

Format of Audit Report specifying the minimum scope to be covered

S. No.	Particulars	Comments of auditor (whether PoP has complied with?)	Remarks of auditor (In case of non-compliance observed)	Management comments in case of deviations	Auditors Remarks against Management comments
A. NPS subscriber registration documentation/PML Act & Rules/Anti Money Laundering Compliance					
1.	Whether the KYC guidelines as per the KYC norms under PML Act/Rules and/or KYC/AML/CFT guidelines issued by the PFRDA are being followed by the PoP?	Yes/No/NA			
2.	Whether PoP has issued internal KYC/AML/CFT policy as prescribed under KYC/AML/CFT guidelines?	Yes/No/NA			
3.	Whether PoP has conducted customer due diligence, risk assessment and risk management measures in accordance with KYC/AML/CFT guidelines?	Yes/No/NA			
4.	Whether the periodic updation/re-KYC (wherever applicable) under NPS has been done by the PoP in accordance with KYC/AML/CFT guideline?	Yes/No/NA			
5.	Whether the acknowledgement slip for acceptance of SRF form and initial contribution has been provided to subscriber(s)?	Yes/No/NA			
6.	Whether the SRF forms / SRF data are being uploaded to the CRA's portal and the original physical copies of the SRF's along with supporting documents are stored at PoP level (as the case may be).	Yes/No/NA			
7.	Whether the PoP has uploaded/downloaded/updated the KYC information of underlying subscribers onto CKYCR in the manner as prescribed under under Prevention of Money Laundering (Maintenance of	Yes/No/NA			

	Records) Rules, 2005?				
8.	In case of rejection, whether the initial contribution and documents submitted are returned to the applicant and the reason for rejection is shared with the applicant?	Yes/No/NA			
9.	Whether PoP has performed the activities related to Subscriber Registration in accordance with the prescribed Timelines (TAT) under Operational Guidelines?	Yes/No/NA			
10.	Whether the PoP has displayed the information related to NPS (including application form) or any other publicity material on its website?	Yes/No/NA			
11.	Whether the PoP has displayed that the list of RAs, Pension Agents, who are authorized to collect contribution (non-cash) on website?	Yes/No/NA			
12.	Whether the PoP, in cases where it has enabled its own web-portal/application for subscriber onboarding, has made provisions in the system to capture all mandatory fields as prescribed in the extant Subscriber Registration Form (SRF)?	Yes/No/NA			
13.	Whether the Point of Presence (PoP) ensures that compensation is paid to the subscriber in all cases where there is a delay in processing of subscriber registration, as per the rates prescribed under Operational Guidelines?	Yes/No/NA			
B. NPS subscriber servicing request processing					
1.	Whether the subscribers service requests such as Scheme preference change/ Shifting of Subscribers/ Change Requests of subscribers/other requests is carried out on receipt of request along with documentary proof are processed as per the TATs prescribed under Operational Guidelines?	Yes/No/NA			
2.	Whether PoP has conducted the due-diligence during the processing of subscribers change request with respect to KYC details (Name, DoB, Address, Date of Retirement, Mobile number and Bank account details etc)?	Yes/No/NA			

3.	Whether the acknowledgement receipt with respect to the change in any service requests, in physical/online mode has been provided to the subscriber(s)?	Yes/No/NA			
4.	Whether the Point of Presence (PoP) ensures that compensation is paid to the subscriber in all cases where there is a delay in processing of service requests, as per the rates prescribed under Operational Guidelines?	Yes/No/NA			

