

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3881
ANSWERED ON:16.12.2011
NON INVESTMENT OF NPS FUND
Shekhar Shri Neeraj;Singh Shri Yashvir

Will the Minister of FINANCE be pleased to state:

- (a) whether funds collected from the Government employees, under New Pension Scheme (NPS) from 2004 to 2008 was not invested;
- (b) if so, the details thereof;
- (c) the reasons for non-investment of the fund so collected;
- (d) if not, the details of fund collected and invested and returns credited in percentage thereon;
- (e) whether any enquiry has been conducted and responsibility fixed in this regard;
- (f) if so, the details thereof and if not, the reasons therefor;
- (g) whether interest will be credited against the fund contributed but not invested; and
- (h) if not, the reasons therefor?

Answer

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

(a): Yes, Sir.

(b): A total amount of Rs. 971.48 crore, collected towards contribution for Government employees, from 2004 to March 2008, under the New Pension System (NPS), was credited to the Public Account of India.

(c): The institutional architecture for NPS could not be operationalised by the Interim Pension Fund Regulatory and Development Authority (PFRDA). Therefore, the contribution for the Government employees under the NPS could not be invested in the market.

(d): The funds were credited to Public Account and interest @ 8% p.a. was paid on the contribution.

(e): No, Sir.

(f): The establishment of institutional architecture by the PFRDA, based on objective and financial criteria, took some time, therefore, the question of conducting an enquiry does not arise.

(g): The interest @ 8% p.a. was paid on the contribution by the Government.

(h): In view of reply to part (g), does not arise.