



## PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

Circular No. PFRDA/2017/13/SWM/3

Date: 17.08.2017

To,

All Aggregators

**Subject: Advisory for deposit of NPS-Lite contributions directly by the Aggregators**

Aggregator is an important intermediary under the NPS architecture, which is entrusted with the most important assignment of collection of contributions from the subscribers under NPS-Lite and providing them various services under it. It has come to our notice that some of the Aggregators are providing options to the subscribers for direct deposit of NPS -Lite contributions into their collection accounts by sharing the Bank account numbers with the subscribers. This results in non-issuance of a receipt to the subscriber by the aggregator and also creation of un-reconciled balances, which cannot be remitted to the Trustee Bank for investment, in absence of PRAN details of concerned subscribers.

In this regard, the following clauses of PFRDA (Aggregator) Regulations, 2015 may be referred which mentions that the contributions under NPS-Lite have to be collected through authorized branches or collection centres only, which will in turn issue a receipt to the subscriber. The said regulation and process has been built to ensure the safety and security of the subscriber contributions and to give a reasonable opportunity to the subscriber in case of any grievance arising out of the collection of the contributions by issuance of the receipt towards the amounts collected.

**14(1)(e)** Collection of contributions from subscribers and ensuring its remittance to Trustee Bank;


**14(1)(f)** aggregator shall issue a receipt to the subscriber at the time of collection of fund and proper reconciliation for the same shall be done by the aggregator;

**14(2)(c)** the amount collected by the 'National Pension System collection Centers' shall be regularly transferred to the designated account of the aggregator as per turnaround time specified by the Authority;

**20(12)** the aggregator shall ensure that its authorized branches including but not limited to collection center shall also comply with the provisions of the Prevention of Money Laundering Act, 2002 (17 of 2003) and the rules framed there under, or any other law, as may be specified from time to time;

Keeping in view the above regulations, the aggregator is bound to collect the subscriptions and issue a receipt against each of such collection and it cannot facilitate subscribers to deposit the amounts directly into its bank account i.e. NPS-Lite collection account. Further, it may also be noted that the aggregator account i.e. NPS-Lite collection account is a non-withdrawable account with an option to transfer the funds into NPS-Trust account only and authority to transfer such collected amount will reside with the compliance officer of the aggregator.

Accordingly, all Aggregators are advised to disseminate information given in the circular to all underlying branches/offices and Banks where Collection account is maintained, for ensuring compliance of the instructions.

  
Ashish Kumar  
General Manager