

PFRDA (SUBSCRIBER EDUCATION AND PROTECTION FUND) REGULATIONS, 2015 - PROPOSED AMENDMENTS

As part of the comprehensive regulation review exercise, the preliminary draft of internal review of the PFRDA (Subscriber Education and Protection Fund) Regulations, 2015 has been completed. The draft of the proposed changes is placed as at **Annexure A**. The proposed changes are in the following key areas:

1. Functions of the Committee.
2. Governance.

The draft proposal placed as at **Annexure-A** is open for stakeholder consultation and public comments till Nov/15/2023 and can be accessed on PFRDA website at Exposure Draft Section under Regulatory framework Menu. Comments/feedback can also be provided for any other provisions of PFRDA (Subscriber Education and Protection Fund) Regulations, 2015 where changes have not been proposed. Comments/feedback may be sent by email at review-reg@pfrda.org.in with subject line as *'Feedback on proposed changes to the PFRDA (Subscriber Education and Protection Fund) Regulations, 2015*. Reference may be made to the PFRDA website for existing Regulations notified in respect of different intermediaries in the NPS architecture.

PROPOSED AMENDMENTS FOR PUBLIC COMMENTS

Name of the person / entity proposing comments	
Contact details (Email & Mobile no.)	
Category (intermediary / public)	

S No.	Regulation no.	Existing Regulation	Proposed Regulation	Stakeholder / Public Comments	Rationale for suggestion
1	2.Definitions	(b) 'Committee' means an advisory committee constituted for subscribers' education and protection by the Authority under sub-regulation (1) of Regulation 6;	(b) 'Committee' means a committee constituted for subscribers' education and protection by the Authority under sub-regulation (1) of Regulation 6;		
2	4. Credit to Fund	The following amounts shall be credited to the Fund, namely:— (a) grants and donations given to the Fund by the Central Government, State Governments, companies or any other institutions for the purposes of the Fund; (b) the interest or other income received out of the investments made from the Fund; (c) the sums realised by way of penalties by the Authority under Section 29 of the Act; (d) such other amount as the Authority may specify in the interests of the subscribers.	The following amounts shall be credited to the Fund, namely:— (a) grants and donations given to the Fund by the Central Government, State Governments, companies or any other institutions for the purposes of the Fund; (b) the interest or other income received out of the investments made from the Fund; (c) the sums realised by way of penalties by the Authority under Section 29 of the Act; (d) * proposed to be deleted.		
3	5. Utilization of the Fund	(1) The Fund shall be utilised for the purpose of protection of subscribers'	(1) The Fund shall be utilised for the purpose of protection of subscribers'		

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		<p>interest and promotion of subscribers' education and awareness in accordance with these regulations.</p> <p>(2) Without prejudice to the generality of the object in sub-regulation (1), the Fund may be used for the following purposes, namely:-</p> <p>(a) educational activities including seminars, symposia, training, research and publications, aimed at subscribers across different</p> <p>(i) geographical locations including metros, non-metros and smaller towns;</p> <p>(ii) income groups;</p> <p>(iii) age groups; and</p> <p>(iv) sectors including unorganized sectors, corporates, self-help groups and others;</p> <p>(b) awareness programmes including through media - print, electronic, aimed at subscriber</p> <p>(c) allowances and expenses on travel of members of the committee, who are not officials of the Authority, and special invitees to the meetings of the committee, in connection with the work of the committee;</p>	<p>interest and promotion of subscribers' education and awareness in accordance with these regulations.</p> <p>(2) Without prejudice to the generality of the object in sub-regulation (1), the Fund may be used for the following purposes, namely:-</p> <p>(a) educational activities including seminars, symposia, training, research and publications, aimed at subscribers across different</p> <p>(i) geographical locations including metros, non-metros and smaller towns;</p> <p>(ii) income groups;</p> <p>(iii) age groups; and</p> <p>(iv) sectors including unorganized sectors, corporates, self-help groups and others;</p> <p>(b) awareness programmes including through media - print, electronic, aimed at subscriber</p> <p>(c) allowances and expenses on travel of members of the committee, who are not officials of the Authority, and special invitees to the meetings of the committee, in connection with the work of the committee;</p> <p>(d)* proposed to be deleted.</p> <p>(e) funding subscriber education and awareness activities as specified in these regulations;</p>		

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		<p>(d) salary, allowances and other expenses of office of Ombudsman; (e) funding subscriber education and awareness activities as specified in these regulations; (f) such other purposes as may be specified by the Authority.</p> <p>(3) Based on the recommendations of the committee, the Authority or any official of the Authority designated by the Authority shall approve utilisation of funds from the Subscriber Education and Protection Fund</p>	<p>(f) such other purposes as may be specified by the Authority.</p> <p>(3) Based on the recommendations of the committee, the Authority or any official of the Authority designated by the Authority shall approve utilisation of funds from the Subscriber Education and Protection Fund</p>		
4	6.Constitution of the committee	<p>(1) The Authority shall constitute a committee for recommending subscriber education, awareness and protection activities and for utilisation of the Fund for the purposes referred to in regulation 5.</p> <p>(2) The committee shall consist of the following members, namely: –</p> <p>(a) the Executive Director of the Authority who shall be the convener of the committee;</p> <p>(b) two other officials of the Authority;</p> <p>(c) five other members who have expertise in financial market and</p>	<p>(1) The Authority shall constitute a committee for recommending subscriber education, awareness and protection activities and for utilisation of the Fund for the purposes referred to in regulation 5.</p> <p>(2) The committee shall consist of the following members, namely: –</p> <p>(a) the Executive Director of the Authority who shall be the convener of the committee;</p> <p>(b) two other officials of the Authority;</p> <p>(c) four other members who have expertise in the following areas:</p> <p>i. financial market operations;</p>		

