Regulations for Aggregators under NPS Lite 2010” and “Operating Guidelines for Aggregators” prescribed by PFRDA.

2. We are desirous of being enlisted as an “Aggregator under NPS Lite” for providing prescribed services to the potential NPS Lite subscribers belonging to <Organization Name>. We hereby agree to perform activities prescribed in “Operating Guidelines for Aggregator” and other associated rules/guidelines prescribed by PFRDA from time to time.

3. We confirm that we have understood and agree to abide unconditionally by all the requirements as set out in “Regulations for Aggregators under NPS Lite 2010”.

4. Further, we also undertake to sign separate agreement(s) with PFRDA or its designated agency in the format prescribed by PFRDA, if required.

5. Necessary details with supporting documents are attached with this consent letter in prescribed format for consideration of our request.

6. I/we understand that PFRDA reserves the right to accept or reject our proposal without assigning any reason thereof.
It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this letter as well as other such letters/documents which may be required for registration.

Dated this Day of 2010

(Signature)___________

Name:______________________ (In the capacity of)____________________

Duly authorized to sign the Consent letter for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
## II. Aggregator Compliance Sheet

<table>
<thead>
<tr>
<th>Name of the Entity</th>
<th>Entity is Registered with (please tick)</th>
<th>Entity is in business of financial services or commodity development for</th>
<th>Entity has net-worth of</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ Societies Registration Act 1860 (or a State amendment of this Act)</td>
<td>☐ As on date of application,</td>
<td>☐ Less than Rs 50 Lakh</td>
</tr>
<tr>
<td></td>
<td>☐ Indian Trusts Act, 1862</td>
<td>☐ 3 to 5 Years</td>
<td>☐ Rs 50 Lakh or more</td>
</tr>
<tr>
<td></td>
<td>☐ Charitable and Religious Trusts Act, 1920</td>
<td>☐ 5 to 10 Years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Indian Companies Act, 1956 (section 25, for not for profit companies)</td>
<td>☐ More than 10 Years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Indian Companies Act 1956 with necessary certification from RBI (for NBFCs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Indian Companies Act 1956, for any other company</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Others, if any (pls. specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attested copy of such certificate is provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registered Address</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entity Background</td>
<td>Dominant promoter group detail covering share holding patterns</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ref: Section 19 of the regulations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization Brief provided (on a separate sheet)</td>
<td>☐ Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entity is in business of financial services or commodity development for</td>
<td>As on date of application,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ref: Section 9.4 of the regulations</td>
<td>☐ Less than 3 Years</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ 3 to 5 Years</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ 5 to 10 Years</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ More than 10 Years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entity has net-worth of</td>
<td>As on date of application</td>
<td></td>
<td>Net-worth Certificate from Chartered Accountant is</td>
</tr>
<tr>
<td>Ref: Section 9.6 of the regulations</td>
<td>☐ Less than Rs 50 Lakh</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ Rs 50 Lakh or more</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Existing customer base and Services Rendered</strong></td>
<td>Equal to or more than Rs 1 Crore provided</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Entity financial status</strong></td>
<td>Whether entity has incurred loss in preceding financial years</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Disciplinary Proceedings Declaration</strong></td>
<td>Directors/promoters etc have not been subjected to any disciplinary proceeding(s) under the rules, regulations and bye-laws of any regulator/disciplining body during the last three years</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Commercial Undertaking</strong></td>
<td>Entity is entitled for receiving remuneration as prescribed by PFRDA</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Governance Structure</strong></td>
<td>Entity must have formal governance structure (Board, Managing Committee or equivalent) with members on board having adequate experience in financial services/social development and adequate capacity to handle financial activities</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Technical &amp; Manpower Capacity</strong></td>
<td>Entity must have adequate technical infrastructure to perform NPS activities</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Highest daily cash</strong></td>
<td>Pls furnish the figure in words and numbers both:</td>
<td></td>
<td>Attach certificate</td>
</tr>
<tr>
<td>collection (In Rs)</td>
<td>from Chartered Accountant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ref: Section 10 of the regulations</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Seeking exemption/relaxation of any eligibility criteria</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ref: Section 9.11 of the regulations</td>
<td>If entity is seeking relaxation in Eligibility criteria, <strong>Annexure 6</strong> is provided</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consortium partner Details</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ref: Section 17 of the regulations</td>
<td>If Aggregator is proposing to undertake NPS Lite activities in consortium with other entities, <strong>Annexure 7</strong> is provided</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

Dated this Day of 2010

(Signature)___________

Name:______________________ (In the capacity of)____________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
# Annexure 1: Details of Customer Base and Services Rendered

<table>
<thead>
<tr>
<th>Existing Customer Count across all Services (as on date of application) which would be covered under NPS Lite</th>
<th></th>
</tr>
</thead>
</table>
| Types of Services Rendered to existing customer base | ☐ Financial  
 ☐ Non Financial  
 ☐ Both Financial & Non Financial |
| List of Services Provided | (pls. use additional sheets if necessary) |
| Three year projections for Customer base (for its core business) and targets for NPS Lite coverage | Core business | NPS coverage |
| Year 1: |  |
| Year 2: |  |
| Year 3: |  |
| Data demonstrating cash handling capacity | Please furnish details to demonstrate existing capability and proposed capacity building (if any) to undertake NPS Lite work |
| Any other details demonstrating customer/cash handling capacities |  |

Dated this Day of 2010

(Signature)___________

Name:______________________ (In the capacity of)______________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
Annexure 2: Legal Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that,

(i) No penalties have been imposed on our organisation/its promoters/directors and no major strictures have been passed by any court of law or by any regulatory body/disciplining authority during the last three years
(ii) No discipline case is pending against the organisation or its promoters/directors as on date of this declaration

Dated this Day of 2010

(Signature)______________

Name:____________________ (In the capacity of)__________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
Annexure 3: Commercial Undertaking

It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that my institution, if registered as Aggregator under NPS Lite by PFRDA, shall not charge any fees/service charge from subscribers for providing NPS Lite services.

We also confirm that we would only receive fixed sum towards these services, as prescribed by PFRDA in Regulations for Aggregators under NPS Lite.

This commitment is valid for the entire duration of the registration period and any extension granted thereto.

I/We commit to provide information regarding services provided by my/our institution at such intervals as may be prescribed by PFRDA from time to time.

Dated this Day of 2010

(Signature)____________

Name:__________________ (In the capacity of)__________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
An entity should provide details of its Governance structure covering:

1. Board structure
2. List of Independent directors
3. Monitoring mechanism
4. Cash handling/monitoring mechanism
5. Mechanism for detection/control of frauds etc
6. Customer grievance redressal process
7. Any other relevant matter
It is hereby confirmed that I/we are entitled to act on behalf of our corporation/company/firm/organization and empowered to provide this undertaking that my/our institution, is having necessary technical & manpower capacity for providing NPS Lite services.

We have in every branch, adequate IT Infrastructure for accessing the CRA system. We also have necessary infrastructure and capability to demonstrate and electronically transmit NPS subscriber contribution and information as per prescribed timelines. We also have capability to establish necessary back office systems, procedures and software for receiving transaction requests and upload into CRA system, issuing of acknowledgment etc as laid down in operating guidelines.

We also declare that all individuals assigned on NPS related activities have necessary capability and would be trained on all operational issues to ensure proper discharge of NPS related responsibilities before their deployment.

Dated this Day of 2010

(Signature)

Name: _______________________ (In the capacity of) ______________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
Annexure-6: Format for seeking exemption/relaxation of any eligibility criteria

<table>
<thead>
<tr>
<th>S.No</th>
<th>Reference in Regulation (Clause No. &amp; Page No.)</th>
<th>Extent of Deviation</th>
<th>Brief Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
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<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dated this Day of 2010

(Signature)______________

Name:______________________ (In the capacity of)____________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
**Annexure-7: Declaration of Details of Consortium Partner**

It is hereby confirmed that I/we are entitled to act on behalf of our company/firm/organization and empowered to provide this undertaking that my/our institution, is creating a consortium of one or more entity for providing NPS Lite services. In NPS Lite my/our institution would act as Primary Aggregator and details of our consortium partner(s) is mentioned below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Registered Under</th>
<th>Registered Address</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consortium Partner 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Consortium Partner 2</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(More rows could be added based on number of consortium partners)

My/our institution also understands that being a Primary Aggregator we would be responsible for meeting all eligibility requirements and all responsibilities arising out of their enlistment as aggregator under NPS lite. We also declare that below details/supporting documents of our consortium partner(s) is provided along with this consent document:

- Attested copy of Registration certificate
- Organization Brief
- Balance Sheet of last 3 years
- Annexure 2 & 5 Declaration of consortium Partner
- Copy of MOU between Primary Aggregator and Consortium partner(s)

We also declare that in NPS Lite my/our institution and our consortium partner would be mapped as mentioned below.

