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**GOVERNMENT OF ARUNACHAL PRADESH  
FINANCE DEPARTMENT  
ITANAGAR.**

NO.DAP/PEN/11/2004

Dated Itanagar, the 17<sup>th</sup> November/2007

NOTIFICATION

The Govt. of Arunachal Pradesh has approved introduction of new Defined Contributory Pension Scheme replacing the existing system of defined benefit pension scheme, for new recruits to the State Govt. service on the line of the Scheme introduced by the Govt. of India in respect of Central Govt. employees and AIS officers. The new pension scheme comes into operation with effect from **1-1-2008** and is applicable to all new entrants to State Govt. Service who are appointed on or after **1-1-2008**.

The salient features of the new pension scheme are as under:-

1. The New Pension Scheme will work on defined contribution basis and will have two tiers – Tier - I and II. Contribution to Tier - I is mandatory for all government servants joining Govt. service on or after 1-1-2008
2. In Tier - I, a Government servant will have to make a contribution of 10% of his basic pay plus DP plus DA, which will be deducted from his salary bill every month by the DDO concerned. The Government will make an equal matching contribution.
3. Tier-I Contribution (and the investment returns) will be kept in a non-withdrawable Pension Tier-I Account. Tier-II contributions will be kept in a

separate account that will be withdrawable at the option of the government servant. Government will not make any contribution to Tier -II account.

4. The existing provisions of Defined Benefit Pension and GPF would not be available to new government servants joining government service on or after 1-1-2008.
5. In order to implement the scheme, there will be a Central Record Keeping Agency and several Pension Fund Managers to offer different categories of Schemes to Government servants based on the ratio of investment in fixed income instruments and equities. An independent Pension Fund Regulatory and Development Authorities (PFRDA) will regulate and develop the pension market.
6. Till the regular Central Record Keeping Agency (CRA) and Pension Fund Managers are appointed and the accumulated balances under each individual account are transferred to them, it has been decided that such amounts representing the contributions made by the Government servants and the matching contribution made by the Government will be kept in the Public Account of State. The <sup>by</sup> ~~contribution~~ <sup>contribution</sup> will fetch interest at per GPF. The individual accounts shall be maintained by the Director of Accounts & Treasuries. This will be purely a temporary arrangement.
7. A government servant shall exit at the retirement age of 58 or 60 years as the case may be from the Tier -I of the scheme. At exit, it would be mandatory for him to invest 40 percent of pension wealth to purchase an annuity (from

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an IRDA regulated Life Insurance Company), which will provide for pension for the lifetime of the employee and his dependent parents/spouse. In the case of Government servants who leave the scheme before attaining the retirement age of 58 or 60 years as the case may be, the mandatory annuitisation would be 80% of the pension wealth.

8. No deductions will be made towards GPF contribution from the Government servants joining the service on or after 1-1-2008 as the GPF Scheme is not applicable to them.
9. All the appointing authorities should make it clear in the offer of appointment to the new entrants/recruits on or after 1-1-2008 that the CCS (Pension) Rule - 1972 so far in vogue in the State/General Provident Fund (GPF) shall not be applicable to them.
10. Detailed guidelines will be issued separately.



( Kewal K. Sharma)  
Development Commissioner (Finance)  
Govt. of Arunaachal Pradesh,  
Itanagar.

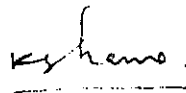
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Memo NO.DAP/PEN/11/2004

Dated Itanagar, the 17th November/2007

Copy to:-

1. The Secretary to Governor, Arunachal Pradesh, Itanagar.
2. The PPS to the Hon'ble Chief Minister, Arunachal Pradesh, Itanagar.
3. The PS to all Ministers/Speaker/Dy-Speaker, Arunachal Pradesh, Itanagar/  
Naharlagun.
4. The PS to Chief Secretary, Govt. Arunachal Pradesh, Itanagar.
5. All Commissioner/Secretaries, Govt. of Arunachal Pradesh,  
Itanagar/Naharlagun.
6. The Joint Secretary (Finance), Govt. of Arunachal Pradesh, Itanagar.
7. The Secretary, Ministry of Finance, Department of Economic Affairs  
(ECB & PR Division), North Block, Govt. of India, New Delhi.
8. The Commissioner/Secretary (Finance) of All States & UTs.
9. All Heads of Department, Govt. of Arunachal Pradesh,  
Itanagar/Naharlagun/Nirjuli.
10. The Resident Commissioner, Govt. of Arunachal Pradesh, Arunachal  
Bhawan, Chanakyapuri, Kautilya Marg, New Delhi.
11. The Deputy Commissioners of all the Districts of Arunachal Pradesh.
12. The Principal Accountant General (Audit), Shillong.
13. The Accountant General (A&E), Shillong.
14. The Director of Information, Public Relation and Printing, Govt. of  
Arunachal Pradesh, Naharlagun for publication in the Official Gazette.
15. The Director of Accounts & Treasuries, Govt. of Arunachal Pradesh,  
Naharlagun for information and necessary action.
16. The Secretary, Arunachal Pradesh Public Service Commission, Itanagar  
for information and necessary action.
17. The Director, NERIST, Nirjuli.
18. The Registrar, Rajiv Gandhi University, Doimukh.
19. The Dy. Registrar, Guwahati High Court, Itanagar Permanent Bench,  
Naharlagun.
20. All Treasury/Sub-Treasury Officers, Arunachal Pradesh.



( Kewal K. Sharma )  
Development Commissioner (Finance).  
Govt. of Arunachal Pradesh,  
Itanagar.