

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 3504
TO BE ANSWERED ON 20th DECEMBER, 2021 (MONDAY)/ /AGRAHAYANA 29, 1943
(SAKA)

NATIONAL PENSION SCHEME

3504. Shri Omprakash Bhupalsinh alias Pawan Rajenimbalkar,
Shri Gajanan Kirtikar,
Shri Anurag Sharma,
Shri Gautham Sigamani Pon,
Shri Dhanush M. Kumar,
Shri Selvam G.,
Shri Rebati Tripura,
Shri C.N. Annadurai:

Will the Minister of FINANCE be pleased to state:

- (a) the main objective of launching National Pension Scheme(NPS) along with the number of persons enrolled under the scheme since its inception, State-wise;
- (b) whether the Government has achieved the objective of launching NPS and if so, the details thereof and if not, the corrective steps taken by the Government in this regard;
- (c) whether this scheme has also been implemented in all States and if so, the details of the services provided in Maharashtra and Tamil Nadu States so far; and
- (d) whether the Government proposes to enhance the contribution under NPS to make the retirement income scheme more attractive and if so, the details thereof and if not, the corrective steps taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR BHAGWAT KARAD)

(a) and (b) The National Pension System (NPS) was introduced by the Government of India to replace the defined benefit pension system by defined contribution pension scheme in order to provide old age income security in a fiscally sustainable manner and to channelize the small savings into productive sectors of the economy through prudential investments. NPS was made mandatory for all new recruits to the Central Government service from 1st January, 2004, (except the armed forces in the first stage) and has also been rolled out for all citizens with effect from 1st May, 2009, on voluntary basis.

The Government of India has taken a number of steps for streamlining NPS for Central Government employees and is committed to protect the interests of the subscribers keeping in view the concerns of NPS subscribers. These include enhancement of Government's contribution from the earlier 10% to 14%, freedom of choice for selection of Pension Funds and pattern of investment to subscribers, payment of compensation for non-deposit or delayed deposit of NPS contributions for any period

during 2004-2012, tax exemption under Section 80C and increase in tax exemption limit for lump sum withdrawal on exit from earlier 40% to 60% of the amount due, making the entire withdrawal exempt from income tax.

As per information provided by the Pension Fund Regulatory and Development Authority (PFRDA) the State-wise number of persons enrolled under NPS since inception as on 31.10.2021 is given at Annexure A.

(c) All State Governments (except West Bengal) have notified NPS for their employees. However, as mentioned in reply to point (a) and (b) of the question, NPS has also been rolled out for all citizens with effect from 1st May, 2009, on voluntary basis. Further, as reported by PFRDA, a total of 6,61,387 subscribers from the State of Tamil Nadu and 15,12,223 subscribers from the State of Maharashtra have joined NPS as on 31.10.2021. The total Assets Under Management (AUM) for the State of Tamil Nadu and State of Maharashtra are Rs. 3964.35 cr and Rs. 89534.39 cr respectively.

(d) As mentioned in reply to part (a) and (b) of the question above, the Government of India has, inter alia, enhanced the monthly contribution of Government from 10% of Pay + DA to 14% of Pay + DA, for the Central Government employees covered under NPS.

Annexure A

The State-wise number of persons enrolled under National Pension System (NPS) since inception as on 31.10.2021

S. No.	Name of State	Number of enrolments
1	Andaman & Nicobar Islands	14,416
2	Andhra Pradesh	9,05,228
3	Arunachal Pradesh	35,857
4	Assam	4,82,569
5	Bihar	6,69,988
6	Chandigarh	37,401
7	Chhattisgarh	5,99,943
8	Dadra and Nagar Haveli & Daman & Diu	4,819
9	Delhi	4,46,697
10	Goa	56,883
11	Gujarat	7,26,934
12	Haryana	4,68,979
13	Himachal Pradesh	1,71,954
14	Jammu & Kashmir	2,32,033
15	Jharkhand	3,60,299
16	Karnataka	13,69,961
17	Kerala	6,55,243
18	Ladakh	264
19	Lakshwadeep	2,189
20	Madhya Pradesh	8,96,692
21	Maharashtra	15,12,223
22	Manipur	68,089
23	Meghalaya	31,842
24	Mizoram	13,723
25	Nagaland	49,393
26	Odisha	4,89,128
27	Pondicherry	23,959
28	Punjab	3,43,413
29	Rajasthan	9,53,230
30	Sikkim	28,378
31	Tamil Nadu	6,61,387
32	Telangana	1,87,679
33	Tripura	54,156
34	Uttar Pradesh	16,73,404
35	Uttarakhand	1,79,131
36	West Bengal	6,18,200
37	Others*	41,198
	Total	1,50,66,882

Source: PFRDA

*Others include Defence, Non Resident Indian subscribers, and Non Individual Retirement Account subscribers.