<table>
<thead>
<tr>
<th>NPS Lite Oversight Office would be</th>
<th>My/our Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>(Only Primary Aggregator would be Oversight Office)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NPS Lite Accounts Office would be</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>NPS Lite Collection Centre would be</th>
</tr>
</thead>
</table>
Dated this Day of 2010

(Signature)___________

Name:______________________ (In the capacity of)____________________

Duly authorized to sign this undertaking for and on behalf of:

(Name and Address of Organization) (Seal/Stamp of Organization)
Operating Guidelines for Aggregators Under NPS Lite
Operating Guidelines for Aggregators
Under NPS Lite

Pension Fund Regulatory and Development Authority
First Floor, ICADR Building, Phase II, Plot No 6, Vasant Kunj Institutional Area,
New Delhi-110070
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Acronyms and abbreviations

The following definitions, acronyms & abbreviations have been used in this document:

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRA</td>
<td>Central Recordkeeping Agency</td>
</tr>
<tr>
<td>CRA-FC</td>
<td>CRA Facilitation Centre</td>
</tr>
<tr>
<td>I-PIN</td>
<td>Internet Personal Identification Number</td>
</tr>
<tr>
<td>NL-AO</td>
<td>NPS-Lite Account Office</td>
</tr>
<tr>
<td>NL-CC</td>
<td>NPS-Lite Collection Centre</td>
</tr>
<tr>
<td>NL-OO</td>
<td>NPS-Lite Oversight Office</td>
</tr>
<tr>
<td>NPS</td>
<td>National Pension System</td>
</tr>
<tr>
<td>NSDL</td>
<td>National Securities Depository Limited</td>
</tr>
<tr>
<td>PFM</td>
<td>Pension Fund Manager</td>
</tr>
<tr>
<td>PFRDA</td>
<td>Pension Fund Regulatory &amp; Development Authority</td>
</tr>
<tr>
<td>PRAN</td>
<td>Permanent Retirement Account Number</td>
</tr>
<tr>
<td>SCF</td>
<td>Subscriber Contribution File</td>
</tr>
<tr>
<td>TB</td>
<td>Trustee Bank</td>
</tr>
</tbody>
</table>
1. Purpose of the Document

NPS Lite has been developed with the objective of providing old age income security to various economically disadvantaged sections of society. These will be availing various features in NPS-Lite through their representing institutions. Such institutions selected/designated by PFRDA are called as ‘aggregators’.

This document describes roles and responsibilities of aggregators who shall be responsible for servicing their underlying NPS Lite subscribers and interfacing with the CRA Lite System. PFRDA may also prescribe any other policy/guidelines to the aggregators, in addition to the roles prescribed in this document.

Following are the detailed operational roles of the aggregators in interfacing with NPS Lite:

2. The Roles & Responsibilities of Aggregator

As clear from the above NPS Lite architecture, Aggregator shall be the first point of interaction between the subscriber and National Pension System Lite. The Aggregator shall perform the following activities as part of their mandated roles and responsibilities in the NPS Lite:
- Registration of designated offices of the Aggregator
- Subscriber Registration
- Regular Contribution Uploading
- Subscriber Servicing
- Grievance Handling

This document gives the details of the operating processes under each of the above activities in the sections below. Any other activities to be decided by PFRDA from time to time shall be executed by the Aggregator as per the prescribed operational guidelines/procedure and service standards.

3. Registration of designated offices of the Aggregator

As per the three tier architecture of NPS Lite, each aggregator has to register one of its offices as oversight in NPS Lite to monitor and control the operations being performed by its underlying offices. Aggregator is also expected to designate office(s) for performing the functions of collection and processing of contributions of underlying subscribers. The broad roles of designated offices of the aggregator and the sequence of registration of these offices are as under:

- **Registration of Oversight Office (NL-OO):** NL-OO is expected to undertake monitoring & controlling functioning of its underlying offices (NL-AOs and NL-CCs) towards discharging services as per the service standards defined by PFRDA. NL-OO is required to fill up the registration form (N1 form) and submit the same to CRA. The NL-OO is required to self-authorize the form before submission of the same to CRA (NSDL, Mumbai).

  **At the time of registration, NL-OO shall specify/choose the following**
  
  - Centralized / decentralized models of contribution upload: The model of upload to be followed by the aggregator for processing of subscriber contribution shall be selected by the aggregator in consultation with CRA for interfacing with NPS Lite.
  
  - Choice of Fund Manager applicable for all its underlying subscribers as per the features available in NPS Lite and approved by PFRDA

- **Registration of uploading offices (NL-AO):** Upon successful registration of the NL-OO, registration of uploading offices (NL-AO) shall commence. The NL-AO is expected to undertake contribution upload on
CRA Lite system and fund transfer to Trustee Bank for its underlying subscribers. NL-AO is required to fill up the registration form (N2 form) and submit the same to NL-OO for authorization. Upon authorization, NL-OO shall send the form to CRA for registration.

On successful registration, CRA will allot a unique registration number, I-PIN (Internet PIN) and T-PIN (Telephone PIN) to each office of the aggregator who is designated to function as oversight and uploading offices.

- **Registration of Collection Centers (NL-CCs):** Collection Centers are expected to interface with subscribers and perform key functions relating to collection of registration forms, undertaking KYC, contribution collection and passing the contribution information and funds to the NL-AO for further processing. Registration of NL-CCs will be undertaken upon completion of registration of NL-AOs in NPS Lite. The NL-CCs Registration Form (N3) shall be authorized & forwarded by the respective NL-AOs to which they are linked.

### 4. Subscriber Registration

The Aggregators have been entrusted with the responsibility of the registration of its underlying subscribers. For this purpose, the subscribers will fill in the necessary details in the application for allotment of PRAN and submit it to NL-CC. In case subscriber has to be enrolled for Swavalamban also, then form NL-S2 shall be used
otherwise NL-S1 form shall be used. NL-CC shall verify the forms before submission. NL-CC will consolidate the forms and forward it to NL-AO along with covering letter. NL-AO shall consolidate NL-CC wise forms and submit it to the nearest CRA-FC. In case NL-OO is submitting the forms, then the forms shall be consolidated NL-AO wise before submission of the forms to CRA-FC. The process of registration of subscribers in NPS Lite is depicted in the diagram given above.

4.1. Receiving filled forms from Subscribers:

- **Providing assistance in registration of subscribers:** It shall be the responsibility of Aggregator to ensure that hard copy application forms are available with its service counters (NL-CCs) for issuing to the subscribers.

- **Checking of KYC related documents and eligibility of subscribers as prescribed by PFRDA and as per the schemes of Centre/State Governments:** It shall be the responsibility of Aggregator to check the KYC and eligibility of subscribers.

- **Aggregators (NL-OO/NL-AO-NL-CC) shall ensure that the first contribution of at least Rs 100, is collected from each of the subscribers at the time of accepting the registration form.**

4.2. Verification of forms

Aggregator shall carry out following checks:

i. **Aggregators shall check that the application form is duly filled & signed by the Subscriber.**

ii. **Aggregator shall ensure that all mandatory fields have been filled. Any incomplete information should be pointed out to and corrected by the applicant before accepting the application form.**

iii. **The Aggregators shall make sure that the applicant has pasted a colour photograph of size 3.5 cm x 2.5 cm on the registration form. Such photograph shall not have any marks/stamps/signatures across/on it. If there is any mark on the photograph such that it hinders the clear visibility of the face of the subscriber, Aggregators shall not accept the registration form and inform the applicant.**
iv. The signature/thumb impression of the applicant should be inside the rectangle provided on the applicant form. (Left hand thumb impression for Male and Right hand thumb impression for Female). The thumb impression must be verified by the designated officer of the Aggregator accepting the application form.

v. To join the NPS, minimum and maximum permissible age of applicant is between 18 years and 60 years on the date of receipt of the application by the Aggregators. In case, the NPS is being dovetailed with any other scheme (ex: Scheme of Department of Labour for construction workers) then the eligibility conditions such as age limits etc specific to those schemes shall also be checked by the aggregators offices.

vi. Aggregators should ensure that the name and address provided by the applicant is complete i.e. it captures all data fields including name of the city, state and pin code. Such information should be verified from the KYC documentation submitted by the applicant.

vii. The Aggregators shall ensure that the applicant has signed declaration & authorization section provided in the subscriber registration form.

viii. The Aggregator shall not accept any application in case of mismatch observed in the name provided in the application form and in the KYC documents.

ix. Bank Details are not mandatory for opening of PRAN account. However, if the subscriber intends to provide the same, he/she should fill all bank details in the form. In case bank details are provided, Aggregators shall ensure that all the mandatory fields are provided. Partially filled bank details will not be considered while registration of application. However, at a later date, the subscriber will be able to update the bank details in NPS Lite system by submission of the details to the Aggregator using prescribed format\(^1\).

x. If the applicant has provided nomination details, Aggregator shall ensure that the % distribution indicated by subscriber for his/her nominee(s) shall be an integer number, and sum total of the distribution shall be equal to 100%. If any mistakes are committed by the subscriber in filling this section, such mistake shall not result in rejection of the application. However the nomination details shall not be registered in such case.

