

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:6803
ANSWERED ON:09.05.2003
PENSION FUND
YOGI ADITYANATH

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether the Government are contemplating to set up a pension fund;
- (b) if so, the details thereof; and
- (c) the time by which the above fund is likely to be set up by the Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a)to(c): Government has decided to introduce a defined contribution pension scheme for new entrants to Government service, except for the armed forces, in the first stage, which will also be available on a voluntarily basis, to others. The new pension scheme will be portable, allowing transfer of the benefits in case of change of employment and will go into `individual pension accounts` with Pension Funds. Pension Funds will be regulated through a new and Independent PensionFund Regulatory and Development Authority. The Pension assets would be managed by Pension fund managers (PFMs) each of whom would offer a variety of schemes. At least one of the PFMs would be in the public sector. In addition, private pension fund managers, with sound experience in fund management and risk management would be chosen through an open and transparent procedure.