C. Dealing with subscriber funds

1.	Whether internal controls are in place to identify source of the funds received from the subscribers?	Yes/No/NA			
2.	Whether the initial contribution (as applicable) has been collected along with the subscriber registration forms?	Yes/No/NA			
3.	Whether the PoP ensures to capture Permanent Account Number mandatorily of the subscribers for all cash transactions exceeding Rs. 50,000/- (Rupees Fifty Thousand) or as prescribed under Rule 114B of IT Act and its amendments thereafter from time to time?	Yes/No/NA			
4.	Whether acknowledgement slip / receipt with unique number along with receipt date and stamp/signature is provided to the subscriber for the contribution amount collected through online and offline mode i.e. cheque/DD/cash as per the TATs prescribed under Operational guidelines?	Yes/No/NA			
5.	Whether the PoP is putting non-cash instruments for clearing only after receipt of PRAN number from the CRA in case of initial contribution?	Yes/No/NA			
6.	Whether all funds received from subscribers / deducted from the salary are being deposited to designated NPS collection account as per the TAT prescribed under Operational Guidelines?	Yes/No/NA			
7.	Whether the PoP has processed the contribution i.e. SCF upload in CRA system and fund remittance to Trustee Bank as per the prescribed TATs under Operational Guidelines?	Yes/No/NA			

8.	Whether PoP has maintained the trails / recorded the reasons in writing for withdrawal/debit of funds from collection account to any other account (other than NPS Trust account maintained with Trustee Bank), if any?	Yes/No/NA			
9.	Whether funds collected through Pension Agents / BCs / Retirement Advisers or any other prescribed channel by the PFRDA are being processed as per the prescribed timelines?	Yes/No/NA			
10.	Whether compensation is being paid by the PoP in case of all delayed transactions/ activities as per the rates prescribed under Operational Guidelines?	Yes/No/NA			
11.	Whether subscribers' funds are processed and remitted to Trustee Bank or refunded to subscriber? In case, the funds are not being remitted to system despite collection from subscriber without any justifiable reason, such instances to be provided.	Yes/No/NA			
12.	Whether any upfront fee is charged from the subscriber by PoP or PoP-SP / Pension Agents / BCs / Retirement Advisers etc ?	Yes/No/NA			
13.	Whether the PoP has collected the charges earned under NPS to separate account of PoP (other than collection account)?	Yes/No/NA			
14.	Whether the PoP ensures disclosure of settlement time and charges of payment service provider for digital transactions at the time of initiation of transactions for the contributions collected through payment gateways?	Yes/No/NA			

D. NPS Subscriber grievance handling

1.	Number of NPS subscriber complaints/ grievances pending for more than 30 days at in CGMS at CRA portal as on 31 st March ____.	No. of pending grievances: Remarks (if any):			
2.	Whether the directly received grievances in respect of NPS by the PoP are being lodged under the CGMS?	Yes/No/NA			

3.	Whether all grievances in CGMS at CRA portal are being resolved within the time frame provided in Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015 (as amended) ?	Yes/No/NA			
4.	Whether designated email id for NPS subscriber grievance is created and informed to CRA and displayed on the website of the POP?	Yes/No/NA			
5.	Whether the name, e-mail id/s and telephone number/s of the designated Grievance Redressal Officer (GRO) and the escalation matrix prescribed under PFRDA (Redressal of Subscriber Grievance) Regulations, 2015 of the are made public through display on website preferably and/or at branches?	Yes/No/NA			
6.	Whether the PoP has displayed on its website or branch the rights of the subscribers to raise grievance/complaint who do not get the benefit of redress for the delay in TAT for various activities / operational lapse?	Yes/No/NA			
7.	Whether the top management of the PoP reviewed the quality of grievance resolution and whether the observations have been reported to the Board of the PoP?	Yes/No/NA			

E. Exit / partial withdrawal

1.	Number of pending exit/withdrawal requests including partial withdrawal at the level of the POP as on 31 st March, _____	No. of pending requests: Remarks (if any):			
2.	Whether the exit/withdrawal requests are being processed as per the TATs prescribed under operational guidelines?	Yes/No/NA			
3.	Is it ensured that the exit/withdrawal requests are provided by the subscribers/claimants in the format as prescribed by the Authority and as per the KYC norms prescribed under KYC/AML/CFT guidelines?	Yes/No/NA			
4.	Whether acknowledgement receipt with unique number along with receipt date and stamp/signature/email confirmation is provided to	Yes/No/NA			

