

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2807
ANSWERED ON:29.08.2012
NPS IN UNORGANISED SECTORS
Tandon Annu

Will the Minister of FINANCE be pleased to state:

- (a) whether efforts of the Government to widen the coverage of New Pension Scheme (NPS) in the unorganised sector have attracted merely about 10,000 people in the last one year;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government is considering setting up of a structured incentive system for Pension Fund Managers (PFMs) to improve the success of NPS in the unorganised sector; and
- (d) if so, the details thereof?

Answer

The Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a): The incremental number of subscribers registered during the Financial Year 2011-12 was 5,16,777 while the number of subscribers registered from 1st April 2012 till 30th June 2012 is 1,99,633 for unorganized sector under the New Pension System (NPS).

(b): i) The charge structure for the Points of Presence acting as distributors of NPS has been revised to ramp up enrolment of subscribers under NPS.

ii) Remuneration and incentives to aggregators for registration of subscribers under NPS-Lite has been revised. Additionally volume driven incentives are also being paid to the aggregators based on performance. The incentive structure ensures that the incentive amount increases with improved performance.

iii) Several media campaigns to increase the awareness of NPS among the citizens of the country in Radio, TV and print media have been launched, which has resulted in higher enrolment under NPS.

(c): The Government has approved the increase in charges for Pension Fund Managers (PFMs) under the private / unorganised sector NPS.

(d): The revised incentive structure proposes to allow PFMs to prescribe their own fee structure subject to an overall ceiling laid down by the Interim Pension Fund Regulatory and Development Authority (PFRDA).