

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 1669

TO BE ANSWERED ON TUESDAY, 10 DECEMBER, 2024/ AGRAHAYANA 19, 1946 (SAKA)

NPS VATSALYA SCHEME

1669. Shri Naresh Bansal
Dr. Anil Sukhdeorao Bonde

Will the Minister of Finance be pleased to state:

- (a) the specific features and objectives of the newly launched National Pension System (NPS) Vatsalya Scheme towards promoting long-term financial planning for minors;
- (b) the measures that are being taken to ensure maximum coverage and outreach of the NPS Vatsalya Scheme across the country; and
- (c) the expected benefits of the NPS Vatsalya Scheme in terms of intergenerational equity and financial security for families?

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (c) NPS-Vatsalya Scheme, a contributory pension scheme for minors, was launched on 18th September, 2024 with the objective to create a pensioned society. The scheme is designed for parents/guardians to contribute, a minimum of Rs. 1000 per annum with no ceiling on maximum contribution, for minor subscriber. On attaining the age of majority, the account of the subscriber can be seamlessly converted into NPS account. The scheme is implemented through Points of Presence (PoPs), which include the Bank branches and Non-Bank entities, under the regulation of the Pension Fund Regulatory and Development Authority (PFRDA). The NPS Vatsalya account can also be opened through online platform extended by the NPS Trust. To popularize the scheme and to ensure the maximum coverage, PFRDA runs the media campaigns through TV, radio, theatres, social media, print media as well as outdoor campaign all over country.

NPS Vatsalya promotes inter-generational equity and financial security by encouraging early savings for children as well as promoting a culture and habit of retirement planning across generations with the start of early investment for a retirement corpus.