	the subscriber for exit as per the TATs prescribed under operational guidelines?				
5.	Whether the signature of the subscriber is verified along with the KYC records for processing the exit/partial withdrawal/ withdrawal requests?	Yes/No/NA			
6.	Whether supporting documents (as prescribed by the Authority from time to time) are obtained from the subscriber/claimant?	Yes/No/NA			
7.	Whether the PoP verifies the authenticity of death certificate before uploading digital copy of exit forms (Death Claim) to the CRA portal for processing of the death claim?	Yes/No/NA			
8.	In case where the exit/withdrawal claim has been rejected at CRA, whether the reasons for rejection of claim are explained to the subscriber/claimants and requisite rectifications (if any) are carried out by obtaining requisite documents from the subscriber/claimant?	Yes/No/NA			
9.	Whether PoP has ensured that the Exit /Withdrawal proceeds are credited to the designated subscriber/claimant bank account?	Yes/No/NA			
10.	Whether the Point of Presence (PoP) ensures that compensation is paid to the subscriber in all cases where there is a delay in processing exit request (including death claims), as per the rates prescribed under Operational Guidelines?				

F. Whether prescribed books of accounts, registered and records are maintained with the required details and for the stipulated period as per the regulatory requirement

1.	Whether PoP has maintained all books of accounts and record keeping as prescribed under extant of Pension Fund Regulatory and Development Authority (Points of Presence) Regulations, 2018 and amendment thereof and KYC/AML/CFT guidelines?	Yes/No/NA			
2.	Whether the agreement(s) executed by the PoP with the Pension Agents / BCs are in conformity and accordance with the PFRDA (Point of Presence) Regulations, 2018?	Yes/No/NA			

3.	Whether PoP has formulated an internal policy for engaging Pension Agent(s) with prior approval of its Board.	Yes/No/NA			
4.	Whether PoP has formulated an internal mechanism for periodical review of overall activities performed by the Pension Agent(s).	Yes/No/NA			
5.	Whether PoP periodically updates the list of pension agents on its website.	Yes/No/NA			
6.	Whether the PoP maintains the Pension Agents / BCs / Retirement Adviser or any other prescribed channel wise complete audit trail of all transactions processed under NPS, like date of receipt of application form/contribution, date of issuance of receipt to the subscriber, date of SCF upload, date of fund remittance to the Trustee Bank, date of receipt of forms at the head office/nodal office, date of receipt and processing of other subscriber related service requests etc.?	Yes/No/NA			
7.	Whether the TATs prescribed under Operational guidelines for all activities are properly followed for the transactions routed through Pension Agent / BCs / Retirement Adviser or any other prescribed channel engaged by the PoP?	Yes/No/NA			
8.	Whether the Pension Agent / BCs / Retirement Adviser associated with the POP are doing all activities under NPS in accordance to PFRDA (Points of Presence) Regulations, 2018 and applicable guidelines?	Yes/No/NA			
9.	Whether the operational guidelines / circulars / notices / directions / regulations issued by the Authority is being maintained by the PoP?	Yes/No/NA			
G. Reporting					
1.	Whether PoP has submitted the Exception report as per the frequency defined in the operational guidelines?	Yes/No/NA			
2.	Whether Exception report submitted by the POP in previous reporting period to PFRDA are correct?	Yes/No/NA			