\(^1\) The aggregator shall ensure that the forms prescribed by PFRDA will be used for the purpose of registration of subscribers, contribution collection and subscriber maintenance etc.
The applicant shall have the option to provide photocopy of the completed application form and get it endorsed by the Aggregators. The applicant may use such document as a copy for his/her records.

### 4.3. Checklist for Aggregator related to Subscriber Registration Forms

- Has the photograph been pasted?
- Has the signature/thumb impression been provided within the given box?
- Have all the mandatory fields been filled in?
- Has the application form been duly signed/has the Thumb impression, if used, been attested?
- Whether KYC documents have been submitted?

### 4.4. Processing of forms

i. On successful checking & authorization of forms, NL-CC shall forward the forms to their respective NL-AO/NL-OO for onward submission to the CRA-FCs. It is suggested that Aggregator may submit a bundle of 500 forms in one go for ease in monitoring of the status of registration and to handle the rejected forms effectively. In addition, only authorized subscriber registration forms are to be sent to the CRA-FCs.

ii. Aggregators (NL-OO/NL-AO) shall submit accepted application forms to CRA-FC by hand where the CRA-FC is co-located. Where the Aggregators and CRA-FC are not co-located, the former shall have the option to transmit the documents (original application form) to the nearest CRA-FC either by hand or through post/courier.

iii. The PRAN Kits (PRAN card, Subscriber Master and NPS Literature, if any) shall be dispatched by CRA to the aggregator for further distribution.

### 5. Contribution processing

a. NL-OO/NL-AOs shall follow the contribution upload procedures prescribed in NPS Lite for processing of subscriber contribution information and funds. Depending on the model of upload adopted by the
respective aggregator, the function of SCF upload will be carried out either by NL-OO or by NL-AO. The contribution upload will be allowed once a week in the NPS Lite per uploading office of the Aggregator.

b. **Collection of subscriber contributions on a regular basis:** Aggregator will collect the contributions from the subscriber on regular basis and aggregate the contribution information and the relevant funds at the level of NL-AO.

c. **Usage of tools/utilities/standards developed/prescribed under NPS Lite:** Aggregator may use the File Preparation Utility (FPU) provided by CRA or use its own back office software (which shall generate the required files as per format prescribed by CRA) for preparation of SCF. In either case, the file generated should be validated using the File Validation Utility (FVU). The FPU and FVU tools will be made available for download from the CRA website.

d. **Uploading of contribution information in the NPS Lite:** Aggregator shall upload the file using the IPIN allotted by the CRA, at the time of NL-OO/NL-AO registration.

e. **Submission of funds to the Trustee Bank as per the prescribed procedure:** Once the file has been successfully uploaded and Contribution Submission Form (CSF) generated, the aggregator shall transfer the funds to trustee bank as per the procedure prescribed by NPS Lite towards ensuring that the timely matching & booking of the SCFs uploaded. For the purpose of remittance of contribution of funds, the Aggregator may choose either fund transfer by cheque or by way of RTGS/NEFT to Trustee Bank (TB). The detailed process involved in fund transfer and the target account where funds have to be transferred and other relevant details will be communicated to the aggregator entities selected by PFRDA.

A diagrammatic representation of the NPS Lite contribution upload & fund transfer procedure is provided below:
A diagrammatic representation of the NPS Lite settlement cycle is provided below:

For more information on cash management procedure in NPS Lite, please refer to Guidelines in supplement to “Regulations for Aggregators under NPS Lite-2010” available at www.pfrda.org.in
6. Subscriber Servicing

NPS-Lite System is envisaged to maintain subscribers details made available to CRA at the time of registration and the contribution details. NPS-Lite system will provide NL-AO the facility to update the subscriber details for the subscribers associated with it. Updation of the subscriber details will require either a ‘Maker’ activity or a ‘Maker-Authoriser’ activity, depending on the field being modified. Similarly, various views and reports will be available to the NL-OO. Additionally, NL-AO can raise grievance through the NPS-Lite system for the subscribers. On registration, CRA will allot I-PIN to NL-OO and NL-AO. CRA will issue two different I-PINs to the NL-OO & NL-AO to enable them in conducting activities requiring ‘maker-authoriser’.

NL-OO & NL-AO should identify at least two officers and allot the User ID and I-PIN to them. From the two User IDs, one User ID should be allotted to a Maker user and another to the Authoriser user. With these user IDs NL-OO & NL-AO can access the NPS-Lite system. On a regular basis, Aggregator is expected to provide following services to the NPS-Lite subscribers:

i. Aggregator shall carry out changes in subscriber details if the subscriber has made a request by way of submitting the subscriber details change request form, as prescribed by PFRDA, for all changes as mentioned below to be effected in the NPS-Lite system:
   a) Name: Appropriate supporting documents to be submitted, plus copy of PRAN card.
   b) Address: Appropriate supporting documents to be submitted and a copy of the PRAN card.
   c) Phone/mobile number/email ID: No additional documents required.
   d) Updation of Subscriber bank details: Appropriate supporting documents to be submitted along with copy of PRAN card. In case of bank details, Aggregator shall ensure that the bank details provided by the Subscriber are complete and the details of which (bank name and bank account number) should match with the bank details provided in the form.
   e) Change in the nomination details: Copy of PRAN card.

In order to carry out the changes mentioned at point no (i) above, Aggregator shall update such subscriber requests in NPS-Lite system by logging with the IPIN.

ii. Aggregator shall attend to withdrawal requests from subscriber submit the same by logging into the NPS Lite. At present, the withdrawal due to death of subscriber is permitted in the NPS Lite system. In case of death of the subscriber his/her nominee(s)/property shall submit the withdrawal request with
the supporting documents specified in the withdrawal request form. The rules for other types of withdrawals such as withdrawal due to exit from NPS Lite etc are being formulated by PFRDA and the detailed processes for the same will be communicated to the aggregators upon finalisation of the same.

iii. Aggregator shall attend to subscriber’s request for re-issue PRAN card.
   a. Subscriber shall submit such request, in the format as prescribed by PFRDA, at his/her servicing parent Aggregator.
   b. Aggregator shall update such details in the NPS-Lite system and maintain a copy of such request for its records.

In order to execute instructions/requests mentioned at (ii), (iii) above, and to change the core details of the subscriber, Aggregator shall follow the maker – authoriser principle.

7. Grievance Handling

Aggregator shall carry out the following set of activities in respect of receiving, entry of grievances in NPS Lite, verification and redressal of grievances from the subscribers and other NPS-Lite Intermediaries:

i. Receiving of grievances submitted by the subscriber against Aggregator or any other NPS Intermediary in the prescribed format and uploading of all grievances in the Central Grievance Management System (CGMS) of CRA Lite on a daily basis. The CGMS system of CRA Lite would route the grievances to respective NPS intermediaries.

ii. If PoP/PoP-SP has grievances against any NPS Intermediary such as CRA or Trustee Bank, it shall raise grievance using CGMS of the CRA or at the CRA call centre.
The grievances against an Aggregator Account Office raised either by the subscriber or by the NPS Intermediary shall be resolved within 7 days of receiving of grievance (the Aggregator Account office is expected to resolve any such grievance within three days; in case of no resolution the grievance within first three days of reporting of such, it will be escalated at Oversight office level and will be expected to be resolved within maximum 4 days thereafter) and the resolution shall be posted in the CGMS system for each grievance.

In order to undertake the tasks mentioned in this document, the aggregator should have adequate IT infrastructure coupled with internet connectivity at the level of NL-OO/NL-AO. In addition, aggregator shall nominate such offices as uploading offices based on the banking facilities available in vicinity for undertaking fund transfers in a timely manner to designated NPS-Lite Trust account. It shall be responsibility of the aggregator (NL-OO/NL-AO) to utilize and act on the basis of views and reports provided online/offline basis by NPS-Lite towards quality service delivery to the NPS-Lite subscribers.

Other details & relevant documents are available at
www.pfrda.org.in
www.npscra.nsdl.co.in
Annexure 9 - Standard Operating Procedures

Standard Operating Procedures
For
Registration
Preface

The Government of India (GOI) has introduced a new Defined Contribution Pension System known as the National Pension System (NPS) replacing the existing system of Defined Benefit Pension System vide Government of India, Ministry of Finance, and Department of Economic Affairs Notification, dated 22nd December 2003. The NPS came into operation with effect from 1st January 2004 and was made applicable to all new employees to Central Government service, except to Armed Forces, joining Government service on or after 1st January 2004. The employees of Central Autonomous organizations, State Governments/Union Territories (UTs) and the Autonomous organizations of the respective State Government/UT are also eligible to join the NPS. The GOI has also rolled out the NPS for all citizens from 1st May, 2009.

