

(c) Economic growth remains high on the agenda of the Government. To boost the economic growth further, Government has announced various measures in the Budget 2019-20; which, *inter alia*, include, further liberalisation of Foreign Direct Investment policy, increasing the annual turnover limit from ₹ 250 crore to ₹ 400 crore for a lower corporate tax rate of 25 percent, additional income tax deduction of ₹ 1.5 lakh on the interest paid on loans taken to purchase electric vehicles and moving the GST council for reduction of GST rate on electric vehicles from 12 per cent to 5 per cent. Government has also increased the scope of voluntary pension scheme for retail traders and shopkeepers with an annual turnover of less than Rs 1.5 crore. The budget provides a push to infrastructure development with the intention to invest Rs 100 lakh crore in infrastructure over the next five years and by restructuring of National Highway Programme. Scheme of Fund for Upgradation and Regeneration of Traditional Industries (SFURTI) has been started to facilitate cluster based development to make the traditional industries more productive, profitable and capable for generating sustained employment opportunities. Customs duty on certain raw materials and capital goods has been reduced to promote domestic manufacturing. Earlier, Government had expanded the cash transfer scheme “PM-Kisan” providing an income support of ₹ 6000 per year to all farmers, which was limited to farmers with a land holding of less than 2 hectares. Further to give focused attention to issues of growth, the Government has constituted a five-member cabinet committee on investment and growth chaired by Hon’ble Prime Minister.

Pensionary benefits under NPS on voluntary retirement

3404. SHRI RAVI PRAKASH VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether voluntary retirement is allowed to employees of Central Government covered under NPS after completion of 20 years of service on the lines of old pension scheme;

(b) if so, the details thereof;

(c) the details of pensionary benefits and other retirement benefits available/allowed under NPS to employees who voluntarily retire;

(d) whether Government would increase its contribution to 20 per cent from 14 per cent under NPS in view of dismal returns on NPS fund to make it more attractive;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) and (b) The features and benefits under National Pension System (NPS) and the old pension scheme are independent. Under NPS, there is a provision for voluntary retirement/exit prior to the age of superannuation, without linking it with the minimum number of 20 years of service.

(c) As per Pension Fund Regulatory and Development Authority (Exits and Withdrawals under the National Pension System) Regulations, 2015, and amendments there under, the provisions for voluntary retirement/exit and the benefits available/allowed under NPS to employees of Central Government who voluntarily retire are as follows:

“3(b) where the subscriber who, before attaining the age of superannuation prescribed by the service rules applicable to him or her, voluntarily retires or exits, then at least eighty per cent out of the accumulated pension wealth of the subscriber shall mandatorily be utilized for purchase of annuity and the balance of the accumulated pension wealth, after such utilization, shall be paid to the subscriber in lump sum or he shall have a choice to collect such remaining pension wealth in accordance with the other options specified by the Authority from time to time, in the interest of the subscribers”

Further, as informed by the Department of Pension and Pensioners' Welfare, the benefit of retirement gratuity and death gratuity has been extended to Government employees covered under NPS on the same terms and conditions as are applicable under CCS (Pension) Rules, 1972.

(d) to (f) Recently, *vide* Gazette Notification dated 31.01.2019, the mandatory contribution by the Central Government for its employees covered under NPS Tier-I has been enhanced from the existing 10% of basic pay + DA to 14% of basic pay + DA. The employees' contribution rate would remain at the existing 10% of basic pay + DA. There is no proposal to increase the contribution to 20 per cent from 14 per cent under NPS.