3.	Whether the PoP has ensured the compliance of cyber security measures and submitted the reports as prescribed by the Authority from time to time?	Yes/No/NA			
4.	Whether PoP has ensured that the Pension Agents are collecting contributions only by means of Cheque or Demand Draft or through electronic mode in favour of the PoP?	Yes/No/NA			
5.	Has the PoP reported any instances where Pension Agents collected contributions in cash?	Yes/No/NA			
6.	Whether the details of NPS related activities undertaken by the Pension Agents are included and reported by the PoP in their periodic exception report, as prescribed?	Yes/No/NA			
7.	Whether PoP has appointed the compliance officer / Principal Officer/ designated director as prescribed under extant PoP regulations/ KYC/AML/CFT guidelines and also intimated any change in regard to the same to the Authority?	Yes/No/NA			
8.	Whether PoP is monitoring the transactions and comply with reporting obligations prescribed under KYC/AML/CFT guidelines?	Yes/No/NA			
9.	Whether the PoP is following its obligation pertaining to the STRs and CTRs as prescribed under the Master KYC/AML/CFT guidelines dated 25th September 2025 (including all subsequent amendments) issued by the Authority?	Yes/No/NA			
10.	Whether the PoP has displayed the TAT for all the operational activities on its website and/or at branches and/or internal portal (as the case may be)?	Yes/No/NA			
11.	Whether the PoP has displayed these Guidelines on its website and/or internal portal (as the case may be)?	Yes/No/NA			
12.	Whether PFRDA's periodic inspection of the PoP was conducted by PFRDA during the last three FYs?	Yes/No			

13.	If any periodic inspection was conducted during the last three financial years, whether the observations pointed out by the PFRDA during such inspections have been duly closed?	Yes/No/NA			
14.	Whether the open observations have been reported to the Auditor for closure purposes, and in case any observation still remains open, the Auditor shall report such open observations, if any, to the Authority.	Yes/No/NA			
15.	Whether the PoP has reviewed all CRA login IDs and ensured that user IDs of personnel no longer associated with or not performing NPS operations have been promptly deactivated?	Yes/No/NA			
H. Other Compliances					
1.	Whether PoP has complied with the Accessibility Standards and Guidelines (for Creating Infrastructure for Persons with Disabilities) for PFRDA-Regulated Intermediaries issued by the Authority?	Yes/No/NA			
2.	Whether the PoP has complied with the provisions of the DPDP Act and all other applicable rules and regulations thereunder?	Yes/No/NA			
I. Adherence to Code of Conduct					
1.	Whether the PoP adheres to the regulations, circulars, guidelines, directions, advisories, instructions etc. issued by the Authority from time to time for specified activities?	Yes/No/NA			
2.	Whether the PoP has outsourced the activity in accordance with the extant regulation, circular, guidelines, directions, Advisories issued by the Authority from time to time?	Yes/No/NA			
3.	Any other matter/s, which you may like to bring to the attention of the management of POP or Authority may be additionally provided as an Annexure.	Yes/No/NA			

I/We confirm to consider the sample size of the entity while conducting the audit for the FY _____ under NPS as per the below mentioned categories and Instructions under para B (b):

- Category A:** Min 10 or 100% of total transactions/instances/cases per month whichever is lower for PoPs having a subscriber base up to 10000.
- Category B:** Min 20 or 100% of total transactions/instances/cases per month whichever is lower for PoPs having a subscriber base of 10,001 to 1,00,000.
- Category C:** Min 30 or 100% of total transactions/instances/cases per month whichever is lower for PoPs having a subscriber base above 1,00,000.

Note:

1. Please **tick mark** the relevant category, as applicable to the entity. The minimum sample size is prescribed for each activity performed by the PoP such as on boarding of subscribers, transaction related to initial contribution, transaction related to subsequent contributions, subscribers request processing and exit and withdrawal request processing.
2. Subscriber base as on end of the FY for which the audit is conducted to be taken
3. Sample size indicated is minimum sample size. Auditor may determine the optimum sample so as to be able to satisfy himself/ herself about the objectives of the audit.

Name of the Auditor: Membership no. / CP. No.: UDIN No.:	Name of the Compliance officer:
Signature of the Auditor: Stamp of the Audit firm:	Signature of the Compliance officer along with office seal:
Date:	Date:
Place:	Place:

Details of NPS collection account maintained by PoP-NPS as on 31st March_____

Section 1 – Details of total outstanding balance as on 31st March_____

S. No.	Bank account Number (A)	Name of the Bank (B)	Name of collection account (C)	Closing Balance as on financial year ended (D)	Out of (D), Balance beyond T+1 (Amount not processed within specified TAT) (E)	Out of (E), Unreconciled balance as on 31 st March..... (F)

Section 2 – Details/bifurcation of contribution as reported under Column F of Section 1

Ageing of unreconciled balance as reported under Column F of section 1			
Sl. No.	Aging	Amount	Reason for the unreconciled balance
1.	Upto 1 month		
2.	More than 1 month and upto 3 months		
3.	More than 3 months		

Unreconciled balance pending for more than Seven (7) Years :- Rs.

