GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
STARRED QUESTION NO. *207

ANSWERED ON MONDAY, 3 AUGUST, 2026/ SHRAVANA 12, 1948 (SAKA)

Unified Pension Scheme

*207. SHRI JANARDAN SINGH SIGRIWAL

Will the Minister of FINANCE be pleased to state:

(a) whether the Unified Pension Scheme (UPS) has been operationalised for eligible Central Government employees, if so, the details thereof, including the number of employees who have opted for the Scheme;
(b) whether the Government has reviewed the implementation and performance of the UPS since its introduction, if so, the details thereof and the findings of such review;
(c) whether the Government has received representations, suggestions or demands from employees' associations, pensioners' organisations or other stakeholders seeking replacement, modification or withdrawal of the UPS, if so, the details thereof;
(d) whether the Government has examined the feasibility of replacing the Unified Pension Scheme with any alternative pension framework, if so, the details thereof including the alternatives considered and their financial implications; and
(e) whether the Government proposes to make any changes to or replace the Unified Pension Scheme based on stakeholder feedback and feasibility assessments and if so, the timeline fixed for taking a decision in this regard?

ANSWER

THE MINISTER OF FINANCE
(SMT. NIRMALA SITHARAMAN)

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

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STATEMENT REFFERED TO IN LOK SABHA STARRED QUESTION NO. *207 REGARDING "UNIFIED PENSION SCHEME" RAISED BY SHRI JANARDAN SINGH SIGRIWAL, HON'BLE MEMBER OF PARLIAMENT ANSWERED ON 03.08.2026.

(a) Unified Pension Scheme (UPS), notified on 24.01.2025, has been introduced as an option under National Pension System (NPS) with the objective of providing assured monthly payout after retirement to the Central Government employees covered under the NPS. UPS was also available to past retirees who superannuated or retired on or before 31.03.2025 under NPS and had completed 10 years of regular service, as well as to the legally wedded spouse of such eligible deceased retirees. The UPS has been envisaged to address the demand of the employees covered under NPS regarding assured pension after retirement while ensuring fiscally responsible funded and contributory pension scheme. UPS became effective from 01.04.2025 and the last date for exercising the option to migrate to UPS was 30.11.2025. The total number of employees, including new joinees, existing employees and past retirees, who opted for UPS, as on 19.07.2026 is 1,18,195.

(b) As the scheme has been rolled out w.e.f. 01.04.2025, Government has not reviewed the implementation and performance of the UPS as on date.

(c) Based on the representations from employees and associations, the cut-off date to opt for UPS was extended upto 30.11.2025. The Government extended the benefit of 'Retirement gratuity and Death gratuity' under the provisions of the Central Civil Service (Payment of Gratuity under National Pension System) Rules, 2021, to the Central Government employees covered by UPS. Further, the Government employees who opted for UPS under NPS shall also be eligible for option for availing benefits under the CCS (Pension) Rules, 2021, or the CSS (Extraordinary Pension) Rules, 2023, in the event of death of the Government servant during service or his discharge on the ground of invalidation or disablement. The Government also extended tax benefits to UPS as available to NPS.

Additionally, the Government allowed the Central Government employees, who opted for UPS, one-time one-way switch facility to revert to NPS.

(d) & (e) UPS has been introduced as an option under NPS for the employees of Central Government who are covered under the NPS. As on date, there is no proposal under consideration to make any changes or replace the UPS.

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