

CIRCULAR

PFRDA/2025/23/NPS-AGRI/01

Date: 15<sup>th</sup> December, 2025

To

All PoPs under NPS

**Subject: Incentive structure to PoPs for NPS enrollment facilitated through Farmer Producer Organizations (FPOs).**

The Agriculture and Allied Activities sector has long been the backbone of the Indian economy, playing a vital role in national income and employment. This sector contributes approximately 18% of the country's GDP for FY23- 24 and supports about 42% of the population. Lately, Farmer-Producer Organizations (FPOs) have emerged as key entities, enabling small and marginal farmers to pool resources, reduce costs, access markets, adopt technology, and secure affordable credit. FPOs are being integrated with digital platforms like e-NAM, ONDC and GeM to enhance market access.

Recently, in order to enhance pension distribution network and for providing last-mile connectivity, particularly in areas with limited awareness and access, PFRDA vide its circular dated 23.09.2025 has allowed Farmers Producers Organizations (FPOs) (*which are registered with Ministry of Corporate Affairs (MCA)*) for their engagement as Pension Agent, for distribution of Pension Scheme. Currently, there are over 45,000 FPOs registered in India.

**Incentive Framework to PoPs for NPS enrollment facilitated through Farmer Producer Organizations (FPOs).**

To promote and encourage initial adoption, an incentive of ₹100 per subscriber is proposed to be paid to PoPs for each NPS enrollment facilitated through Farmer Producer Organizations (FPOs). This incentive, in addition to the existing PoP charge structure, is intended to compensate for higher outreach costs and motivate PoPs to actively engage with FPOs in expanding NPS coverage in Agriculture and allied sector, especially in rural areas. The Incentive Framework is as under:

Type of Incentive	Eligibility Criteria	Conditions	Rate
Registration/ Activation Incentive to PoPs, for each NPS enrollment facilitated through FPOs.	Enrolment of new individual subscribers by the PoPs through FPOs as Pension Agent	<ul style="list-style-type: none"><li>• Receipt of Initial contribution amount as prescribed by PFRDA time to time.</li><li>• Receipt of minimum annual contribution** as prescribed by PFRDA time to time.</li></ul>	Upto ₹100 per capita

The incentive framework for PoPs is applicable for *NPS enrollment facilitated through Farmer Producer Organizations (FPOs)* **till 31<sup>st</sup> March 2027** and this framework would be reviewed thereafter.

This circular is being issued in exercise of the powers conferred under Section 14 of the Pension Fund Regulatory and Development Authority Act, 2013.

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