The GOI has established Pension Fund Regulatory and Development Authority (PFRDA) on 10th October 2003 for developing and regulating the pension funds under the NPS. PFRDA has appointed National Securities Depository Limited (NSDL) as the Central Recordkeeping Agency (CRA) to maintain the records of contribution and its deployment in various pension fund schemes for the Subscribers. NSDL has setup a CRA system for this purpose. CRA is a first of its kind venture in India which will carry out the functions of Record Keeping, Administration and Customer Service for all Subscribers under NPS. The records of the contributions of each Subscriber will be kept in an account known as the Permanent Retirement Account which shall be identified by a Permanent Retirement Account Number (PRAN). CRA shall issue a PRAN to each Subscriber on his/her successful registration and maintain database of each Permanent Retirement Account along with recording of transactions relating to each PRAN.

PFRDA has already put in place the institutional framework and infrastructure required for administering NPS for government employees. Various entities such as CRA, Pension Fund Managers (PFM), Trustee Bank (TB), Custodian and NPS Trust have been appointed for this purpose.

The GOI has now decided to roll out the NPS for various economically disadvantaged groups consist of poor people usually coming from low income strata and from a lower educational background. As these subscribers cannot afford normal NPS charges, GOI has introduced an alternate model of NPS with effect from 1st April 2010 so as to provide financial security to these subscribers and to protect their future. This alternate model of NPS is known as NPS-Lite having relatively low cost structure compared to government sector and all citizens of India. The Self Help Groups (AGGREGATORs), Government (Central and/or state) Co-Sponsored Schemes (GCS), Government welfare and affinity groups are covered under NPS-Lite. This document describes the standard operating procedure to be followed by the Offices of the AGGREGATOR/GCS for registering themselves and the Subscribers with the CRA under NPS-Lite system. The graphic representation of NPS-Lite architecture is given below:
NPS-Lite & CRA Architecture
Acronyms and Abbreviations

The following definitions, acronyms & abbreviations have been used in this manual:

<table>
<thead>
<tr>
<th>ACRONYM</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>ASP</td>
<td>Annuity Service Provider</td>
</tr>
<tr>
<td>CRA</td>
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<td>CRA Facilitation Centre</td>
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<td>Permanent Retirement Account Number</td>
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<td>PRN</td>
<td>Provisional Receipt Number</td>
</tr>
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<td>SCF</td>
<td>Subscriber Contribution File</td>
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<tr>
<td>T-PIN</td>
<td>Tele-query Personal Identification Number</td>
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## Important terms used

<table>
<thead>
<tr>
<th>IMPORTANT TERMS</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>Annuity Service Provider</td>
<td>Annuity Service Provider is the entity registered with Insurance Regulatory and Development Authority (IRDA) and appointed by PFRDA for investing Subscriber's retirement savings in Annuity scheme and delivering regular monthly pension to the subscriber.</td>
</tr>
<tr>
<td>Aggregator</td>
<td>Aggregator shall be the point of interface between its underlying subscriber and the NPS Lite architecture.</td>
</tr>
<tr>
<td>CRA-FC</td>
<td>CRA-FC is Facilitation Centre appointed by CRA to facilitate Offices of the AGGREGATOR to submit various Application forms.</td>
</tr>
<tr>
<td>I-PIN</td>
<td>Eight digits alphanumeric number used to authenticate the user to login NPS-Lite system through internet.</td>
</tr>
<tr>
<td>NL-OO</td>
<td>NPS-Lite Oversight Office will act as oversight mechanism for all underlying NL-AOs and NL-CCs and will be linked to these offices in the NPS-Lite system.</td>
</tr>
<tr>
<td>NL-AO</td>
<td>NPS-Lite Account Office will monitor all the underlying NL-CCs and facilitate the subscriber registration through CRA-FC, subscriber contribution details upload to NPS Lite system and also facilitate various subscribers’ requests.</td>
</tr>
<tr>
<td>NL-CC</td>
<td>NPS-Lite Collection Centre (NL-CC) will act as a link between subscribers &amp; NL-AO. These offices will be responsible for collection and forwarding of Subscriber details like registration, maintenance, contribution etc to the concerned NL-AO.</td>
</tr>
<tr>
<td>PF / PFM</td>
<td>PFM is Pension Fund Manager of a Pension Fund appointed by PFRDA to invest the Pension Fund contribution of all the subscribers in various schemes under NPS.</td>
</tr>
<tr>
<td>PRAN</td>
<td>12 digits unique Permanent Retirement Account Number allotted by CRA to each Subscriber registered in NPS-Lite system.</td>
</tr>
<tr>
<td>Subscriber</td>
<td>Subscriber is the member of AGGREGATOR/GCSs (which have joined New Pension System for its members) and registered with the NPS-Lite system.</td>
</tr>
<tr>
<td>Subscriber Master Details</td>
<td>Details of the Subscriber which are registered with NPS-Lite system such as Personal details, Nomination details, Scheme details etc.</td>
</tr>
<tr>
<td>Scheme Setup/Scheme Preference</td>
<td>Scheme setup is scheme preference opted by AGGREGATOR for investing the subscribers pension contributions.</td>
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<tr>
<td>IMPORTANT TERMS</td>
<td>DESCRIPTION</td>
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<tr>
<td>T-PIN</td>
<td>Four digits number used to authenticate the user in Interactive Voice Response (IVR) system.</td>
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1. Introduction

The GOI has introduced NPS-Lite system with an objective to provide financial security to poor people from low income strata and to protect their future by facilitating source of income i.e. pension during their old age. The economically disadvantaged people will join NPS-Lite system in groups through Aggregators.

The AGGREGATORs which are interested in joining the NPS-Lite shall approach PFRDA and shall obtain consent letter/approval for the same. On receipt of PFRDA’s approval, AGGREGATOR will process with the registration of their offices and the subscribers with CRA. On successful registration, CRA will allot a unique registration number to each office of the AGGREGATOR. The offices shall use this registration number for their interaction with CRA. Along with the registration details, AGGREGATOR shall also intimate the model of operation it intends to adopt in the NPS-Lite system. The AGGREGATOR can adopt any one of the following models of operation. Depending on the model adopted by the respective AGGREGATOR, the registration of the offices (NL-OO, NL-AO & NL-CC) will be carried out with the suitable variable user access rights in the NPS-Lite system.

Model A (Centralised Model):

Under this Model, oversight office of the AGGREGATOR which will be known as NPS-Lite Oversight Office (NL-OO) will perform functions related to the upload of subscriber contribution file and remittance of contribution funds to trustee bank for the contributions accepted by the underlying offices.
Model B (Decentralised Model):

Under this Model, each NPS-Lite Account Office (NL-AO) which will act as a linkage between various collection centers (NL-CCs) & NL-OO shall prepare subscriber contribution file based on the contributions received from the subscribers and upload the same into NPS-Lite system. The respective NL-AO shall also make payment related to the contribution accepted to the trustee bank.

*It may be noted that the models mentioned above will be available to AGGREGATOR only for the contribution upload and not for any other services rendered to the subscribers. The other services relating to the subscribers shall be executed only by the NL-AO.*
2. Nodal Office Registration - NL-OO:

NL-OO office of the AGGREGATOR will act as oversight mechanism in NPS-Lite. Depending on the model of operation, NL-OO will have several functions in the NPS. However, most of them will be in the nature of monitoring the performances of the offices under its jurisdiction. CRA will provide various reports and alerts to NL-OO to facilitate it to carry out the role of the supervisory entity.

NL-OO will be responsible for carrying out the following activities.

- Consolidate NL-AO registration forms and forward it to CRA for registration.
- Monitor performance of NL-AOs & NL-CCs in discharging their responsibilities in NPS-Lite.
- Take necessary action to ensure compliance of NL-AOs & NL-CCs with the operational procedures of the NPS-Lite system.
- Upload of consolidated Subscriber Contribution File (SCF) for all NL-AOs in the NPS-Lite system and remittance of contribution amount to trustee bank, in case AGGREGATOR has adopted centralised model of operation.
- Authorised request of the NL-AO for changed in NL-AO registration details and send the same to CRA.

NL-OO will register itself with CRA and also facilitate the registration of the underlying NL-AOs. The following sections of the document will explain the registration of NL-OO with CRA and the process to be followed by NL-OO with regard to registration of underlying NL-AOs.

(The process to be followed by NL-OO for contribution upload and transfer of funds has been provided in Standard Operating Procedure for contribution upload.)

