

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5122
ANSWERED ON:26.04.2013
EXPOSURE OF PENSION FUND
Nirupam Shri Sanjay Brijkishorilal

Will the Minister of FINANCE be pleased to state:

(a) whether Pension Fund Regulatory and Development Authority (PFRDA) is opposed to investment of pension funds in infrastructure sector; and

(b) if so, the reasons therefor and reaction of the government thereto?

Answer

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

(a & b): The Interim Pension Fund Regulatory and Development Authority (PFRDA) is not opposed to investment of pension funds in infrastructure sector. The investment guidelines formulated by PFRDA permits the fund managers to invest the pension funds in bonds/securities of Public Financial Institutions and Public Sector Companies, Municipal Bodies/ infrastructure bonds/infrastructure Debt Funds under Class `C` (credit risk bearing fixed income instruments), provided that at least 75 percent of the investment is in this category is made in instruments having an investment grade ratings from at least two credit rating agencies,