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**PRESS RELEASE**

National Pension System (NPS) for Non Resident Indians (NRIs)

The Government of India has launched the National Pension System (NPS) for the benefit of 10 million Non-Resident Indians (NRIs) so as to provide old age security to Indians, both in India and abroad.

2. While most NRIs remit a large part of their earnings to India, in the form of bank deposits, share investments, real estate acquisitions etc., unfortunately very little is saved for old age financial security. It is in this context that the National Pension System (NPS) has been launched by the Government of India (GOI) and supervised by the Pension Fund Regulatory and Development Authority (PFRDA), New Delhi.

3. Although NPS was initially launched for government and semi-government employees w.e.f. 1 January 2004, it has now been made available to every Indian citizen from May 2009 on a voluntary basis. The scheme is open to all citizens of India, whether resident or non-resident between 18-60 years of age. Till 31 March 2015, the NPS had a total of 8.5 million subscribers and manages around Rs. 80,000 crore of funds.

4. The NPS is a well regulated and transparent scheme. It is portable across geographies and employments. It being technology driven, subscribers can view their accounts online. It has laid down prudent investing norms for the fund managers, and their performance and portfolios are regularly monitored by the NPS Trust and under the overall supervision of the PFRDA, the statutory regulator. The scheme offers complete flexibility to investors in terms of choice of investment mix. The investor decides the percentage of the corpus that goes into equities, corporate bonds and government securities, with the only limitation being that there is a 50% cap on the exposure to equities. Hailed as one of the lowest cost pension products in the world, its returns have generally outperformed the market. The returns under the Citizen scheme, which would be applicable to NRIs, are given below:

**Returns on Annual compounding basis on the various schemes**

**under NPS since inception**

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|  | **Compound Annual Growth Rate****(Since inception)** |
| **Scheme** | **For the period ending 31.03.2014** | **For the period ending 30.09.2014** |
| E (Equity) | 9.20% | 12.84% |
| C (Corporate Debt) | 10.53% | 10.84% |
| G (Govt. Securities)  | 7.93% | 8.79% |
| Pvt. Sector Overall (Weighted Average) | 7.67% | 9.15% |

5. For more details on the NPS, Mrs. Sumeet Kaur Kapoor, General Manager, Pension Fund Regulatory and Development Authority (PFRDA), New Delhi can be contacted either by e-mail at sumeet.kapoor@pfrda.org.in or by telephone at +91-11-26897937. Details on the NPS are also available on PFRDA’s website: [www.pfrda.org.in](http://www.pfrda.org.in).

**9 April 2015**