2.1. NL-OO Registration:

NL-OO shall follow the under mentioned procedures for registering in the NPS-Lite system:

- NL-OO shall download an application for registration (Annexure NL-N1) from the CRA website www.npscra.nsdl.co.in or the PFRDA website www.pfrda.org.in. NL-OO shall submit the application in the latest format prescribed by the PFRDA.
The form should be filled only after reading carefully all the instructions provided at the end of the form. Form should be filled legibly in BLOCK LETTERS and in BLACK INK only.

NL-OO shall provide all the mandatory details in the application form.

The form should be duly signed and stamped by the authorised signatory of NL-OO as well of the respective AGGREGATOR.

In the NPS-Lite system, NL-OO will be identified by NL-OO registration number generated and allotted by CRA on successful registration.

The NL-OO will have to provide among the other information, the details like,

- Name and address of NL-OO office, phone numbers, fax number, authorised contact person’s name & designation.
- Official email id of the NL-OO office. (NL-OO cannot provide an email id of any individual person. NL-OO may create a separate email id for NPS).
- The existing registration number (if any) which is allotted by respective department/ministry of central or state government/NABARD/RBI, etc.
- Model of contribution it intends to adopt i.e. centralised or decentralised
- Details of designated bank account for NPS if NL-OO adopts centralised model.
- Scheme preference details:
  - The scheme preference opted by the NL-OO (i.e. by AGGREGATOR) shall be mandatorily applicable to all its underlying subscribers.
  - NL-OO will select one fund manager from the list of six fund manager and the entire corpus will be invested with that fund manager.
  - NL-OO also has option to select scheme applicable to Central Government Employees (mandatorily covered under NPS). In that case the investment is made across three PFMs (SBI, UTI, LIC) in the ratio decided by NPS Trust/PFRDA.

- NL-OO shall also sign an undertaking for accessing NPS-Lite system through I-Pin.

The NL-OO shall also provide the list of the NL-AOs associated with it giving the details such as NL-AO name, NL-AO code, etc. The list should be in official stationery and duly signed & stamped by the authorised signatory of the NL-OO.

NL-OO shall submit the following documents along with the application form:

- Certified Copy of PFRDA Approval/Consent Letter.
- List of Authorised signatories/members of AGGREGATOR alongwith their signatures.

The form has to be forwarded to CRA at the address – Central Recordkeeping Agency, National Securities Depository Limited, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013 or such other address as may be notified by CRA from time to time.

CRA will process the application form for registration only if the complete details are filled and the same are found to be in order. In case of forms with incomplete details, CRA will reject the forms. In such cases, the NL-OO will have to resubmit the form with complete details.

On successful registration in NPS-Lite System, CRA will send an intimation of registration along with unique registration number allotted to NL-OO at the address provided in the application form. Two ‘I-Pins’ will also be sent to the NL-OO to access NPS-Lite system.

The NL-OO will have to log into NPS-Lite system with the user ID and ‘I-Pin’ as the password. After the first login, NL-OO will have to reset the password (I-Pin) and agree to the online terms and conditions available at NPS-Lite system for the purpose of accessing the system.

NL-OO shall also set the secret question & answer which can be used for resetting the password in the event if the password (I-Pin) is lost/ forgotten. If the password (I-Pin) is entered consecutively incorrect for 5 times, the same will get locked in the system and can be reset by using secret question & answer.
• If the NL-OO is a NL-OO cum NL-AO (that is, it is acting in the capacity of both NL-OO and NL-AO), then it has to be registered as a NL-OO as well as a NL-AO. Hence, NL-OO shall submit both the application forms i.e. Form NL-N1 (NPS-Lite Oversight Office registration form) and Form NL-N2 (NPS-Lite Accounts Office registration form). In such case, CRA will allot two separate Registration Numbers to NL-OO cum NL-AO, to be identified separately as a NL-OO and as a NL-AO.

**Checklist for NL-OO before submission of forms to CRA**

- Has the name of the NL-OO been properly filled in?
- Have all the mandatory fields been filled in?
- Has the official e-mail id/phone number been mentioned?
- Has the application form been duly signed by the concerned official?
- Has the list of NL-AOs been attached to the application form?
- Has the mode of operation been correctly mentioned?
- Has the scheme preference been correctly mentioned?
- Have the appropriate supporting documents been attached to the form?

2.2. Change in NL-OO Details:

NL-OO will have to notify CRA about any changes in the details provided to CRA at the time of registration such as contact details, authorised signatory details, model of operation etc. by submitting a written request.

- NL-OO shall provide a written request on official stationery with the complete information regarding the details to be changed along with NL-OO registration Number.
- The request should be duly signed by the authorised officer of the NL-OO and should contain the NL-OO stamp.
- A copy of the NL-OO registration letter issued by CRA should be provided along-with the request.
- If the request is found to be in order, CRA would effect the changes in the NPS-Lite system.

After the changes have been updated in the NL-OO details, CRA will send intimation to the concerned NL-OO.
2.3. Process to be followed by NL-OO for NL-AO registration

NL-AOs which are associated to the NL-OO will forward the registration forms to respective NL-OO. NL-OO shall collect the registration forms duly filled by the NL-AOs, certify the relevant details and forward it to CRA for registration purpose. NL-OO will follow the below mentioned process:

- On receipt of the forms from underlying NL-AOs, NL-OO will verify the same for all mandatory details. NL-OO will mention the NL-OO registration number (allotted by CRA) and authorise the form by putting stamp and signature.
- If NL-OO is not yet registered in NPS-Lite system, it shall hold the NL-AO registration forms till such time it has got registered in NPS-Lite system. Once NL-OO is registered in the system, it shall forward the NL-AO registration forms to CRA.
- The NL-OO will prepare a covering letter containing the details of NL-AO registration forms and forward it to CRA.
- The forms have to be forwarded to CRA at the address – Central Recordkeeping Agency, National Securities Depository Limited, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013 or such other address as may be notified by CRA from time to time.

Checklist for NL-OO for submission of NL-AO registration forms to CRA

- Have all the registration details been provided correctly?
- Has the NL-OO registration number been mentioned correctly?
- Has the application form been duly verified & signed?
- Has the NL-OO covering letter been provided?

3. Functions of NL-AO:

NL-AO will be responsible for carrying out the following activities in NPS-Lite:

- Consolidate the NL-CC registration forms and forward it to CRA for registration.
- Facilitate the registration of the subscribers by consolidating the PRAN applications received from the concerned NL-CCs and forward it to CRA Facilitation Centre (CRA-FC). (It is the responsibility of the NL-AO to check the completeness of the Subscriber registration forms).
- In case of decentralised model of operation,
  - Upload Subscriber Contribution File (SCF) to NPS-Lite system. SCF will contain subscriber wise details of pension contribution such as PRAN, amount of contribution etc.
Deposit the contribution amount in the Trustee Bank as per the SCF uploaded in NPS-Lite. This contribution amount will be invested in various schemes of PFM, based on the Scheme Preference opted by the concerned AGGREGATOR.

- Update through NPS-Lite system, various subscribers requests such as the request for change in Subscriber demographic details, request for change in signature & photograph, Withdrawal Requests, etc.
- Raise a grievance on behalf of NL-CC and the subscriber.
- Resolve the grievance raised against NL-AO by any entities in the NPS-Lite System.
- Authorise the request for change in details of the NL-CC and send the same to the CRA.

However, before performing the above-mentioned functions, NL-AO shall have to register itself with CRA. For registering itself in NPS-Lite system, NL-AO shall forward the application for registration to the concerned NL-OO. The following sections of the document will explain the registration of NL-AO with CRA and the process to be followed by NL-AO with regard to registration of NL-CCs & the subscribers.

### 3.1. NL-AO Registration:

Once NL-OO is registered, it shall inform the respective NL-AOs under its purview to complete the registration formalities in NPS-Lite system. Similar to NL-OO, NL-AO will also be identified in the NPS-Lite system with the NL-AO Reg. No. allotted by CRA. NL-AO can be registered only after the associated NL-OO has been registered in the NPS-Lite system. The process to be followed by a NL-AO for its own registration is as follows:

- NL-AO shall download an application for registration (Annexure NL-N2) from the CRA website www.npscra.nsdl.co.in or the PFRDA website www.pfrda.org.in. NL-AO shall submit the application in the latest format prescribed by the PFRDA.
- The form should be filled only after reading carefully all the instructions provided at the end of the form. Form should be filled legibly in BLOCK LETTERS and in BLACK INK only.
- NL-AO shall provide all the mandatory details in the application.
- The form should be duly signed and stamped by the authorised signatory of NL-AO.
- In the form, the NL-AO will have to provide among other information the details like Name and address of NL-AO office, official email id, existing NL-AO code, authorised contact persons name & designation, bank details of designated Govt. bank for NPS, etc. NL-AO shall also sign an undertaking for accessing NPS-Lite system through I-Pin. *(If phone number of the NL-AO is not provided, NL-OO phone number will be captured as phone number of NL-AO.)*
- NL-AO will forward the registration form to its NL-OO who will forward the same to CRA after proper verification.
- CRA will process the application form only if complete details are filled in the form and same are found to be in order. In case of forms with incomplete details, CRA will reject the forms. In such cases, the NL-AO will have to resubmit the form with complete details.
- If the applications are found to be in order, CRA will process the application for registration.
- On successful registration, CRA will send an intimation of registration to NL-AO. CRA will also send ‘I-Pin’ to access NPS-Lite system and ‘T-Pin’ to avail IVR services offered by CRA. In the NPS-Lite system, the NL-AO will be identified by NL-AO Reg. No. allotted by CRA on successful registration.
• NL-AO will be allotted one single T-Pin for accessing IVR and two user IDs and two I-PINS for accessing NPS-Lite system.

