

GOVERNMENT OF INDIA  
MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS  
(DEPARTMENT OF PENSION & PENSIONERS' WELFARE)

**RAJYA SABHA**  
**STARRED QUESTION NO. 177**  
(TO BE ANSWERED ON 16.03.2023)

**REINTRODUCTION OF OLD PENSION SCHEME**

**177 SHRI ANIL DESAI:**

Will the **PRIME MINISTER** be pleased to state:

- (a) whether it is a fact that there is a growing demand for reintroduction of pension schemes for the general employees;
- (b) the response of the Central Government as more number of State Governments are going for the pension schemes for their employees; and
- (c) the assessment of Government on closure of pension w.e.f. 2004 for its employees?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES  
AND PENSIONS AND MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE  
(DR. JITENDRA SINGH)**

(a) to (c): A Statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY OF RAJYA SABHA STARRED QUESTION NO. 177 (12<sup>TH</sup> POSITION) FOR ANSWER ON 16.03.2023 BY SHRI ANIL DESAI ON REPRESENTATION OF REINTRODUCTION OF OLD PENSION SCHEME**

(a) to (c): Representations have been received from time to time offering inputs on different aspects of National Pension System.

National Pension System (NPS) was introduced for Central Government employees by a Notification of Ministry of Finance (Department of Economic Affairs) dated 22/12/2003. NPS is mandatory for all new recruits to the Central Government service from 01/01/2004 (except the armed forces). Most of the State Governments adopted NPS for their employees.

Consequent to introduction of NPS w.e.f. 01.01.2004, the Central Civil Services (Pension) Rules, 1972 were amended and the benefits of old pension scheme under these rules are not applicable to Central Government employees appointed after 31.12.2003.

Government of India, after the assessment has taken many steps for streamlining of NPS for Central Government employees and to protect the interest of the subscribers. These include enhancement of Government's contribution from the earlier 10% of Pay plus DA to 14% of Pay plus DA, freedom of choice of 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 of the Income Tax Act, 1961 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.

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