

Return on funds collected by NSDL

3378. SHRI NEERAJ SHEKHAR:

SHRI ALOK TIWARI:

SHRI ARVIND KUMAR SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) the details of return on fund collected by NSDL under New Pension System (NPS) during 2013-14 and 2014-15, so far;
- (b) whether total return on NPS fund since its inception is very unsatisfactory;
- (c) if so, the reasons therefor;
- (d) the reasons for denying Death-Cum-Retirement Gratuity (DCRG) to retirees under NPS;
- (e) whether Government would restore payment of DCRG to retirees under NPS in view of the fact it is paid as reward for service;
- (f) if so, the details thereof; and
- (g) if not, the steps Government would take to make NPS attractive?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (c) The returns generated under National Pension System (NPS) during 2013-14 and 2014-15 are as under:

Schemes	Compound Annual Growth rate (%) for the period ending	
	2013-14	2014-15 (September 2014)*
Central Government	9.11%	9.73%
State Government	8.59%	9.41%
Scheme E	9.20%	12.84%
Scheme C	10.53%	10.84%
Scheme G	7.93%	8.79%

* calculated on the basis of unaudited figures.

The National Securities Depository Limited (NSDL) performs the record keeping function under NPS.

(d) to (g) The benefits of Gratuity and pension/family pension have been provisionally allowed *vide* Department of Pension and Pensioners' Welfare OM No.38/41/06-P & PW (A) dated 5.5.2009. This is in respect of Central Government employees covered by the NPS in cases where a Government servant is retired on invalidation/disability and in the case of death of a Government servant in service, on same rate as are applicable under the old Pension Scheme as per Rule 50 of CCS (Pension) Rules 1972.

Complaints against rate of interest on loan

3379. DR. T.N. SEEMA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has received a number of complaints that usurious interest (including processing and other charges) are levied on loans and advances by public/private sector banks across the country;

(b) if so, the details thereof and the reaction of Government thereto;

(c) the corrective steps taken or proposed to be taken by Government;

(d) whether the Reserve Bank of India (RBI) has framed any guidelines to regulate lending rate of interest on various loans offered by the public or private sector banks; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) Reserve Bank of India (RBI) has informed that fifteen Offices of Banking Ombudsmen in India, handle complaints received on deficiency of banking services, under the Banking Ombudsman Scheme, 2006. There are 27 grounds of complaints specified in the Scheme on which customers can approach Banking Ombudsmen. However, "Usurious interest levied by banks on loans and advances" is not a specific ground of complaint under the Banking Ombudsman Scheme.

(c) to (e) RBI has deregulated the interest rates on advances sanctioned by Scheduled Commercial Banks, with effect from October 18, 1994 and these interest rates are determined by banks themselves with the approval of their Boards. In terms of RBI's circular dated May 7, 2007 on 'Complaints about Excessive Interest Charges by Banks' advised the banks to lay out appropriate internal principles and procedures so that usurious interest, including processing and other charges, are not levied by them on loans and advances.