

GOVERNMENT OF NAGALAND
FINANCE DEPARTMENT
ESTABLISHMENT BRANCH (ROP CELL).

OFFICE MEMORANDUM

NO.FIN/ESTT-3/04(Pt-II)

Dated Kohima, the 27th August, 2012.

Sub: Implementation of New Defined Contribution Pension Scheme.

Reference is made to this Department notification No. NO.FIN/ESTT-3/04(Pt) dated 28.01.2010 whereby the New Defined Contribution Pension Scheme was introduced for the new entrants to the service of the State Government of Nagaland with effect from 01.01.2010. Pending finalization of the architecture of the New Pension Scheme, the procedure for deduction of employees contribution, Head of Account under which such contribution shall have to be credited and records to be maintained were specified in this Department subsequent O.M. No. FIN/ESTT-03/04 (pt) dated 22.09.2010. The New Pension Scheme is equally applicable to the new entrants belonging to the All India Service but in their case the effective date is 01.01.2004.

2. The New Pension Scheme architecture is now put in place in collaboration with the National Securities Depository Limited which is the authorized Central Record Keeping Agency under the Scheme. As such, with a view to operationalise the Scheme and to start up-loading of contribution to the Pension Fund Account following decisions are taken for compliance by all concerned:

- (i) The State Government shall pay interest for the legacy period on the accumulated contribution already made by the employees towards the Pension Fund and which are lying in state Government Account. The interest will be admissible for the period from the date of actual deduction/credit into Government Account till date prior to the date of up-loading of the contribution into the system. The rate of interest and method of calculation shall be the same as in case of interest on GPF contribution.
- (ii) The arrear contribution of the Government (employer) including interest shall be equal to the contribution made by the employee concerned and interest thereon. The employer's (Government) matching contribution before interest shall not exceed 10% of pay (basic pay plus dearness allowance) of the employee concerned. The Director of Treasuries & Accounts shall work out the amount (both contribution and interest) for each employee and submit the proposal to the Finance Department for expenditure sanction and Drawal Authority. The proposal shall be in three parts, one for employee's share, one for employer's share and one for interest.
- (iii) The State Government employees appointed on regular basis against sanctioned posts and All India Service Officers who are covered by the New Pension Scheme and who are yet to contribute their share under the New Pension Scheme are hereby given the option for arrear contribution either on monthly basis or on lump sum installment(s). The Head of Account for deduction/credit of employees contribution (including AIS Officers) is the same, that is, "8342- Other Deposit- 117 - Defined Contribution Pension Scheme (employees' contribution under New Pension Scheme)". Only in case of contribution in respect of AIS Officers, the word "All India Service Officers" may be added for easy identification.
- (iv) In order to expedite the process of uploading of contribution to the NPS system, the current monthly contribution for the month of September, 2012 onward shall be compiled by the Directorate of Treasuries & Accounts on monthly basis and both employers' and employees' contribution shall be sanctioned and uploaded into the system by him. Thereafter, monthly report of all such sanction and up-loading shall be submitted by the DTA to the Finance Department every month. To facilitate timely contribution to the Pension Fund, the Director, Treasuries and Accounts is hereby authorized to issue necessary sanctions for this purpose.

- (v) All existing employees covered by the New Pension Scheme (both State and AIS Officers) are to register themselves by submission of prescribed form and obtain their PPAN (Permanent Pension Account Number) from the concerned Treasury Officer latest by 30th September, 2012. No interest on any contribution made without registration shall be admissible beyond this date. All new entrants into the State Government service who will be covered by the New Pension Scheme shall have to register themselves within 30 days of joining service. All the Treasury Officers are directed to stop payment of salary of all such defaulting employees who fail to register themselves within the time as specified above.
- (vi) In respect of those employees who were covered by the New Pension Scheme and who have made contribution to the Pension fund but have left service or died or discharged on invalidation/disablement before the contribution are up-loaded into the system, their share of contribution together with Government contribution and interest thereon shall be withdrawn from Government account and refunded to them/family member, as the case maybe. For this, Director, Treasuries and Accounts shall submit necessary proposal to the Finance Department on case to case basis. Subsequently, if any pensionary benefits are granted to such employees, the amount of Government contribution and interest thereon already paid if any, shall be adjusted from such pensionary benefit.
3. All Departments concerned are requested to bring this O.M to the notice of their employees covered by the New Pension Scheme for information and compliance.

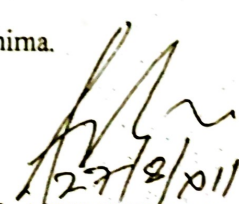
Sd/-
(TOSHI AIER)
Additional Chief Secretary & Finance Commissioner.

NO.FIN/ES TT-34/04(PT-II):

Dated Kohima the 27th August 2012.

Copy to

1. The Additional Chief Secretary to the Chief Minister of Nagaland, Kohima.
2. OSD to the Chief Secretary to the Government of Nagaland
3. The Secretary to the Governor, Raj Bhavan, Kohima
4. The Sr. P.S/P.S to all Ministers/Parliamentary Secretaries.
5. The Accountant General, Nagaland, Kohima
6. All Administrative Heads of Departments, Government of Nagaland, Kohima.
7. The Secretary, Nagaland Legislative Assembly
8. The Secretary, NPSC
9. All Heads of Department, Government of Nagaland, Kohima/Dimapur
10. All Deputy Commissioners/Additional Deputy Commissioners, Nagaland
11. The Resident Commissioner, Delhi/Joint Resident Commissioner, Guwahati & Kolkata/Assistant Resident Commissioner, Shillong.
12. The Director of Treasuries & Accounts, Nagaland, Kohima for information and necessary action.
13. All Lead Branches of the State Bank of India
14. The President, Nagaland Pensioner Association, Kohima.
15. Guard file.


(K. ASHI KHEIYA)
Officer- on - Special Duty (Revenue)