

# **The Pension Fund Regulatory and Development Authority (Reports, Returns and Statements) Rules, 2015**

UNION OF INDIA

India

## **The Pension Fund Regulatory and Development Authority (Reports, Returns and Statements) Rules, 2015**

### **Rule**

### **THE-PENSION-FUND-REGULATORY-AND-DEVELOPMENT-AUTHORITY of 2015**

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The Pension Fund Regulatory and Development Authority (Reports, Returns and Statements) Rules, 2015 Published vide Notification No. G.S.R. 635(E), dated 17th August, 2015 Ministry of Finance (Department of Financial Services) G.S.R. 635(E). - In exercise of the powers conferred by sub-section (2), of section 46 read with subsection (1) and clause (i) of sub-section (2) of section 51 of the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), the Central Government hereby makes the following rules, namely:-

#### **1. Short title and commencement.**

(1) These rules may be called the Pension Fund Regulatory and Development Authority (Reports, Returns and Statements) Rules, 2015. (2) They shall come into force on the date of their publication in the Official Gazette.

#### **2. Definitions.**

(1) In these rules, unless the context otherwise requires, - (a) "Act" means the Pension Fund Regulatory and Development Authority Act, 2013; (b) "Appendix" means Appendix annexed to these rules; (c) "annual report" means the report prepared by the authority under rule 9; (d) "financial agency" or "financial agencies" means the Reserve Bank of India established under section 3 of the Reserve Bank of India Act, 1934 (2 of 1934), the Securities and Exchange Board of India established

under section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the Insurance Regulatory and Development Authority established under section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999). (e) "Financial Year" means the period beginning from the 1st day of April each year to 31st day of March of the succeeding year; (f) "other agencies" means the national and international agencies such as the International Monetary Fund (IMF), the World Bank, the Asian Development Bank (ADB) and Industry Associations such as Federation of Indian Chamber of Commerce and Industry (FICCI), Associated Chambers of Commerce of India (ASSOCHAM), Confederation of Indian Industries (CII), etc; and (g) "section" means a section of the Act. (2) All other words and expressions used in these rules but not defined and defined in the Act shall have the same meanings respectively assigned to them in the Act.

### **3. Furnishing of quarterly returns and statements.**

- The Authority shall furnish quarterly, to the Central Government, returns and statements on the matters specified in Appendix-I.

### **4. Programme for co-ordination with financial agencies and other agencies.**

(1) The Authority may, where it considers necessary, coordinate with the financial agencies and other agencies, including entering into memorandum of understanding with such agencies, for the purpose of promoting old age income security and to protect the interests of the subscribers to schemes of pension funds, promotion and development of the pension industry and for carrying out the provisions of the Act. (2) The memorandum of understanding referred to in sub-rule (1) may provide for all or any of the following matters, namely:-(a) co-operation and co-ordination with the financial agencies and other agencies in harmonising the regulations governing similar matters within the ambit of the laws governing the said agencies and under the Act; (b) sharing of information with the financial agencies and other agencies on similar matters and particularly in the area of promotion and development of pension industry. (c) exchange and training programmes for employees of the Authority and that of the financial agencies or other agencies: Provided that any memorandum of understanding with the international agencies shall be undertaken with the prior approval of the Central Government. (3) The Authority shall prepare every year, a report on the programmes and activities undertaken by it in coordination with the financial agencies and other agencies for the purposes referred to in sub-rule (1). (4) The report prepared by the Authority under sub-rule (3) shall form part of the annual report.

### **5. Publication of information and maintenance of records.**

(1) The Authority shall maintain a website or any other universally accessible repository of electronic information containing -(a) details of all rules, regulations, orders, including amendments thereof; (b) information about the process and manner in which applications under this Act are to be made; and (c) material information about the functions of the Authority. (2) All information published under sub-rule (1) shall be made available in an easily accessible and text-searchable format. (3) The Authority shall update its website at regular intervals and review, at least once every year, the quality of the website and the information specified under sub-rule (1), keeping in view the

international best practices.(4)The Authority shall prepare a report on the findings of the review undertaken by it under sub-rule (3) and report on such review shall form part of its annual report.

## **6. Report on expenditure of Authority.**

(1)The Authority shall maintain a transparent system of allocation of its resources for the purposes of carrying out its duties and functions under the Act.(2)The Authority shall prepare a report of the expenditure incurred by it during the year in respect of its duties and functions under the Act.(3)The Authority shall review, at least once in every two years, its resources and report the outcome of such review to the Central Government.(4)The report referred to in sub-rule (2) shall form part of the annual report.

## **7. Performance evaluation system.**

(1)The Authority shall determine the goals to be achieved by it relating to its duties and functions under the Act and develop a system to measure and evaluate its efficiency in achieving such goals.(2)The Authority shall, for each financial year, prepare a report on its performance, based on the evaluation carried out by it under sub-rule (1).(3)The report prepared under sub-rule (2) shall form part of the annual report.

## **8. Submission of other reports.**

(1)without prejudice to rules 3, 4, 5, 6 or rule 7, the Authority shall make a report on the following matters either suo moto or on the basis of report of a committee, if any, constituted by it in respect of following matters, namely:--(a)every case of violation of this Act or of any rule or regulation made thereunder;(b)the extent to which the decisions of the Authority have been complied with;(c)the extent to and the manner in which Authority managed various risks while discharging its functions;(d)theft or misappropriation of resources of the Authority by any person;(e)abuse of powers of the Authority by its Chairperson, members or by any of its officers, employees or agents;(f)violation of any decision of the Authority by any of its officers, employees or agents;(g)such other returns, statements or particulars in regard to any proposed or existing programme for the promotion and development of the pension industry, as the Central Government may, from time to time, require.(2)The Authority shall make a report on the matters specified in sub-rule (1), at least once in every financial year, and such report shall form part of the annual report.

