

GOVERNMENT OF NAGALAND
FINANCE DEPARTMENT
ESTABLISHMENT BRANCH

No.FIN/ESTT-3/04(Pt.)

Dated Kohima, the 22nd September, 2010

OFFICE MEMORANDUM

Sub:- **INTRODUCTION OF NEW DEFINED CONTRIBUTION PENSION SCHEME
EFFECTIVE FROM 1.1.2010 FOR NEW ENTRANTS UNDER STATE
GOVERNMENT SERVICE DEDUCTION OF CONTRIBUTION THEREUNDER.**

Undersigned is directed to refer to this Department notification of even number dated 28.1.2010 introducing the New Defined Contribution Pension Scheme for new entrants in State Government Service w.e.f. 1.1.2010. The said scheme is applicable to all the regular State Government employees who entered service on or after 01.01.2010. With the introduction of this New Pension Scheme, the GPF contribution Scheme shall stand withdrawn in respect of those employees covered by this New Pension Scheme. Instead, they shall contribute 10% of basic pay including Dearness Pay and Dearness Allowance (in the pre-revised scale) and 10% of basic pay including Dearness Allowance in the revised scale under ROP, 2010) per month as employees' contribution towards pension fund. This will be matched by equal contribution by the Government as employer's contribution. The entire contribution will be invested in the Pension Fund of the employees concerned.

2. Since the agreement with the New Pension Scheme Trust is yet to be finalized and the new pension scheme architecture will take some more time to be put in place, it has been decided to start the deduction of employees' contribution effective from 1.1.2010 immediately to avoid accumulation of arrears. All the departments are, accordingly, informed to start deduction of the employee's contribution in respect of all such employees appointed in the State Government Service on or after 1.1.2010 against sanctioned post on regular basis. The deduction shall be on monthly basis from the monthly salary bill of the concerned employees starting from the salary of September, 2010 payable in October, 2010 onwards. The arrear portion of contribution for the period 1.1.2010 or from the date of appointment, as the case may be, to 31.8.2010 shall be deducted in one installment from the ROP arrears if due to such employees; in other cases, the same should be recovered in 5 monthly installments from salary of subsequent months. The amount of monthly contribution shall be rounded to hundred of rupees by ignoring fraction less than Rs.100/-.

3. The employees' contribution shall be deposited in the Treasury under the Head of Account : "8342 - Other Deposits - 117 - Defined Contribution Pension Scheme (Employees' Contribution under New Pension Scheme)" through Treasury Challan by way of deduction from monthly salary bills. Name and designation of the employees in respect of whom the contribution have been made, amount against each and the month to which it relate shall be indicated in the statement at Annexure-I to be attached to the Treasury challan and the challan shall be prepared in Quadruplicate. One copy shall go to Accountant General Office with the salary bill, second copy shall be retained by the Treasury and third and fourth copies shall be returned to the DDO for record and further necessary action as prescribed in the following manner

4. Each DDO shall maintain a register in the proforma indicated in Annexure-II in which record of all such deductions made towards employee's contribution shall be entered on monthly basis at the time of preparation of the pay bills. On receipt of copies of Treasury challan, the challan number and date shall also be recorded in the register in appropriate column. Immediately, after the end of a month, the DDO shall make out a copy of the entries made in the register during the previous month and submit the same to their Head of Department (in duplicate) together with one copy of the Treasury challan. The other copy of the Treasury challan shall be retained by the DDO in his office.

5. The concerned Head of Department shall prepare an abstract statement as in Annexure-III incorporating all the statements received from his sub-ordinate officers (DDOs) for each month and submit the same together one copy of the statement in Annexure-II received from the respective DDO and copies of Treasury challan to the Director of Treasuries and Accounts on monthly basis.

6. The Director, Treasuries and Accounts shall compile all the statements in Annexure-III received from all the Heads of Department on monthly basis in a consolidated statement as per Annexure-IV and submit a copy of the same to Finance Department every month. He shall also maintain a "Master Register" showing employee-wise and month-wise deduction made as employees' contribution towards the Pension Fund in Annexure-V. The Director, Treasuries and Accounts shall retain the original copies of Annexure-III received from the Heads of Departments together with copies of Annexure-II and copies of Treasury challan in his office for safe custody.

7. This OM is issued in supersession of this department earlier OM of even number dt. 16.9.2010 on the subject.

Sd/-

(TOSHI ATER)

Addl. Chief Secretary & Finance Commissioner

No.FIN/ESTT-3/04(Pt-)

Dated Kohima, the 22nd September, 2010

Copy to:-

1. The Accountant General, Nagaland, Kohima.
2. All Administrative Heads of Departments in Nagaland.
3. All Heads of Departments in Nagaland.
4. The Commissioner & Secretary to the Governor, Raj Bhavan, Kohima.
5. The Secretary, Nagaland Legislative Assembly Secretariat.
6. The Vigilance Commissioner, Nagaland.
7. The Secretary, NPSC.
8. The Director, Treasuries & Accounts, Nagaland, Kohima.
9. All Treasury Officers/Sub-Treasurers, etc.

with the request to bring it to the notice of their respective HoDs/Offices and DDOs for necessary action.