



पेंशन निधि विनियामक और
विकास प्राधिकरण

बी-14/ए, छत्रपति शिवाजी भवन,
कुतुब संस्थागत क्षेत्र,
कटवारिया सराय, नई दिल्ली-110016.

दूरभाष : 011-26517501, 26517503, 26133730

फैक्स : 011-26517507

वेबसाइट : www.pfrda.org.in

**PENSION FUND REGULATORY
AND DEVELOPMENT AUTHORITY**

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

Ph : 011-26517501, 26517503, 26133730

Fax : 011-26517507

Website : www.pfrda.org.in

CIRCULAR

PFRDA/2018/63/PF/4

Date: 16th November, 2018

Subject: Including NPS Trust under the ambit of Stewardship Code

1. Reference is invited to the Circular No.PFRDA/2018/01/PF/01 dated 4th May, 2018 on Common Stewardship Code mandating all the Pension Funds to follow the principles of Stewardship Code for the protection of subscribers' pension wealth and for improved corporate governance in the investee companies.
2. In the unbundled architecture of National Pension System, the National Pension System (NPS) Trust is the intermediary which acquires, manages or disposes off scheme assets through Pension Funds on behalf of NPS subscribers and holds the assets in its name. NPS Trust is the legal owner of the funds and the Pension Funds undertaking investment of such funds as per the investment guidelines approved by the Authority. The pension contribution so received are thus actively invested in the capital market wherein the Pension Funds undertake significant amount of investment on behalf of and in the name of NPS Trust, which holds the funds of the subscribers. NPS Trust, thus, acts as an institutional investor while Pension Funds act as asset managers on its behalf and are expected to shoulder greater responsibility towards their subscribers/beneficiaries by enhancing monitoring and engagement with the investee companies.
3. In view of the above, it has been decided to bring NPS Trust also under the ambit of Stewardship code. Accordingly, National Pension System Trust and Pension Funds shall follow the Stewardship Code as issued vide Circular dated 04.05.2018 by the Authority.
4. This Circular is issued in exercise of the powers conferred under Sections 14 (1) read with 14 (2) (a) & (b) of the Pension Fund Regulatory and Development Authority Act, 2013.
5. This Circular is available at www.pfrda.org.in under the link "Regulatory Framework-Circulars".

(Venkateswarlu Peri)
Chief General Manager

To

1. National Pension System (NPS) Trust
2. Pension Funds registered with PFRDA