CIRCULAR

PFRDA/2026/47/REG-PF/10 **28.08.2026**

To
All NPS Stakeholders

Subject: Standardised framework for classification and presentation of Schemes under the NPS

In exercise of the powers conferred under the PFRD Act, 2013, the regulations made thereunder and other enabling provisions, the Authority hereby issues this Circular prescribing the framework governing the classification, presentation, operation and disclosure of investment schemes [1] under the NPS.

This Circular seeks to establish a standardised framework for classification and presentation of investment schemes, facilitate informed investment decisions by subscribers, promote comparability of schemes offered by different Pension Funds and prescribe uniform requirements relating to scheme naming, subscriber journeys, disclosures and implementation.

Classification Framework

1. Classification of Investment Schemes

1.1 All schemes under NPS shall be classified in accordance with the framework specified in this Circular. The said classification framework shall be adopted uniformly across all subscriber-facing interfaces:

No	Type of Scheme	Description
1.	Lifecycle based Schemes	Comprises existing lifecycle variants (Life Cycle Aggressive, Life Cycle 75 - High, Life Cycle 50 – Moderate and Life Cycle 25 – Low). Under this category, the asset allocation among E, C and G Scheme gets auto-adjusted as per the age of the subscriber as per the age-asset allocation matrix approved by PFRDA.
2.	Active Choice	Subscriber directed allocation across asset classes E, C and G
3.	NPS Sanchay	Comprises scheme for the informal sector with a pre-defined investment pattern aligned with the investment pattern applicable to the Government Sector under NPS.
4.	MSF	Comprises investment schemes launched by Pension Funds with the approval of the Authority. These schemes shall be classified into standardised categories based on the equity allocation mandate in accordance with Paragraph 2 of this Circular. All schemes launched till date

No	Type of Scheme	Description
		under the Multiple Scheme Framework shall henceforth be categorised under this.
Applicable Annual charges for these schemes range from 0.24% to 0.32% of AUM depending on the choice of Pension Fund; Refer Annexure A		
5.	4A Schemes (Curated / Thematic Schemes)	Schemes introduced under Regulation 4A of the Exit Regulations like NPS Vatsalya, NPS Swasthya, NPS MSME. Asset allocation, charges and other terms and conditions for the 4A schemes shall be as specified under respective guidelines/ circulars.

2. Scheme Types

2.1 Lifecycle-based Schemes

The equity allocation shall follow a pre-determined age-linked glide path as specified in the prescribed asset allocation matrix.

Lifecycle Category	Maximum Equity Exposure	Equity Allocation over Age
Life Cycle - Aggressive (35E/55Y)	50%	50% till 45 years → 35% by 55 years
Life Cycle 75 – High (15E/55Y)	75%	75% till 35 years → 15% by 55 years
Life Cycle 50 – Moderate (10E/55Y)	50%	50% till 35 years → 10% by 55 years
Life Cycle 25 – Low (5E/55Y)	25%	25% till 35 years → 5% by 55 years

2.2 Active Choice

Under the Active Choice, the subscriber shall have the flexibility to determine the allocation of contributions among the available asset classes, subject to the limits specified by the Authority.

Asset Class	Maximum Permissible Allocation
Equity & related instruments (E)	75%*
Corporate Bonds (C)	100%
Government Securities (G)	100%

**100% under Tier II*

2.3 NPS Sanchay

This is a composite scheme where the investment pattern is aligned with the extant Investment Guidelines applicable to Government Sector schemes, with maximum permissible asset allocation as under –

Asset Class	Maximum Permissible Allocation
Equity & related instruments (E)	25%
Corporate Bonds (C)	45%
Government Securities (G)	65%
Short term debt instruments	10%
Asset Backed, Trust Structured and Miscellaneous Investments	5%

2.4 MSF Scheme Categories

a. Every MSF scheme shall be classified into one of the following categories based on its equity allocation mandate.

Category	Equity Exposure	Category Code
Aggressive Growth – Very High Risk	80%–100%	A
High Growth – High Risk	60%–80%	B
Balanced Growth – Medium Risk	35%–60%	C
Conservative	10% - 35%	D
Debt (Govt./ Corporate Bonds)	0-10%	E

b. Every MSF Scheme shall have an equity exposure mandate corresponding to any one category.
c. A Pension Fund can voluntarily offer up to 2 schemes under each category under each Tier.

3. Naming Convention

3.1 Every MSF Scheme offered by a Pension Fund shall adopt a uniform naming convention to facilitate easy identification and comparability across Pension Funds.

3.2 The name of every MSF Scheme shall follow the naming convention as under:

Abbreviation of Pension Fund Name + *"NPS"* + *MSF Category Code* + *Scheme Name*

Schemes pertaining to Tier 2 shall mention Tier 2 at the end of the scheme name.

Illustratively:

- XYZ NPS A Retirement Scheme
- XYZ NPS E Retirement Scheme Tier 2

3.3 Every scheme name shall clearly indicate the applicable Category code prescribed under this Circular. Pension Funds shall prominently disclose the relative equity exposure hierarchy, with Category A representing the highest and Category E the lowest equity exposure.

4. Scheme Selection Framework

4.1 To facilitate informed investment decisions, all subscriber-facing interfaces, including CRA platforms and other onboarding channels shall uniformly adopt the following sequence for presentation and selection of investment schemes.

a. Type of Scheme (MSF/Lifecycle based/ Active choice/ NPS Sanchay/ 4A)

b. Category of the MSF Scheme/Lifecycle funds/ Asset allocation in case of Active choice

c. Selection of the Pension Fund

Prior to selection of a Pension Fund, all schemes being offered by the various Pension Funds under the selected category shall be displayed along with the following minimum information [2] in such a way that the subscriber is able to compare amongst the various schemes:

a. Scheme Name;
b. Pension Fund Name;
c. Date of Launch
d. Historical Returns;
e. Benchmark & comparative benchmark returns;
f. Applicable Charges;
g. Riskometer;
h. Assets under Management (AUM) as on the last day of the previous month; and
i. Such other information as may be specified by the Authority from time to time.