Name of the Auditor: Membership no. / CP. No.: UDIN No.:	Name of the Compliance officer:
Signature of the Auditor: Stamp of the Audit firm:	Signature of the Compliance officer along with office seal:
Date:	Date:
Place:	Place:

INSTRUCTIONS

These instructions are only indicative in nature and not exhaustive. These have been prepared based on the regulatory/supervisory requirement (as per relevant Acts, rules, regulations and circulars) which keep evolving from time to time. The auditors should peruse them and report other irregularities, if observed while conducting audit.

A. Instructions to both Auditor and PoP:

- a) The copy of audit report should be submitted to PFRDA by PoP as per the report format specified above.

B. Instructions to Auditor:

- a) The auditors should clearly indicate 'Yes' indicating Compliance, 'No' indicating Non-compliance and 'NA' wherever 'Not Applicable'.
- b) Sample size indicated in the format of the above Audit Report is minimum and the auditor may determine the optimum sample so as to be able to satisfy himself/ herself about the objectives of the audit. The indicative sample size for relevant category, as applicable to the PoP (as detailed in Enclosure - 1) shall be taken by the auditor.
- c) Auditor shall specifically declare about direct / indirect interest in or relationship with the Point of Presence or its shareholders / directors / partners / proprietors/ management if any and also confirm that they do not perceive any conflict of interest in such relationship / interest while conducting audit of the said Point of Presence.
- d) In case any violations/qualifications/observations are observed by the auditor the same shall be submitted as annexure with complete details and should be quantified specifying the number of instances, value etc. and the evidences should be enclosed with the Audit Report.
- e) Membership number allotted by the affiliated professional body should be quoted at the bottom of the report as provided in the format of IAR.
- f) Each page of the report shall be signed and stamped by the auditor/ e-signed.

C. Instructions to PoP:

- a) In case any non-compliances / findings / observations / adverse remarks are made by the auditor, management remarks should be given against such point(s) by the PoP.
- b) PoP to mention the date on which the report has been presented to the Board/Management/Audit Committee for their approval and indicate corrective and preventive actions taken by the management for addressing the deficiencies along with the timeliness of when the agreed suggestions would be implemented.
- c) Improvements brought about in the operations between the last audit and the current audit shall be submitted.

Note: *In case audit report submitted is incomplete and not as per the guidelines viz sample size not given, only certificate submitted without report etc, same would be treated as non-submission of audit report. The Authority reserves the right to direct a Point of Presence to either get the audit redone for completing the set audit process and format or change its auditor if quality of the report is not satisfactory or the audit is not carried out as per guidelines.*

D. Process flow for submission of Audit Report:

- a) Auditor to submit the first draft of the Audit report as per the prescribed format to PoP seeking management remarks.
- b) PoP to submit the Audit Report with management remarks to the Auditors within the specified timeline (in the absence of submission of management remarks by PoPs within timelines, it will be considered as 'PoP has no remarks to offer')
- c) Post-processing of management remarks by the Auditor by way of clearly indicating its view/comments/observation on management remarks submitted by PoP, the auditor to submit the report to PoP and in turn, PoP to submit the final audit report to Board /Audit Committee under copy to PFRDA. PoP to also submit the Board/Audit Committee observations on the Auditor Certificate to PFRDA, if any.