• The NL-AO will have to log into NPS-Lite system with the user ID and I-Pin as the password and agree the online terms and conditions available at NPS-Lite system for the purpose of accessing the system. For T-Pin, the detailed terms and conditions will also be available online and NL-AO will need to agree with the same along with I-Pin.

• NL-AO shall also set the secret question & answer which can be used for resetting the password in the event if the password (I-Pin) is lost/ forgotten. If the password (I-Pin) is entered consecutively incorrect for 5 times, the same will get locked in the system and can be reset by using secret question & answer.

• If the NL-AO is a NL-AO cum NL-CC (that is, it is acting in the capacity of both NL-AO and NL-CC), then it has to be registered with CRA as a NL-AO as well as a NL-CC. Hence, NL-AO shall submit both the application forms i.e. Form NL-N2 (NL-AO registration form) and Form NL-N3 (NL-CC registration form). In such case, CRA will allot two separate Registration Numbers to NL-AO cum NL-CC, to be identified separately as a NL-AO and as a NL-CC.

**Checklist for NL-AO before submitting forms to NL-OO**

- Has the name of the NL-AO been properly filled in?
- Have all the mandatory fields been filled in?
- Has the official e-mail id been mentioned?
- Have all the bank details been correctly mentioned?
- Has the application form been duly signed by the concerned official?

3.2. Change in NL-AO Details:

NL-AO will have to notify CRA about any changes in the details provided to CRA at the time of registration such as contact details, authorised signatory details, bank details etc. by submitting a request for change in details.

- NL-AO shall provide a written request on official stationery with the complete information regarding the details to be changed along with NL-AO registration Number.
- The request should be duly signed by the authorised officer of the NL-AO and should contain the NL-AO stamp.
- The request along with the copy of NL-AO registration letter issued by CRA should be sent to the concerned NL-OO for its authorisation and onward dispatch to CRA.
- If the request is found to be in order, CRA would effect the changes in the NPS-Lite system.

After the changes have been updated in the NL-AO details, CRA will send intimation to the concerned NL-AO.
Process to be followed by NL-AO for NL-CC Registration:

NL-CCs which are attached to the NL-AO will forward the completed registration forms to the concerned NL-AO. For the purpose of NL-CC registration, NL-AO shall collect the NL-CC registration forms, certify the details and forward it to CRA. NL-AO will follow the below mentioned process:

- On receipt of the forms, the NL-AO will verify and authorise the form and mention the NL-AO Reg. No. (allotted by CRA). If there are any discrepancies in the form, NL-AO will return the same to the NL-CC and get it rectified from the NL-CC.
- If NL-AO is not yet registered in the NPS-Lite, NL-AO shall hold the NL-CC registration forms till such time it has got registered in system. Once NL-AO is registered in the system, it shall forward the NL-CC forms to CRA.
- The NL-AO will prepare a covering letter (as per the format provided in Form NL-N4) containing the details of NL-CC registration forms and send it to the CRA.
- The form has to be forwarded to CRA at the address – Central Recordkeeping Agency, National Securities Depository Limited, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013 or such other address as may be notified by CRA from time to time.
- On successful registration, CRA will send intimation of registration to NL-AO. The NL-AO will be responsible for forwarding the intimation letters to the respective NL-CCs.

Checklist for NL-AO before consolidation and submission of forms to CRA

- Have all the registration details been provided correctly?
- Has the NL-AO Reg. No. been mentioned properly in the registration form?
- Has the application form been duly verified & signed?
- Has the covering letter of NL-AO been attached with the forms?

Process to be followed by NL-AO for Subscriber Registration:

NL-AO shall forward the subscriber registration application forms to CRA. Further, it will also upload the change detail requests of the subscribers to NPS-Lite system. The NL-AO, as it is entrusted with the responsibility of the registration of subscribers, it will also forward the subscriber PRAN kit to the respective NL-CC for onward distribution to the subscribers.

The following section will explain in detail the procedures to be followed by the NL-AO in case of subscriber registration and related areas like consolidation of forms, dispatch of forms, distribution of PRAN kits etc.
Process to be followed by NL-AO for consolidation and dispatch of Subscriber Registration forms to CRA-FC:

The NL-AOs have been entrusted with the responsibility of forwarding the registration forms of the subscribers. The pre-condition for the registration of subscribers is that the NL-AO and NL-CC with whom subscriber is attached are registered in the NPS-Lite system. NL-AO will facilitate the registration of the subscribers who come under NL-CCs associated with the NL-AO. The registration of the subscribers will be carried out through the Facilitation Centres (CRA-FC) appointed by the CRA. List of CRA-FCs is available at the NSDL website [www.nsdl.co.in](http://www.nsdl.co.in) and CRA website [www.npscra.nsdl.co.in](http://www.npscra.nsdl.co.in)

NL-CCs will forward the subscriber registration forms to the concerned NL-AO along with a NL-CC covering letter. NL-AO will follow the below mentioned process for subscriber registration:

- NL-AO shall consolidate the PRAN applications received from different NL-CCs along with the NL-CC covering letter and submit it to CRA-FC along with a NL-AO covering letter as per **Form NL-S1 in case if the subscriber applies for Swavalamban scheme or Form NL-S2 in case where he does not want the Swavalamban scheme.** (NL-AO shall download **Form NL-S1/S2** from CRA website [www.npscra.nsdl.co.in](http://www.npscra.nsdl.co.in))
- CRA-FC is the facilitation centre appointed by CRA for the purpose of accepting the application for allotment of PRANs. Details of CRA-FC are available at NSDL website [www.nsdl.co.in](http://www.nsdl.co.in) and CRA website [www.npscra.nsdl.co.in](http://www.npscra.nsdl.co.in). NL-AO shall visit a CRA-FC for this purpose. If no CRA-FC is available at the city where NL-AO is located, it may visit the CRA-FC at any nearby city.
- In case CRA-FC is not available at the location of the NL-AO or any other location nearby, then NL-AO can send the application forms to CRA at the address – Central Record Keeping Agency, National Securities Depository Limited, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013 or such other address as may be notified by CRA from time to time.
- The NL-AO covering letter (**Form-NL-S1/S2**) shall contain the details of NL-CC wise applications for allotment of PRAN.
- NL-AO shall submit the consolidated forms to CRA-FC.
- On receipt of the forms, CRA-FC will conduct a preliminary level check of the forms.
- CRA-FC before accepting the forms will also verify whether the NL-CC and NL-AO have been registered at CRA. (**CRA will provide the details of NL-AOs and NL-CCs registered with CRA to the CRA-FC**).
- In case where NL-AO and/or NL-CC have not been registered in the NPS-Lite system, CRA-FC shall not accept the forms.
- In case of any discrepancy in any of the forms, CRA-FC will reject such forms and submit details of rejection in a rejection memo. Only those forms not having any discrepancy will be accepted by CRA-FC.
- For forms accepted by CRA-FC, it will issue a Provisional Receipt containing the Provisional Receipt Number (PRN), number of forms submitted by NL-AO, number of forms of forms accepted by CRA-FC and number of forms rejected by CRA-FC.
- If the NL-AO is submitting forms on behalf of more than one NL-CC, then the CRA-FC will issue NL-CC wise PRNs. E.g. NL-AO has consolidated and submitted forms on behalf of NL-CC1 and NL-CC2, then separate PRN will be issued to NL-CC1 and NL-CC2 respectively.
- CRA-FC will hand over the provisional receipt to the NL-AO for reference and also mention the acknowledgement number for each application on the registration forms. The acknowledgement
number will be the PRN plus running serial number for individual form. For e.g. the PRN Can be 010020800001241, if the CRA-FC receives 19 forms the acknowledgment numbers generated for the forms will be 01002080000124101 to 01002080000124119.

