

Circular No. 146

No. AT/Tech/NPS/354
O/o the Pr. C.D.A. (P), Allahabad
Date: 01.11.2010

To,

1. The C.M.Ds, Public Sector Banks.....
2. The Director of Treasuries of all states.....
3. The Pr.CDA (W.C.), Chandigarh
4. The CDA (PD), Meerut
5. The CDA, Chennai
6. Nodal Officer of ICICI Bank, IDBI Bank, Axis Bank and HDFC Bank.
7. Military and Air Attache, Indian Embassy Kathmandu, Nepal.
8. The Pay & Accounts Officers.....
9. The Post Master.....

Sub: - Additional Relief on death/disability of Government Servants covered by the new Defined Contribution Pension System (NPS).

On introduction of the New Pension Scheme, among others, the Central Civil Services (Pension) Rules, 1972 and the Central Civil Services (Extraordinary Pension) Rules were amended on 30.12.2003. Under the amended Rules, the benefits of Invalid Pension/Disability Pension and Family Pension/Extraordinary Family Pension/Liberalized Pensionary Award relief are not available to the Government servants appointed on or after 1.1.2004.

2. A High Level Task Force (HLTF) constituted by the Government has recommended certain additional benefits that can be provided on death or discharge on invalidation/disability of a Government servant covered by the New Pension Scheme. It is likely to take some time before the Rules regulating these benefits under the New Pension System are put in place.

3. Meanwhile, considering the hardships being faced by the employees appointed on or after 1.1.2004 who are discharged on invalidation/disablement and by the families of such employees who have died during service since 1.1.2004. Govt. has decided that these additional benefits/relief on death may be paid to these pensioner on its notification from PSAs. The procedure to be adopted by the PDAs in payment of these benefits are as under:-

- (i) The pensioners of the above category may open joint Account with spouse only (to whom pension is payable in the event of death of the pensioner). The conditions stipulated in the scheme for payment of pension to Defence pensioners through Public Sector Banks and Defence Pension Payment Instructions 2005 will apply Mutatis Mutandis to these pensioners also.
- (ii) The PDA will establish genuineness of the PPO with reference to guidelines provided to them under the scheme and instructions mentioned at Para (i) above. For this purpose, separate series of PPO, Corr. PPO will be provided to them well in advance as provided in the case of other Defence Pensioners.
- (iii) The PDAs are required to complete identification formalities of the pensioners as required under the scheme for payment of pension to Defence Pensioners by Public Sector Banks and Defence Pension Payment Instructions before acting upon these series of PPOs also.

After identification of the pensioner, his copy may invariably be handed over by the PDAs.

- (iv) The PDA will be responsible for obtaining periodical certificates such as life certificate, Marriage/non marriage certificate etc on due dates as prescribed in the scheme for payment of pension to Defence Pensioners through Public Sector Banks and Defence Pension Payment Instructions 2005.
- (v) The PDA will have to obtain an undertaking from the pensioner that excess payment, if any, credited to his/her account due to delayed receipt of any information or due to any bonafide error can be recovered by the PDA. However, recovery will be effected as per existing Govt. orders.
- (vi) The benefits to above mentioned central Govt. civil servants covered by the New Pension Scheme is on provisional basis till further order. Therefore, the PDA will maintain separate record of these pensioners as distinct from other Defence pensioners.
- (vii) Any change in the PDA of pensioner will take place as provided in the scheme for payment of pension to Defence Pensioners through Public Sector Banks and Defence Pension Payment Instructions 2005. However, such change will invariably be intimated by the former PDA to PCDA (P) Allahabad. The account if closed by the pensioner will also be intimated by the PDA to PCDA (P) Allahabad immediately.
- (viii) PDA will workout arrears of Dearness Relief as and when these are sanctioned by the Govt. and arrange to credit it to the pensioners/family pensioners account without its further authorization from the office of PCDA (P) Allahabad.
- (ix) The PDA will also issue pension slip to these categories of pensioners at the time of first payment and also when any change takes place in the quantum of pension.
- (x) PDA will deduct the Income tax at source from payment of pension/family pension and will issue statement of income tax deducted as per extant rules/ Govt. orders.
- (xi) In case of death of pensioner, the same may be intimated to the PDA by the family members of the deceased immediately and the PDA will inform the same to PCDA (P) Allahabad. The amount lying in the bank account of the pensioners till the date of death is to be paid to the nominee (as per Nomination Rule 1983). If nomination is not available with the PDA, the amount will be paid to the legal heirs of the deceased and/or excess amount refunded as per debit advice issued by the PCDA (P) Allahabad.
- (xii) Discontinuation/Reduction of Provisional Pension in respect of any pensioner should be conveyed to PCDA (P) Allahabad at least one month before the next payment date by the concerned HOO.
- (xiii) PDAs will prepare and send a separate scroll for NPS cases in separate envelope.

In view of the above it is requested that all link branches / paying branches, Treasuries/DPDOs / Defence Pension Paying Officer etc. under your jurisdiction may be instructed suitably to follow the above procedure / guidelines in payment of Additional relief on death or discharge on invalidation/disability of a Government servants covered by the new Defined Contribution Pension System (NPS).

Sd/-
(NIRANJAN KUMAR)
Jt.CDA (P)

Copy to:-

1. The CGDA, ULAN BATAR ROAD, Palam Delhi Cantt-110010- For information w.r.to HQrs. Office letter No. 5162/AT-P/LII/PF/NPS dated 16.9.2010
2. The Pr.CDA (Navy), Cooperage Road Mumbai.
3. The CDA (AF), New Delhi
4. PA to CDA (AT) / CDA (Gts) in Main Office.
5. PA to all Addl. CDA / Jt.CDA, in Main Office.
6. All GOs, in Main Office.
7. Officer-in-Charge, G-I/ M (Tech), G-I/C (Tech) and. Gts /Tech Section (Local).
8. Officer-in-Charge in all section (Local).
9. Officer-in-Charge EDP Centre (Local). For inclusion and uploading at website of this office.



(A.B.Chakraborty)
Accounts Officer (P)