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		<p>experience in matters of subscriber grievance redressal or subscriber education.</p> <p>(3) (a) The term of office of the members referred in clause (c) of sub-regulation (2) of this regulation shall be two years, which may be extended for a further period of two years;</p> <p>(b) any vacancies arising out of resignation, retirement or death of a member or for any other reason shall be filled by the Authority for the remaining period of the term of such member.</p> <p>(4) The Authority may dissolve and reconstitute the committee if, at any time, the Authority is of the opinion that the committee is unable to discharge the functions and duties imposed on it by or under these regulations.</p>	<p>ii. in the field of law, economics, finance, pension;</p> <p>iii. representative of the Central government;</p> <p>iv. representative of the State government</p> <p>and have experience in matters of subscriber grievance redressal or subscriber education.</p> <p>(3) (a) The term of office of the members referred in clause (c) of sub-regulation (2) of this regulation shall be three years, which may be extended for a further period of two years;</p> <p>(b) any vacancies arising out of resignation, retirement or death of a member or for any other reason shall be filled by the Authority for the remaining period of the term of such member.</p> <p>(4) The Authority may dissolve and reconstitute the committee if, at any time, the Authority is of the opinion that the committee is unable to discharge the functions and duties imposed on it by or under these regulations.</p>		
5	7. Functions of the committee	(1) The committee shall recommend the following activities relating to the subscribers' education, awareness and protection.	(1) The committee shall perform the following functions relating to the subscribers' education, awareness and protection.		

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		<p>(2) In particular, and without prejudice to the generality of the foregoing functions, such functions may include the following, namely;</p> <p>(a) appropriate maintenance of record of each of the activities carried out for utilizing the Fund, and details of such records shall include-</p> <p>(i) purpose of the activity;</p> <p>(ii) location of the activity;</p> <p>(iii) type of the activity (e.g. seminar, workshop, training, distribution of literature etc.);</p> <p>(iv) the details of the participants (name, age, gender, occupation,) in seminars, workshops, training programmes;</p> <p>(v) copies of such literature along with details of time, date, number of copies distributed, activities involving distribution of literature and similar awareness generation activities;</p> <p>(b) Submission of a report to the Authority on a quarterly basis including but not limited to -</p>	<p>i. To create and review the existing literature, videos, booklets etc., both in print and digital format on financial literacy and retirement education, awareness and planning;</p> <p>ii. To organize seminars, workshops and training programmes for creating awareness on retirement planning;</p> <p>iii. To fund research activities on retirement education, awareness and planning;</p> <p>iv. To create awareness programmes through print, media, electronic aimed at subscriber;</p> <p>v. Any other subject matter in the interest of the subscribers</p> <p>(2) Duties and responsibilities: In particular, and without prejudice to the generality of the foregoing functions, duties and responsibilities may include the following, namely;</p> <p>(a) appropriate maintenance of record of each of the activities carried out for utilizing the Fund, and details of such records shall include-</p> <p>(i) purpose of the activity;</p> <p>(ii) location of the activity;</p>		

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		<p>(i) funds received from different sources,</p> <p>(ii) utilization of funds in a consolidated manner as well as segregated activity wise,</p> <p>(iii) number of new subscribers from locations where the activities were carried out;</p> <p>(iv) number of people who attended the activities and classification of such attendees or participants into age, groups, gender, occupation type;</p> <p>(v) plan for the forthcoming quarter, for the activities to be carried out, if any.</p> <p>(3) The Authority shall review the reports referred to in clause (b) of sub-regulation (2) and assess performance of the activities of the committee. It shall give directions for the optimal utilization of the Fund, in order to enhance the effectiveness of its activities.</p> <p>(4) The committee may recommend projects and initiatives in association with various institutions, associations and</p>	<p>(iii) type of the activity (e.g. seminar, workshop, training, distribution of literature etc.);</p> <p>(iv) the details of the participants (name, age, gender, occupation,) in seminars, workshops, training programmes;</p> <p>(v) copies of such literature along with details of time, date, number of copies distributed, activities involving distribution of literature and similar awareness generation activities;</p> <p>(b) Submission of a report to the Authority on a quarterly basis including but not limited to -</p> <p>(i) funds received from different sources,</p> <p>(ii) utilization of funds in a consolidated manner as well as segregated activity wise,</p> <p>(iii) number of new subscribers from locations where the activities were carried out;</p> <p>(iv) number of people who attended the activities and classification of such attendees or participants into age, groups, gender, occupation type;</p> <p>(v) plan for the forthcoming quarter, for the activities to be carried out, if any.</p>		

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		organisations etc. which are engaged in activities, related to subscriber awareness, education and protection.	(3) The Authority shall review the reports referred to in clause (b) of sub-regulation (2) and assess performance of the activities of the committee. It shall give directions for the optimal utilization of the Fund, in order to enhance the effectiveness of its activities. (4) The committee may recommend projects and initiatives in association with various institutions, associations and organisations etc. which are engaged in activities, related to subscriber awareness, education and protection.		
6.	7 (2) (b) Functions of the committee	(b) Submission of a report to the Authority on a quarterly basis including but not limited to -	(b) Submission of a report to the Authority on a half-yearly basis including but not limited to -		

Any other changes proposed

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