

Ministry of Finance
Department of Expenditure
LOK SABHA
UNSTARRED QUESTION NO.2072
TO BE ANSWERED ON MONDAY, AUGUST 5, 2024/ /14 SHRAVANA, 1946 (SAKA)

RESTORATION OF OPS

QUESTION

2072: Shri Raja A:
Shri S Venkatesan:
Shri Anand Bhadauria:

Will the Minister of FINANCE be pleased to state:

- (a) whether a Committee was set up under the chairmanship of Shri Somanathan, Secretary Finance to study the issues related to National Pension Scheme and suggest improvements;
- (b) if so, the details thereof and if not, the reasons for delay along with the current status of the said committee;
- (c) whether the report has been submitted by the Committee;
- (d) whether the Government Employees Associations have been struggling and also demanding restoration of Old Pension Scheme instead of contributory pension scheme and if so, the response of the Government thereto;
- (e) whether it is a fact that some State Governments have also restored OPS for their employees and if so, the details thereof; and
- (f) whether the Government is not in favour of restoring OPS to its Government servants and if so, the reasons therefor?

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHOUDHARY)

(a), (b) & (f): Yes. In pursuance of the announcement made by the Finance Minister in the Lok Sabha on 24.03.2023, the Central Government has constituted a Committee being chaired by the Finance Secretary. The composition and Terms of Reference of the Committee are as under:

Composition:

- | | | |
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| i. Finance Secretary & Secretary (Expenditure) | : | Chairman |
| ii. Secretary, Department of Personnel & Training,
Ministry of Personnel, Public Grievances and Pensions | : | Member |
| iii. Additional Secretary (Pers), Department of Expenditure,
Ministry of Finance | : | Member |
| iv. Chairman, Pension Fund Regulatory & Development
Authority (PFRDA) | : | Member |

Terms of Reference

- i.** Whether in the light of the existing framework and structure of the National Pension System, as applicable to Government employees, any changes therein are warranted;
 - ii.** If so, to suggest such measures as are appropriate to modify the same with a view to improving upon the pensionary benefits of Government employees covered under the National Pension System, keeping in view the fiscal implications and impact on overall budgetary space, so that fiscal prudence is maintained to protect the common citizens.
- (c)** The Committee has made considerable progress in its work but has not submitted its final report.
- (d)** Representations have been received from time to time to restore OPS. The same are placed before the Committee constituted to review the pension system.
- (e)** State Governments of Rajasthan, Chhatisgarh, Jharkhand, Punjab and Himachal Pradesh have informed the Central Government/PFRDA about their decision to restart Old Pension Scheme (OPS) for their State Government employees. However, Government of Punjab continues to make contributions to the National Pension System.