E. Indicative processes/guidance for verification of respective areas:

1. Subscriber registration and documentation/Anti Money Laundering Compliance:

- a) Checks and balances in place for Execution of Know Your Client (KYC).
- b) Systems and procedures put in place by PoP for verification of KYC before opening NPS account.
- c) Procedure followed by the PoP for informing the PRAN and other details to the subscribers & uploading to the CRA system of such data and transfer of clear funds to the Trustee bank.
- d) Procedure adopted by the PoP for doing KYC as required under the Prevention of Money Laundering Act, 2002 (17 of 2003) including the amendments thereof or any other law through effective use of Know Your Customer verification processes, laid down by the Authority for all subscribers in the operational guidelines and KYC/AML/CFT guidelines.
- e) Customer acceptance policy and customer due diligence measures adopted by the PoPs.

2. NPS Subscriber Service Request management and risk management systems:

- a) Procedure adopted for receipt of request for services from subscribers.
- b) Mechanism for order management and execution of subscriber requests for service.
- c) Procedure adopted for providing online platform for NPS account and operations facility.
- d) Procedure followed for allotting of user id and password, change of password etc.
- e) Internal controls for online NPS account access and usage.

- f) Process walk through and verification of procedure adopted for implementation of internal code of conduct and internal controls to prevent violation of guidelines or Service level standards stipulated for various activities under NPS.

3. Dealing with subscribers' funds and securities

- a) Verification of internal controls adopted by the PoP while accepting banker's cheque / demand draft from subscribers
- b) Procedure for ensuring that receipts and payment of funds/securities are from/to respective subscriber only
- c) Verification of following books of accounts/records:
 - i. Records of contributions received (cheques, DDs and Cash or online transactions)
 - ii. Register of transaction history done by the Point of Presence upon requests from NPS subscribers.
 - iii. Bank Statements
 - iv. CRA related transaction books/accounts maintained by Point of Presence (PoP)
 - v. Cash Book
 - vi. Bank Book

All such registers should at least contain information on about Name of the subscriber, PRAN, date of receipt of contribution/ subscriber request ,contribution amount, branch name, date of depositing the contribution amount under NPS into the NPS Collection account of the PoP, date of SCF upload, date of fund remittance, date of uploading the service related requests including exit/withdrawal request into the CRA system, date of authorization by the PoP or any other additional parameter as may be considered by the PoP for maintenance of proper audit trail at the level of the PoP.

4. Banking and NPS account operations

- a) Procedure for segregation of own and NPS subscribers' funds and instruments (in separate accounts)
- b) Internal controls for use of subscriber bank and subscriber NPS accounts only for authorized purpose

5. Management of PoP branches and internal control

- a) System and Policy followed for opening / closing of branch Procedure adopted to inform the same to subscribers.
- b) Periodicity and procedure adopted for inspection of PoP branches.
- c) Reporting mechanism and mode of informing the inspection observations to PoP branches and follow up action plan.
- d) Policy of fixing of roles and responsibilities of officials in head office and branches.
- e) Documentation of Internal controls and Comments on Internal controls in place.

6. Subscriber grievance handling

- a) Mechanism to monitor complaints lodged with PoP branches and entry of the same in CGMS system of CRA.
- b) Mechanism to monitor complaints lodged in CGMS in CRA against PoP. Maintenance of complaints register.
- c) Redressal mechanism for complaints registered against the POP Verification of subscriber grievance register and email id.
- d) Internal control for verification of complaints received through the designated email –id.

7. Maintenance of Books of Accounts

As prescribed under Regulation 17 of Pension Fund Regulatory and Development Authority (Points of Presence) Regulations, 2018 and amendment thereof, books of accounts, registers and records to be maintained, with the required details and for the stipulated period as per regulatory/supervisory requirement. All such records can be maintained electronically in retrievable mode (as and when required), however physical copies of relevant documents are to be maintained by concerned office.

F. References:

Please refer following website for more information:

- a) <https://www.pfrda.org.in>
- b) <https://npstrust.org.in>
- c) <https://cra.nps-proteantech.in/CRA>
- d) <https://cra.kfintech.in>
- e) <https://www.camsnps.in>