## **9. Submission of annual report.**

(1)The Authority shall, within nine months after the close of each financial year, submit to the Central Government a report (herein referred to as "annual report") giving a true and full account of its activities including the activities for promotion and development of schemes of pension funds regulated under the Act during the previous financial year, in the form specified in Appendix-II(2)The report referred to in sub-rule (1) may include the following, namely:-(a)the audit

report and its certified accounts along with the observations of the Authority thereon;(b)statement of deliberations of the Authority, accompanied by the records of its meetings;(c)statement of corporate and operational goals and objectives;(d)annual targets in physical and financial terms set for various activities together with a brief review of actual performance with reference to those targets;(e)statement by Chairperson in relation to the activities and performance of the Authority;(f)account of the activities of the Authority during the previous year which are likely to be taken up during the current year;(g)statement which any member of the Authority may wish to include;(h)changes in the organisational set up of the Authority;(i)employer-employees relations and welfare activities relating thereto;(j)statement indicating any statutory obligations that the Authority has not complied with, and reasons for such non-compliance;(k)such other matters as may be deemed fit by the Authority for reporting to the Central Government.(3)The annual report shall, after due adoption at a meeting of the Authority, be signed by each member of the Authority and authenticated by affixing the common seal of the Authority and the requisite number of copies thereof shall be submitted to the Central Government within the time specified under sub-rule (1).Appendix I[See rule 3]Quarterly Returns, Statements and other Particulars

**1. Direction issued by the Authority under section 15.**

**2. Investigation ordered by the Authority under section 16.**

**3. Number of complaints received from subscribers and redressed.**

**4. Penalties imposed under Section 28.**

**5. Any critical area adversely affecting the subscribers under the Act.**

**6. Details of the National Pension System and other pension schemes covered under the Act including intermediaries and other entities associated therewith and performance of such systems and schemes;**

**7. Details of costs and fees paid by the subscribers under the National Pension System for the service offered by the intermediaries;**

Appendix II[See rule 9 (1)]Form of Annual Report

**Part I – Policies and programmes:**

(a)Review of the general economic environment and the performance of financial markets.(b)Review of policies and programmes having a bearing on the working of the National Pension System and other pension schemes covered under the Act, having regard to -(i)performance of Pension Sector in India and other countries(ii)intermediaries and other entities associated with National Pension System and other pension schemes covered under the Act;(iii)other policies and

programmes having a bearing on the working of the National Pension System and other pension schemes covered under the Act; and (iv) assessment and prospects in other related areas in pension sector.

## **Part II – The extent of exposure in the National Pension System and other pension schemes covered under the Act, in different categories of investments including Government securities, debt securities and equities.**

## **Part III – Functions of the Authority in respect of matters specified in section 14 including -**

a. details regarding registration of intermediaries and suspension, cancellation, etc., of such registration; and regulation of activities of the intermediaries associated with the National Pension System or the pension schemes; b. details of approval of schemes, the terms and conditions thereof including norms for the management of corpus of the pension funds and investment guidelines under such schemes; c. exit of subscribers from the National Pension System including the following details: - (i) number of partial withdrawals (25% of contribution of subscriber) reported and settled; (ii) number of withdrawal claims reported; (iii) number of claims accepted and settled; (iv) number of claims outstanding as on 31st March of each year; and (v) macro level details about Annuity Service Providers and annuity schemes opted by the subscriber. d. details of activities undertaken for protection of interests of subscribers under the National Pension System and of other pension schemes under the Act; e. mechanism for redressal of grievances of subscribers and activities undertaken for redressal of such grievances; f. details of professional organisations connected with the pension system; g. details of collection of data by the Authority and the intermediaries including undertaking and commissioning of studies, research and projects; h. steps undertaken for educating subscribers and the general public on issues relating to pension, retirement savings and related issues and details of training of intermediaries; i. information about performance of pension funds and performance benchmarks; j. details of regulated assets; k. fees and other charges levied or collected by the Authority during the financial year; l. details of information sought for, inspections undertaken, inquiries conducted and investigations undertaken including audit of intermediaries and other entities or organisations connected with pension funds; m. details of the following: - i. subscribers (category wise) covered under the National Pension System and other pension schemes under the Act; ii. points of presence; iii. assets under management, scheme wise; iv. the central record keeping agency, its role and functions; v. pension funds; vi. the Trustee Bank; vii. the Custodian under the National Pension System; viii. the National Pension System Trust; and ix. other intermediaries including the Aggregator, etc. n. other functions carried out by the Authority in the area of pensions.

## **Part IV – (a) functioning of Pension Advisory Committee;**

(b)performance of various committees set up under sub-section (2) of section 49;(c)regulations made or amended;(d)other activities having a bearing on the National Pension System and other pension schemes under the Act.

## **Part V – Organisational matters of the Pension Fund Regulatory and Development Authority.**

## **Part VI – Any critical area adversely affecting the interest of subscribers.**

## **Part VII – Any other measure taken by the Authority to protect the interest of subscribers to the National Pension System and other pension schemes under the Act.**