- CRA-FC will retain the original copy along with the KYC document of the form for the purpose of digitisation (data entry) and return the second copy (if attached) of the form containing acknowledgment number to the NL-AO.
- If CRA-FC observes any discrepancy during digitisation, then the application will be rejected. The CRA-FC would send a rejection memo to the NL-AO. In such case CRA-FC will not return the PRAN application forms.
- In case of all rejections, NL-AO will have to submit a fresh application.
- NL-AO can check the status of the application by quoting the PRN on NPS-Lite website.
- In case of forms being sent to CRA directly, though PRN will be generated, no physical acknowledgement receipt will be provided to the NL-AO. Rejections and other related processes will remain same for forms submitted to CRA directly.

Checklist for NL-AOs before consolidation and submission of forms to CRA-FC

- Has the NL-CC been registered with CRA?
- Has the NL-CC entered the NL-CC Reg. No.?
- Has NL-AO covering letter been attached?
- Whether the NL-CC covering letter for Subscriber registration been attached?

Dispatch of Subscriber’s PRAN Kit to DDO:

- Subscribers who have been successfully registered in the NPS-Lite will be allotted a 12 digit Permanent Retirement Account Number (PRAN). PRAN will be a unique identification number of the subscriber.
- CRA will print and dispatch to the NL-AO, the PRAN Kit for the newly registered subscribers. The PRAN Kit will contain the PRAN card, Subscriber master details and an information leaflet on NPS-Lite.
- CRA will consolidate NL-CC wise PRAN kits and prepare a NL-CC wise packet. These NL-CC packets will further be consolidated into a NL-AO wise final packet. Hence, NL-AO will receive a packet containing NL-CC wise PRAN Kits along with a covering letter mentioning the details of the NL-CC wise PRAN kits.
- The NL-AO shall be responsible for forwarding the PRAN Kit to the respective NL-CC who shall forward it to the concerned subscriber.
- On receipt of the PRAN kits, NL-AO shall open the envelope and verify the number of NL-CC packets received with the contents of the covering letter. If same is found to be in order, it shall forward the packets to the respective NL-CC.
- If NL-AO notices any discrepancies in the PRAN Kits received, it shall immediately notify CRA.

Record-keeping of Application for allotment of PRAN:

- At the time of submitting the Application for allotment of PRAN, CRA-FC shall return the duplicate copy of the forms to the NL-AO along with the acknowledgement number.
- NL-AO shall forward the forms to the respective NL-CC for recordkeeping.
Facility to check the status of the applications:

- NL-AO can go to the subscriber registration status search screen at NPS-Lite website [https://npslite-nsdl.com](https://npslite-nsdl.com) and check the status of the subscriber registration request by providing the NL-AO Reg. No. and Provisional Receipt Number (PRN).
- Status of all the applications corresponding to the PRN like the PRAN generation Status, Reason of Rejection (if any) etc. will be displayed.
- NL-AO can also check the registration status of individual request by providing the individual Acknowledgement number as mentioned on the duplicate application form.

Functions of NL-CC:

NL-CC will collect all the PRAN registration forms and forward it to NL-AO for onward distribution to CRA. Further, it will also send the change request forms from the Subscribers and forward it to NL-AO for updation in NPS-Lite system. However, NL-CC shall have various other functions as mentioned below:

- Obtain the duly filled Application for allotment of PRAN from the subscribers and authorised the same.
- Consolidate all the PRAN applications and forward it to NL-AO.
- Distribution of PRAN kits to the subscribers.
- Forward the requests such as request for change in subscriber details, Withdrawal Requests received from Subscribers to the NL-AO.
- Providing information to NL-AO about subscriber’s pension contribution.
- Forward the grievance of the subscriber to the NL-AO.

NL-CC shall register itself with CRA before it starts providing various services to the subscribers. For registering itself in NPS-Lite system, NL-CC shall forward the applications for registration to the concerned NL-AO. The various activities of NL-CC related to registration of itself and the subscribers have been explained in the below sections.

**NL-CC Registration:**

Once NL-AO is registered, it shall inform the respective NL-CC under its purview to register them in NPS-Lite system. It shall also instruct NL-CC to get the ‘Application for allotment of PRAN’ duly filled from the subscribers and consolidate the same so that the process of subscriber registration may be initiated once the NL-CC gets registered. The NL-CC will be identified in the NPS-Lite system with the NL-CC Reg. No. allotted by CRA on successful registration. NL-CC can be registered only after the associated NL-AO has been registered in NPS-Lite system.

- NL-CC shall download an application for registration (Annexure NL-N3) from the CRA website [www.npscra.nsdl.co.in](http://www.npscra.nsdl.co.in) or the PFRDA website [www.pfrda.org.in](http://www.pfrda.org.in). NL-CC shall submit the application in the latest format prescribed by the PFRDA.
- The form should be filled only after reading carefully all the instructions provided at the end of the form. Form should be filled legibly in BLOCK LETTERS and in BLACK INK only.
- NL-CC shall provide all the mandatory details in the application.
- The form should be duly signed and stamped by the authorised signatory of NL-CC.
- In the form, the NL-CC will have to provide among other information the details like Name and address of NL-CC office, existing NL-CC code allotted by respective AGGREGATOR or similar authority, NL-AO registration number, details of authorised contact person name & designation, official email id etc.
- Email ID & phone number should be the official Email ID & phone number of NL-CC & not of any individual person. *(If NL-CC email id and/or phone number is not provided, CRA will process the application by capturing NL-AOs email id and phone number registered with CRA)*
- NL-CC will forward the registration form to its NL-AO.
- CRA will process the application form only if complete details are filled in the form and same are found to be in order. In case of forms with incomplete details, CRA will reject the forms. In such cases, the NL-CC shall resubmit the form with complete details.
- If the application is found to be in order, CRA will process the form for registration in the NPS-Lite system.
- On successful registration, CRA will send intimation of registration to associated NL-AO. The NL-AO will be responsible for forwarding the intimation letters to the respective NL-CC. In the NPS-Lite system, the NL-CC will be identified by NL-CC Reg. No. allotted by the CRA after successful registration.

After successful registration of the NL-OO, NL-AO & NL-CC in the NPS-Lite system, the respective offices can forward the applications for subscriber registration. The details of NL-OO, NL-AO & NL-CC who have been registered with NPS-Lite system will be made available at the NPS-Lite website.

**Checklist for NL-CC before submitting forms to NL-AO**

- Has the name of the NL-CC been properly filled in?
- Have all the mandatory fields been filled in?
- Has the official e-mail id been correctly mentioned?
- Has the application form been duly signed by the concerned official?

**Change in NL-CC Details:**

NL-CC will have to notify CRA about any changes in the details provided to CRA at the time of registration such as contact details, email id, authorised contact person name & designation etc. by submitting a written request for change in details.

- NL-CC shall provide a written request on official stationery with the complete information regarding the details to be changed alongwith NL-CC registration no.
- The request should be duly signed by the authorised officer of the NL-CC and should contain the NL-CC stamp.
- The request along with the copy of NL-CC Registration letter issued by CRA should be sent to the concerned NL-AO for its authorisation and onward dispatch to CRA
- If the application is found to be in order, CRA would effect the changes in the NPS-Lite system.
- The request should also be authorised by the NL-AO for change in NL-CC details.

After updation of the changes, CRA will send intimation to the concerned NL-AO which will be responsible for forwarding the intimation to the respective NL-CC.

**Process to be followed by the NL-CC for Subscriber Registration:**

The NL-CCs have been entrusted with the responsibility of the registration of the subscribers. The subscribers will fill in the necessary details in the Application for allotment of PRAN and submit it to NL-CC. NL-CC shall verify the forms before submission. NL-CC will consolidate the forms and forward it to NL-AO along with a covering letter. NL-AO shall consolidate NL-CC wise forms and submit it to CRA-FC.

The process of Subscriber registration has been explained below:

**Eligibility for registration:**

The member of Self Help Groups, Affinity Welfare Groups, and Welfare Schemes of the State Governments which have joined New Pension System are eligible to be registered with NPS-Lite as a subscriber.

**Procedure for filling the form:**

The guidelines to be followed in filling the forms are as given below. NL-CC should ensure that subscribers fill the forms as per the guidelines given below. NL-CC may circulate the guidelines among its members to assist them in filling the form.

