



## **PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY**

### **PRESS RELEASE**

#### **Conference of State Governments on National Pension System**

A conference for State Governments was organized by PFRDA on 19<sup>th</sup> December 2016, at New Delhi to discuss NPS implementation by the state governments.

In his inaugural address, Chairman, PFRDA, Sh. Hemant Contractor congratulated winners of awards instituted by PFRDA for the State Government sector. He observed that the number of subscribers registered in State Government sector has increased to 32 lacs and also the Assets under Management is touching approx. Rs. 79,000 crores. He urged the State Governments to frame timelines for all the activities specified by PFRDA. Currently, only 11 State Governments have issued instructions regarding timelines. Besides, framing of NPS rules for the respective states is also gaining importance and fixation of salary date will help in fixing accountability. He discussed various changes in product features and processes which will lead to increase in appeal of NPS. The prominent among them are mobile app and feature of making contributions through it, increase in usage of Tier 2 accounts due to increased returns, etc. He also referred to the various user friendly functionalities developed in coordination with the Central Recordkeeping Agency (CRA) for providing ease of transaction to the subscriber and the nodal offices. He advised the delegates about appointment of Ombudsman which puts onus on the State Governments to ensure prompt resolving of grievances in Centralized Grievance Management System (CGMS). He also discussed about the appointment of second CRA which will provide more choice to the State Governments. He added that this conference and more in the coming years would act as a platform for discussion with PFRDA and interactions among States to share their experiences and practices in order to enhance cross learning.

Shri R. V. Verma, Member (Finance) while welcoming the participants to the conference commended the substantial improvement in performance of State Governments since the last such conference held in December 2015. He advised the State Governments to ensure 100% subscriber coverage month on month. He laid stress on the inclusion of NPS related activities within the scope of audit of the State Governments. He also emphasised the need for discipline of remitting of the subscriber contribution especially in view of the enhanced role of the Government nodal officers as envisaged in the regulations and the provisions of the Act. He



stressed on the need for enhancing capacity building both at the nodal officer level and subscriber level. Training of nodal officers will help in enhancing the financial literacy and awareness of the subscribers. This will also help in fixing accountability of the respective officers with respect to delays in various activities of NPS.

Dr. B.S. Bhandari, Member (Economics) advised the participants about the areas of concern which need to be looked on priority. Besides, he also highlighted the responsibility of nodal officers handling NPS and advised to know the product & process. He also referred to the mandatory inclusion of employees under NPS other than those which are covered under EPF. Further, he urged the participating states to introduce NPS related training programmes in their own State Training Institutes.

PFRDA instituted awards in April 2016 for the State Government sector in order to boost the best performers and also to encourage other states to improve their performance on the same lines. Awards were distributed to Andhra Pradesh, Bihar, Haryana, Jharkhand, Kerala, Mizoram, Odisha, Rajasthan, Sikkim and UT of Chandigarh on various parameters of NPS implementation, in the Conference.

Sh. Pravesh Kumar, DGM made a presentation on performance of NPS on various important parameters. Besides performance, past trends and future challenges were also discussed in the presentation. The feedback was positively taken by the participating state governments with the assurance to working towards plugging the gaps. Sh. Sumit Kumar, NPS Trust made a presentation on pending withdrawal claims and grievances, with emphasis on early resolution. Sh. Sunil Samuel, AVP, NSDL made a detailed presentation on new functionalities introduced in the software, mobile app, online PRAN generation, DDO login, etc. Officials of 3 states – Andhra Pradesh, Odisha and Madhya Pradesh also made presentations sharing their best practices.

Sh. Ashish Kumar, General Manager concluded the session by proposing the vote of thanks.

Currently, NPS has more than 1.03 crore subscribers with total Asset Under Management (AUM) of more than Rs.1,60,000 crores.

Place: New Delhi

Date: 19.12.2016