

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 3049
TO BE ANSWERED ON 19.03.2025

Transfer of Pension Fund of Employees

3049. Dr. M K Vishnu Prasad:

Will the Minister of *COAL* be pleased to state:

- (a) the reasons for transferring the pension fund of nearly 360 crores of the Neyveli Lignite Corporation Limited (NLC) employees from the Government undertaking Life Insurance Corporation (LIC) of India to the private entity ICICI bank;
- (b) whether such proposals/decisions are brought to the notice of the Ministry and if so, the details thereof; and
- (c) the advantages of depositing pension fund in a private entity over Government run LIC?

ANSWER

**MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)**

(a): NLCIL is operating Superannuation Funds under the names “NLC Employees’ (Executives and Non-Unionized Supervisors) Superannuation Fund” and “NLCIL Employees’ (Non-Executives & Workmen) Superannuation Fund” for providing pension /superannuation benefits to its employees with effect from 1st January, 2007 through the respective Trusts. On receipt of Department of Public Enterprises (DPE) OM for voluntary adoption of New Pension Scheme administered by Pension Fund Regulatory and Development Authority (PFRDA), option was given to the members of both the Funds for switch over to National Pension System (NPS). In order to implement National Pension System (NPS), NLCIL was required to appoint a Point of Presence (POP) and accordingly M/s ICICI Bank Limited (M/s ICICI) has been engaged as POP through open tendering procedure. M/s ICICI is a recognized POP of PFRDA. POPs are the Service providers appointed by PFRDA and its functions include assisting in the creation/migration of individual PRAN (Permanent Retirement Account Number) and extending customer services to NPS subscribers. Based on the willingness received from members (NLCIL employees), Corpus Fund from NLCIL Superannuation Fund is being transferred to National Pension System (NPS).

(b): Department of Public Enterprises requested all the Administrative Ministries by its Office Memorandum dated 26th April, 2024 to bring to the notice the details of NPS to the CPSEs for its implementation.

(c): The pension fund will be under National Pension Fund System (NPS) introduced by the Central Government and NPS is operated under strict supervision of PFRDA.
