

1(5)/E.V/2011
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 10th July 2011

Office Memorandum

Subject: Implementation of the 'New Pension System' (NPS) – Oversight and monitoring mechanisms.

Reference is invited to this Department's earlier O.M. 1(2)/E.V/2008 dated 3rd February, 2009 wherein Ministries/Departments were required to constitute a Committee comprising Joint Secretary(Admn.) and Principal CCA/CCA to monitor the operationalization of the New Pension System(NPS) in their respective Ministries/Departments.

2. It has now been decided that the composition of these Committees may be broad based to include the Financial Advisers of the Ministries/Departments. The revised composition of the Committee may, accordingly, be as under :

- (1) Joint Secretary(Administration)
- (2) Financial Adviser
- (3) Principal CCA/CCA/CA

3. It is also reiterated that as per the standard operating procedure for NPS, the Principal Accounts Office(Pr.AO) is required to discharge several functions, most of which are in the nature of monitoring performance of the registered nodal offices under its jurisdiction. The nature of activities required to be carried out by the Pr.AO is as under :

- > Consolidate PAO registration form and forward it to CRA for registration.
- > Monitor performance of PAO and DDO in discharging their responsibilities in CRA system.
- > Monitor the resolution of grievances raised against PAO.
- > Take necessary action to ensure compliance of PAO and DDO with the operational procedure of CRA system.

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4. It is, accordingly, reiterated that the Principal Accounts Office shall continue as the oversight authority for NPS even though the Cheque Drawing and Disbursing Officers (CDDOs) have been permitted to directly upload data to the CRA.

5. This issues with the approval of Secretary(Expenditure).



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1(5)/E.V/2011
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 10th July 2011

Office Memorandum

Subject: Implementation of the 'New Pension System' (NPS) - Monitoring by Financial Advisers.

Reference is invited to this Department's earlier O.M. 1(2)/E.V/008 dated 3rd February, 2009 wherein Ministries/Departments were required to constitute a Committee headed by Joint Secretary(Admn.) and the Principal CCA/CCA, to monitor registrations/regular upload of data and fund transfer under the New Pension System(NPS).

2. The position with regard to implementation/operationalization of NP 3 in various Ministries/Departments in the Government of India is being constantly reviewed by the Department of Expenditure. It is observed that while NPS has stabilized to a large degree, there are still areas of concern, particularly, with regard to the following aspects :

- Registration of subscribers through submission of physical forms to National Securities Depository Ltd.(NSDL).
- Regular upload of data (Subscriber Contribution Files) to NSDL and concomitant financial transfers to the Trustee Bank (Bank of India)
- Non-reconciliation of SCFs earlier uploaded leading to delays in crediting Government and subscriber contributions under NPS to Individual Retirement Accounts (IRAs).
- Prompt action on, and resolution of, subscriber grievances, particularly those relating to missing credits.

3. In view of the above, it has been decided that the implementation of NPS, with its various attendant parameters, in each Central Ministry/Department shall now be a 'key performance area' of the Financial Advisers. The Financial Advisers shall, accordingly, with regard to the implementation and monitoring of NPS in their Ministries/Departments, submit a detailed quarterly report to Secretary(Expenditure).

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4. In order to enable the FAs to perform this role more effectively, the composition of the Committee earlier constituted vide Department of Expenditure's orders dated 3rd February, 2009 is now being broad-based to include the FA, in addition to the JS(Admin.) and Principal CCA/CCA/CA in each Ministry. Orders in this regard are being separately issued.
5. This issues with the approval of Secretary(Expenditure).


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