The subscriber shall thereafter select the Pension Fund and the corresponding Scheme.

Where the subscriber selects *4A Schemes*, the available schemes approved by the Authority shall be displayed.

4.2 Platforms owned and operated by PoPs may, for the purpose of onboarding subscribers, display the Schemes offered by the Pension Fund(s) associated with such PoP.

5. Change of Scheme and/or Pension Fund

5.1 A PRAN is unique to a CRA and a subscriber may have multiple Schemes under the same PRAN.

5.2 A subscriber shall be permitted to hold *only one scheme among Lifecycle-based Scheme or Active Choice* at a time under the same PRAN.

5.3 *A subscriber may simultaneously hold investments in more than one MSF Scheme*.

5.4 A subscriber can submit a *maximum of two requests per Account [3] for change of Pension Fund, Investment Scheme or any combination of the two*. A request involving any of the above changes at a time shall be treated as *one request* for the purpose of determining the limit for each FY.

5.5 The subscriber may opt to change, from one Scheme to another, amongst the MSF, Lifecycle, Active and Sanchay Schemes subject to the provisions specified above. Such change of Scheme shall not affect the vesting period or any other applicable conditions governing the Account, which shall continue to be reckoned from the original date of opening of the Account

5.6 In respect of accounts held with corporate employers, the facility for change of Scheme shall be available only to the extent permitted under Circular No. PFRDA/2025/20/PDES/03 dated 7th November 2025. Any change of Scheme permitted thereunder shall be allowed in accordance with the provisions of this Circular.

6. Merging of schemes

A subscriber who has opted for multiple Schemes *shall have the option to merge a Scheme into another scheme which is the Target Scheme. Thereafter, the investment so merged shall be governed by the applicable provisions of the Target Scheme*, including the rules relating to vesting, charges, partial withdrawals, change of Scheme and other applicable features or conditions. Accordingly, the eligibility and limits applicable under the Target Scheme shall apply to the subscriber in respect of the merged investment.

Illustration:

A subscriber opens Scheme A on 1 April 2026, with a vesting period of 15 years, and subsequently changes to Scheme B on 1 April 2029. In this case, the vesting period shall continue to be reckoned from 1 April 2026, and the applicable conditions of the original Account, including the limit of four partial withdrawals, shall continue to apply.

However, if the investment under Scheme A is merged into Scheme B on 1 April 2029, the merged investment shall thereafter be governed by the conditions applicable to Scheme B, including its vesting period, withdrawal provisions and other applicable limits

7. This Circular is issued with a view to establishing a uniform and standardised framework for the classification and presentation of investment schemes under the NPS, thereby facilitating informed subscriber choice, enhancing comparability across Pension Funds and promoting consistency in the offering of investment schemes. Unless otherwise specifically provided herein, all investment schemes under NPS shall be governed by the provisions contained in this Circular.

8. The provisions of this circular shall not be applicable to accounts tagged to Government sector.

9. This circular is issued in exercise of the powers conferred under Section 14 of the PFRDA Act, 2013, and is available on the PFRDA website under the Circulars section of the regulatory framework.

Yours sincerely,

K Mohan Gandhi

Digitally signed by K Mohan Gandhi
Date: 2026.08.28 15:06:02 +05'30'

Chief General Manager

Annexure A – Charges payable by subscriber under All Types of Schemes except 4A Schemes

Charge	Rate
PoP + IMF	0.24 to 0.32% p.a. of AUM for PoP subscribers 0.04% to 0.12% p.a. of AUM for direct subscribers
CRA charges	Rs. 100 to Rs. 500
NPST fee	0.003% p.a. of AUM
Custodian charges	0.00000000177% p.a. of AUC

GST and other applicable taxes shall be levied over and above

In view of the standardisation of the classification of schemes under NPS, the subscribers may refer Circular no. PFRDA/2026/46/REG-POP/08 dated 28.08.2026 for PoP charges & Circular no. PFRDA/2026/15/REG-PF/04 dated 06.03.2026 for IMF, as amended from time to time.

Annexure B – List of circulars superseded

Sr No.	Circular Name	Circular Date	Circular No.
1.	Change of Pension Fund and asset allocation by NPS subscribers	27th January 2022	PFRDA/2022/02/PDES/01
2.	Introduction of Multiple Scheme Framework (MSF) for Non-Government Sector Subscribers under NPS – Section 20(2) of PFRDA Act 2013	16th September 2025	PFRDA/2025/09/REG-PF/01
3.	Rationalization of Nomenclature of Auto Choice / Life Cycle Funds under the NPS & Multiple Choices of Investment under Common Schemes	17th October 2025	PFRDA/2025/16/REG-PF/02

[1] References to "Scheme" in this Circular are intended to facilitate ease of understanding for subscribers and includes the various investment options made available under NPS, including Lifecycle variants, wherever applicable. Pension Funds shall continue to maintain scheme accounts and declare NAVs for the underlying schemes in accordance with the extant regulatory and operational framework.

[2] In case of Active Choice and Lifecycle-based Schemes, the historical returns, applicable charges, risk-related information, AUM, Date of launch and benchmark shall be displayed separately in respect of the underlying asset classes, namely Equity, Corporate Debt and Government Securities, as applicable.

[3] A subscriber may have multiple accounts in one PRAN and each Account shall have one Scheme.