

Government has made a conscious move to shift from the defined benefit pension scheme to defined contribution pension scheme *i.e.* National Pension System (NPS) due to rising and unsustainable pension bill. The transition also has the added benefit of freeing the limited resources of the Government for more productive and socio-economic sectoral development. There is no proposal to replace the NPS with old pension scheme in respect of Central Government employees recruited on or after 01.01.2004.

**Implementation of standing committee recommendation  
(JCM) on pensions**

2114. SHRI BINOY VISWAM: Will the Minister of FINANCE be pleased to state:

(a) average amount of pension given under National Pension System to Government employees under CCS (Pension) Rules, 1972 and to those recruited on or after 1 January, 2004, the details thereof;

(b) the recommendation of Standing Committee of the National Council (JCM) held on 14 December, 2007, whether Government implemented this recommendation, if not, the reasons for not implementing; and

(c) whether Government has made any assurance to the employees that pension for the new recruits after 1 January, 2004 will not be less than the pension under CCS Pension Rule, 1972, and the progress made against this assurance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) As informed by the Department of Pension and Pensioners' Welfare (DPPW), under the CCS (Pension) Rules, 1972, applicable to Government servants before 01.01.2004, after completing a qualifying service of not less than 10 years, an employee is entitled to a pension @50% of his last pay or 50% of average emoluments for the last 10 months, whichever is more beneficial to him/her.

Further, the Government servant appointed on or after 01.01.2004 is covered under National Pension System (NPS), the amount of pension/annuity admissible to employee on exit from NPS depends on the accumulated pension wealth of the Government employee in his pension account.

(b) and (c) Pursuant to the recommendations of the 7th CPC, a Committee of Secretaries was constituted to suggest measures for streamlining NPS. The Committee after examination and consultation with various stakeholders and Staff side (JCM) under NPS submitted its report on 28.02.2018. Based on the Committee's recommendations, the Government on 06.12.2018 has approved proposals to streamline NPS and to

ensure a sustainable minimum pension delivery. The measures are as follows:—

- (i) Enhancement of the mandatory contribution by the Central Government for Tier I accounts of its employees covered under NPS from the existing 10% to 14%. The employees' contribution rate would remain at the existing 10%.
- (ii) Providing freedom of choice for selection of Pension Funds and pattern of investment to central Government employees.
- (iii) Tax exemption limit for lump sum withdrawal on exit has been enhanced to 60%. With this, the entire withdrawal will now be exempt from income tax.

#### **Amending NDPS Act**

2115. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government has received any recommendation from the Government of Punjab to initiate the process of amending the Narcotic Drug and Psychotropic Substances (NDPS) Act, 1985 to provide for more deterrent punishment for the 1st time drug smugglers and peddlers and if so, the details thereof; and

(b) what action Government has taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) Yes Sir, Ministry of Finance has received a letter dated 04.07.2018 from Chief Minister of Punjab requesting therein for awarding of death penalty even for first time offenders under NDPS Act 1985 by making suitable amendments.

(b) A reply has been sent to Chief Minister of Punjab on 09.08.2018 intimating that NDPS Act 1985 already provides for stringent punishments including death sentence and heavy fine for violations of various provisions of the act, therefore there is no need for any further amendments to enhance the punishment/penalty at present.

#### **59 minutes loan scheme to MSME sector**

2116. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government has recently announced 59 minutes loan scheme for the MSME sector and if so, the details thereof; and

(b) the number of persons who have been advanced loan under this scheme along with the loan amount sanctioned to each?