- The format of ‘Application for Allotment of PRAN’ (Form NL-S1) can be obtained from NL-CC or can be freely downloaded from the PFRDA website [www.pfrda.org.in](http://www.pfrda.org.in), and/or CRA website [www.npscra.nsdl.co.in](http://www.npscra.nsdl.co.in). This form is applicable only for the purpose of registration in NPS-Lite. *(For changes in subscriber details or reprint of PRAN card for the subscribers who have already been allotted PRAN, Form NL-S2 has to be filled by the subscriber. Reprint of PRAN card will be chargeable.)*
- Subscribers covered under the NPS-Lite, will have to fill the Application for allotment of PRAN as per Form NL-S1 in duplicate by providing the necessary details and submit the same to the concerned NL-CC.
- The application for registration should be filled keeping in mind the following instructions:
  - Form to be filled legibly in BLOCK LETTERS and in BLACK INK only.
Details Marked with (*) are the mandatory fields.
Each box, wherever provided, should contain only one character
(alphabet/number/punctuation mark) leaving a blank box after each word.
‘Individual’ Subscriber should affix a recent colour photograph (size 3.5 cm x 2.5 cm) in the
space provided on the form. The photograph should not be stapled or clipped to the form. (The
clarity of image on PRAN card will depend on the quality and clarity of photograph affixed on
the form.)
Signature /Left thumb impression should only be within the box provided in the form. The
signature should not be on the photograph. If there is any mark on the photograph such that it
hinders the clear visibility of the face of the Subscriber, the application will not be accepted.
Thumb impression, if used, should be verified by the designated officer of the
AGGREGATOR/GCS.
All Dates Should be in “DDMMYYYY” Format
In case subscriber wants to print PRAN Card in HINDI, then necessary details should be in
Devnagri script.
- Incomplete forms are liable to be rejected by the CRA-FC. Subscriber should fill the form as per
instructions given in the form.
- The Application for allotment of PRAN shall contain among the other information the details like,
  - Subscriber Photograph & signature/thumb impression
  - Subscriber’s Full Name
  - Father’s Full Name
  - Address & Mobile Number
  - Nomination details
- Nomination details are optional at the time of Subscriber registration and subscriber may update these
details in future by submitting subscriber details change request (Form NL-S2). In cases where nominee
is a minor the guardian details also have to be provided.
- Subscriber should provide complete address details including pin code as all future communications
will be sent to this address.

Verification and consolidation of forms by NL-CC:
- Once the NL-AO has been registered and NL-CC is under the process of registering itself in the NPS-Lite
System, NL-CC should initiate the activity of getting the Application for allotment of PRAN duly filled
from the subscribers. Once NL-CC is registered, it can forward the application for allotment of PRAN to
the concerned NL-AO.
- NL-CC shall ensure that Application for allotment of PRAN (in duplicate) is obtained from all the
subscribers.
- NL-CC shall verify whether the form has been completely filled and duly signed by the subscriber. In
case of any discrepancy, NL-CC shall get the discrepancy resolved from the subscriber. NL-CC should
ensure that the forms are completely filled by the subscriber as per the instructions given in the form.
- The NL-CC’s authorised signatory will duly stamp & sign each subscriber’s registration form and also
mention the NL-AO and NL-CC registration number allotted by CRA.
- NL-CC shall consolidate the Application for allotment of PRAN and prepare a covering letter as per
Form NL-S5. The maximum number of forms to be submitted by NL-CC in one covering letter should
not exceed 50.
If the number of subscribers for which PRAN application is to be submitted exceeds 50, NL-CC shall prepare separate covering letters containing maximum of 50 forms each.

NL-CC shall forward the consolidated PRAN applications alongwith the covering letters it’s concerned NL-AO.

Checklist for NL-CC for Subscriber Registration

A) Checklist for NL-CC related to Subscriber Registration Forms

- Has the photograph been attached?
- Has the signature/thumb impression been provided within the given box?
- Have all the mandatory fields been filled in?
- Has the application form been duly signed?
- Has the Thumb impression, if used, been attested?
- Has the details in devnagri script been provided for PRAN card to be printed in Hindi?

B) Checklist for NL-CC before consolidation and submission of Subscriber Registration forms to NL-AO

- Has the NL-CC been registered with CRA?
- Have the NL-CC & NL-AO registration number been mentioned?
- Has the application form been duly verified & signed by the NL-CC?
- Has the covering letter of NL-CC been attached with the forms?

Dispatch of PRAN Kit to the Subscriber:

- NL-AO shall forward the packets of PRAN kits to the respective NL-CC.
- The NL-CC on receipt of the PRAN kit packets shall verify the number of PRAN kits with the contents of the covering letter. If same is found to be in order, it shall hand over the PRAN kits to the respective subscriber. If NL-CC notices any discrepancies in the PRAN Kits received, it shall immediately notify NL-AO for notifying the CRA.
Record-keeping of Application for allotment of PRAN:

NL-AO shall forward the forms (duplicate copy) to the respective NL-CC. These forms shall be retained by the NL-CC. The NL-CC may refer the forms for any clarification required with respect to any details registered at CRA.

Access to NPS-Lite System:

NPS-Lite System is envisaged to maintain subscriber pension account information and contribution details under NPS. NPS-Lite System will provide NL-AO the facility to update the subscriber details for the subscribers associated with it. Updation will require either a ‘Maker’ activity only or a ‘Maker-Authoriser’ activity. (The details are covered in the Standard Operating Procedures for Subscriber Maintenance). Further, NL-OO/NL-AO will upload contribution details to NPS-Lite system. Similarly, various views and reports will be available to the NL-OO. Additionally, NL-AO can raise grievance through the NPS-Lite system for the subscribers and NL-CC.

On registration, CRA will allot the User ID and I-Pin to the NL-OO and NL-AO. CRA will issue two different User ids and I-Pins to the NL-OO & NL-AO. NL-OO & NL-AO should identify at least two officers and allot the User ID and I-Pin to them. From the two User IDs, one User ID should be allotted to a Maker user and another to the Authoriser user. With these user ids NL-OO & NL-AO can access the NPS-Lite system.

First time log in:

- The user shall log in to NPS-Lite and enter the User- ID and I-Pin provided to it.
- On successful login, the Terms and conditions for accessing NPS-Lite system will be displayed.
- The User shall accept the Terms and conditions.
- User will be prompted to change the I-Pin and set a new password.
- After setting the new password, User shall select a secret question from the list of standard questions available to it at NPS-Lite.
- On selection of the secret question, the User will have to provide the right answer. This will help in future to reset the I-Pin in the event of loss of I-Pin.

Password Management:

The user should follow the below mentioned guidelines for password management.

- Password should be of minimum 8 characters.
- Password should be of maximum 14 characters.
- Password should be case sensitive.
- Password should not contain the user id.
- Password should not contain spaces.
- Password should have at least one character.
- Password should have at least one number or one special character.
• Password shall expire after 60 days.
• Password should not be same as any one of the last three passwords.

The user should maintain the confidentiality of the password. Following are the good security practices in the selection and use of passwords.

• User passwords should remain confidential. Users are responsible for the confidentiality of their passwords. The passwords should not be divulged under any circumstances.
• User should not write password on the desk, near monitor, CPU, under keypad/keyboard or on a paper and keep it in the drawer.
• Passwords should be changed whenever there is an indication of possible system or password compromise.
• User should not share his/her password with any person. If there is a need to share the password this shall be done after appropriate approvals only.
• User should not send the password to anybody through mail.

The password and the secret question and answer should be maintained with a senior official in a sealed envelope. Password shall be changed immediately if the senior official needs to break the envelope and hand over the user id and password to another officer to carry out the work in the original user’s absence or transfer of the original user.

**Process for Reset of Password/request for Re-issue of Password:**

• If User misplaces or forgets its I-Pin but remembers the User id, the User will have an option to reset the password.
• In such cases, User will be required to answer the secret question set by it. If the answer provided by the User matches with the answer provided at the time of setting the secret question, user will be allowed to enter a new password and confirm the same.
• The password will be reset on successful acceptance of new password by CRA. User can then log in to NPS-Lite system, using the new password set by it.
• If the answer provided by User does not match with the answer set by it, or is unable to provide the correct answer, User will be require a new password.
• The password may also get locked if the password (I-Pin) is entered consecutively incorrect for 5 times.
• If the User forgets the secret question or if I-Pin gets locked, NL-OO/NL-AO will have to submit a written request for reissue of I-Pin to CRA. The new I-Pin, after generation, will be sent by the CRA to NL-OO/NL-AO and will be charged as per the applicable charges.

The issue of I-Pin is subject to proper authorisation and verification. CRA shall reissue the I-Pin (including dispatch) within fifteen days from the date of receiving such request. The NL-OO & NL-AO should note that CRA
shall not be held responsible for inconvenience as a result of non-availability of I-Pin due to the reason that the I-Pin has been lost or locked.

**NL-AO functionality for NPS-Lite:**

NL-AO can access NPS-Lite for the following functions:

- Upload of Subscriber Contribution File (SCF)
- Checking the status of SCF
- Subscriber request for change in Subscriber details
- Withdrawal request
- Reprint of PRAN card
- Views and Reports
- Change password (I-Pin)
- Change security question
- Checking the status of PRAN application
- Raising grievance
- Checking the status of grievance raised
- Resolution of grievance raised against NL-AO

**NL-OO functionality for NPS-Lite:**

NL-OO can access NPS-Lite for the following functions:

- Upload of Subscriber Contribution File (SCF)
- Checking the status of SCF
- Change password
- Change security question
- View and Reports