

The Government has provided adequate allocations in the Budget, for flagship programmes like National Rural Employment Guarantee Scheme, Sarva Siksha Abhiyan, National Programme of Midday Meals in schools, Integrated Child Development Services Scheme, National Rural Health Mission and Bharat Nirman. The share of Central Government expenditure on social services and rural development, in total expenditure has increased from 15.48 per cent in 2007-08 to 19.44 per cent in 2008-09 (revised estimates).

(c) The Plan outlay of Ministry of Minority Affairs has been enhanced from Rs.1,000 crore in 2008-09 (BE) to Rs.1,740 crore in 2009-10, registering an increase of 74 percent. This includes Rs.990 crore for Multi Sectoral Development Programme for Minorities in selected minority concentration districts, Grants-in-aid to Maulana Azad Education Foundation which is almost doubled and provision for National Minorities Development and Finance Corporation and Pre-Matric and Post-Matric Scholarships for Minorities. Allocation have also been made for the new scheme of National Fellowship for Students from the Minority Community and Grants-in-aid to Central Wakf Council for computerization of records of State Wakf Boards. These funds are for the use of minorities in the entire country including Uttar Pradesh. The Government of Uttar Pradesh has made a provision of Rs.995.80 crore in the budget of 2009-10 for minorities.

Popularization of the New Pension Scheme

†1049. SHRI SUBHASH PRASAD YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether Government has put forward some proposals to make the New Pension Scheme popular;

(b) if so, the details thereof;

(c) whether Pension Fund Regulatory Authority has requested his Ministry for special relaxation in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):
(a) and (b) Yes, Sir. In the Finance Bill, 2009, the Government has proposed to provide necessary fiscal support to the New Pension System (NPS). Accordingly, it has proposed to exempt the income of the NPS Trust from income tax and any dividend paid to this Trust from Dividend Distribution Tax. Similarly, all purchase and sale of equity shares and derivatives by the NPS Trust will also be exempt from the Securities Transaction Tax. Further, it is also proposed to amend Section 80 CCD of Income Tax Act, 1961 to extend the benefit of this section to all individuals participating in the NPS.

(c) and (d) The PFRDA had requested the Government to extend to the NPS the benefit of Exempt-Exempt- Exempt tax status, as available to other savings schemes like PPF, GPF, EPF, Life Insurance etc.; bear the cost incurred on NPS intermediaries in the initial years; and extend the tax benefit available under section 80 CCD of the Income Tax Act to the self-employed persons.

†Original notice of the question was received in Hindi.