

(e) if so, what will be the real rate of return benefit to the beneficiaries at the time of maturity?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (c) The minimum rate of return implicit in the Atal Pension Yojana is 8% during the accumulation phase, which may extend from a period of 20 to 42 years, depending upon the age of the subscriber at entry, and around 7% during the annuity phase covering the life of the subscriber and the spouse. Investments in recurring deposits and or fixed deposits of banks are for shorter periods and subject to interest rate variation and reinvestment rate risks and therefore cannot be compared with APY where a minimum rate of return is being guaranteed by the Government for a long period of time. The interest and reinvestment rate risks are borne by the Government for this period.

It may be stated that Government would guarantee the minimum pension under APY, however, if the actual returns on the pension contributions are higher than the assumed returns for minimum guaranteed pension, over the period of contribution, such excess shall be credited to the subscriber's account, resulting in enhanced scheme benefits to the subscribers.

(d) and (e) The pension benefits under APY are not inflation adjusted. As regards the comparison of APY yield with those under NPS, it may be stated that since APY also uses the NPS architecture and the investment guidelines are the same, the actual return under APY will be the same as from NPS.

#### **Delay in construction of IRDA building**

†1695. SHRI JAVED ALI KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the time-limit for construction of the headquarters building of the Insurance Regulatory and Development Authority of India (IRDAI) located at Hyderabad has passed and the construction is being delayed; if so, the reasons therefor; and

(b) whether the loss to be incurred in IRDA due to cost overrun owing to delay in construction has been assessed; if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) The Insurance Regulatory and Development Authority of India (IRDAI) has informed that IRDAI building project was originally entrusted to Andhra Pradesh Industrial Infrastructure Ltd. (APIIC), Hyderabad, an undertaking of erstwhile combined State of Andhra Pradesh on deposit basis and the construction work commenced in May

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†Original notice of the question was received in Hindi.

2011. The building which was constructed up to 2nd floor got stalled due to abandonment by their contractor despite grant of time limits and persuasion to speed-up the completion of the project. APIIC Ltd. finally conveyed their inability to complete the project due to their involvement in other big projects. Subsequently the Authority has entered into a Memorandum of Understanding (MoU) with CPWD in 2014 for completing the building project. Accordingly revised tenders were floated and balance work of construction of IRDAI building has been awarded with project completion period of 21 months from the date of issuance of Acceptance Letter by CPWD to the contractor on 27th April 2015. The building construction has recommenced and it is in progress.

(b) The estimated cost of construction in 2010 (22nd October 2010) was ₹ 116.40 crore and the revised estimate of construction in August 2014 (25th August 2014) was ₹ 165.73 crore.

#### **Service Tax and Service Charges levied by restaurants**

1696. PROF. M.V. RAJEEV GOWDA : Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry is planning to provide instructions and to create awareness campaigns about the difference between Service Tax and Service Charges levied by hotels and restaurants; and

(b) whether the Ministry intends on taking action against those hospitality services providers who charge high service charges in addition to Service Tax, thereby burdening the public, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA) : (a) Ministry has issued a Press Release clarifying that the service charges charged in the bills issued by restaurants/hotels/eateries, are not 'service tax' imposed by the Government and collected on behalf of the Government, as tax. The service charges are collected by restaurants/hotels/eateries and retained by them.

(b) Charging of service charges by restaurants is not an offence under the Finance Act, 1994 and hence the question of taking action against them does not arise.

#### **Free treatment to the patients belonging to EWS Category**

1697. SHRI DARSHAN SINGH YADAV:

SHRI P. BHATTACHARYA:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state whether Government has issued or proposes to issue any directions to the private hospitals