



**CIRCULAR**

**CIR No.: PFRDA/2021/14/SUP-POP/2**

**21<sup>st</sup> May 2021**

**To,  
All Points of Presence ('PoPs')**

**Dear Sir/Madam,**

**Subject: Delegation of functions by PoPs – reg.**

1. In accordance with Regulation 44(1) of the Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018, - “A point of presence shall not transfer or assign any of its functions or obligations specified under these regulations, to any person without the prior written consent of the Authority.” However, in the recent past, it has been observed that some PoPs are assigning their functions to third parties in the name of back end support.
2. PoPs are, therefore, advised to adhere and strictly comply with the Regulation 44 of Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018. They are strictly cautioned to refrain from any assignment of its functions without prior written consent of PFRDA. Any contravention of the Pension Fund Regulatory and Development Authority Act, 2013 and Regulations framed there-under will attract the appropriate regulatory / legal action.
3. Further, in case of any irregularity or fraud occurring in PoP related activities, then the primary responsibility for occurrence and prevention of such irregularity or frauds lies with PoPs themselves. In this regard, PoPs are advised as under:
  - i. PoPs shall immediately report any non-compliance, irregularity or fraud observed, with full information, in accordance with Regulation 21(2) of Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018 and the follow-up action taken thereon within 7 (seven) calendar days of detection of any non-compliance, irregularity or fraud.
  - ii. PoPs shall review and upgrade its system periodically to prevent any possible irregularity or frauds.
  - iii. PoPs shall introduce necessary validations in its system including matching of subscriber names and PRANs at the time of acceptance of contributions or at the time of upload



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in CRA system to prevent frauds. PoPs may also have additional safety and security features other than as prescribed.

4. This circular is issued in exercise of the powers conferred under Section 14 of Pension Fund Regulatory and Development Authority Act, 2013 and Regulation 45 of Pension Fund Regulatory and Development Authority (Point of Presence) Regulation, 2018 to protect the interests of subscribers and to regulate, promote and ensure orderly growth of the National Pension System and pension schemes to which the Act applies.

Yours faithfully,

**(Sumeet Kaur Kapoor)**  
Chief General Manager