

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3988  
ANSWERED ON:03.12.2010  
ESTABLISHMENT OF REGULATOR FOR THE PENSION SECTOR  
Mani Shri Jose K.

**Will the Minister of FINANCE be pleased to state:**

- (a) whether there is any proposal pending with the Government to bring in a legislation to establish a regulator for the pension sector;
- (b) if so, the details thereof;
- (c) whether the Government has any proposal to invest the pension fund in any other sector; and
- (d) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): To effectively regulate, promote and ensure growth of pension sector in India, the Government constituted the Interim Pension Fund Regulatory and Development Authority (PFRDA) vide Notification dated 10th October, 2003, pending enactment of a comprehensive legislation in this regard. Further, to establish PFRDA as a statutory body, Government introduced the Pension Fund Regulatory and Development Authority (PFRDA) Bill, 2005 in the Lok Sabha on 21.3.2005. However, the Bill lapsed on dissolution of the 14th Lok Sabha.

(c) & (d): The investment of pension funds under the New Pension System (NPS) is done in accordance with prescribed norms which specify different categories of investment instruments along with prudential limits on the quality and quantity of investments and are not sector specific. The pension funds of the Government employees are invested in accordance with the Investment Pattern notified by the Central Government vide Notification dated 14th August, 2008, which is available in public domain at <http://www.finmin.nic.in>. The pension funds of other citizens are invested in accordance with the Investment Guidelines prescribed by the PFRDA. These Guidelines are also available in public domain at [www.pfrda.org.in](http://www.pfrda.org.in). There is no proposal under consideration of the Government to make any amendment in the prescribed investment pattern.