

Press Release

The Government of India has approved the Operational Guidelines for the Swavalamban Scheme which was announced in the Finance Minister's Budget speech of 2010-11. The Scheme is applicable to all citizens in the unorganised sector who join the New Pension Scheme (NPS) subject to their meeting the eligibility criteria. Under this Scheme, Central Government will contribute Rs. 1000 per year to each NPS account opened in the year 2010-11 and for the next 3 years, i.e., 2011-12, 2012-13 and 2013-14. To be eligible, a person will have to make a minimum contribution of Rs. 1000 and maximum contribution of Rs. 12000 per annum, for both Tier-I and Tier-II accounts taken together.

2. In recognition of their faith in the NPS, all NPS accounts opened in the year 2009-10 will also be entitled to the benefit of Swavalamban, subject to fulfillment of the eligibility criteria. A person will have the option to join the NPS as an individual as per the existing scheme or through the CRA Lite approved by PFRDA. The exit from the Swavalamban Scheme would be on the same terms and conditions on which exit from Tier-I account of NPS is permitted and will be subject to the condition that the minimum pension out of the accumulated pension wealth would be Rs. 1000 per month, in accordance with the provisions of Operational Guidelines.

3. The Scheme will be funded by grants from the Government of India.

4. These Guidelines have also been placed on the website of PFRDA www.pfrda.org.in.