No. 57/1/2016-P&PW(B) Government of India Ministry of Personnel, PG and Pensions Department of Pension and Pensioners Welfare ***

3rd Floor, Lok Nayak Bhawan, Khan Market, New Delhi Dated the 23rd March, 2017

OFFICE MEMORANDUM

Subject: Minutes of the meeting of the Committee to suggest measures for streamlining implementation of the National Pension System (NPS) held on 17.03.2017 -reg.

The minutes of the meeting of the Committee to suggest measures for streamlining implementation of the National Pension System (NPS) held under the Chairmanship of Secretary (Pension) on 17.03.2017 at Sardar Patel Bhawan, New Delhi is hereby forwarded for information and further necessary action.

> (Harjit Singh) Director

Encl. as above.

To,

- 1. Secretary, Department of Financial Services, Jeevan Deep Building, New Delhi
- 2. Secretary, Department of Personnel & Training, North Block, New Delhi.
- 3. Additional Secretary, Department of Pension & Pensioners' Welfare, Lok Nayak Bhawan, New Delhi.
- 4. Ms. Annie George Mathew, Joint Secretary (Pers), Department of Expenditure, North Block, New Delhi-110001
- 5. Shri G.S. Yadav, Joint Secretary and Legal Advisor, Department of Legal Affairs, Shastri Bhawan, New Delhi.
- 6. Shri B. S. Bhandari, Member, Pension Fund Regulatory & Development Authority, B-14/A, First Floor, Chhatrapati Sivaji Bhawan, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110016.
- 7. Shri Shiva Gopal Mishra, Secretary, National Council (Staff side), JCM for Central Government Employees, 13 C, Firozshah Road, New Delhi- 110001.

Copy to:

- 1. PPS to Secretary, Department of Pension & Pensioners Welfare, Sardar Patel Bhawan, New Delhi.
- 2. Shri Suchindra Misra, Joint Secretary, Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi.
- 3. Shri Gyanendra Tripathi, Joint Secretary, Department of Personnel & Training, North Block, New Delhi.
- 4. Shri Pravesh Kumar, DGM, Pension Fund Regulatory and Development 5. Authority (representing Dr. B. S. Bhandari, Member, PFRDA).
- 5. Shri Amar Nath Singh, Director, Department of Expenditure, North Block New Delhi,

Minutes of the Meeting of the Committee to suggest measures for streamlining implementation of the National Pension System (NPS) held on 17.03.2017 at Sardar Patel Bhawan, New Delhi

A meeting of the Committee to suggest measures for streamlining the implementation of the National Pension System was held under the Chairmanship of Shri C. Viswanath, Secretary (Pension) on 17.03.2017 at Sardar Patel Bhawan, New Delhi with JCM (Staff side). The following were present:

Official side

- 1. Ms. Vandana Sharma, Additional Secretary (Department of Pension & Pensioners' Welfare).
- 2. Shri Gyanendra Tripathi, Joint Secretary, Department of Personnel & Training (representing Secretary DoPT).
- 3. Shri G.S. Yadav, Joint Secretary and Legal Advisor, Department of Legal Affairs).
- 4. Shri Amar Nath Singh, Director, Department of Expenditure (representing JS (Pers), Deptt. Of Expenditure).
- 5. Dr. B. S. Bhandari, Member, Pension Fund Regulatory and Development Authority.
- 6. Shri Pravesh Kumar, DGM, PFRDA.

JCM (Staff Side)

- 7. Shri Shiva Gopal Mishra, Secretary, Staff Side (JCM),
- 8. Shri M. Raghavaiah, Leader(JCM Staff Side) & General Secretary, NFIR
- 9. Shri Guman Singh, President, NFIR
- 10. Shri K.K. N. Kutty, President, Confederation of CG employees & Workers
- 11. Shri C. Srikumar, General Secretary/AIDEF, Member National Council, JCM
- 12. Shri R. Srinivasan, General Secretary, INDWF, Member, National Council (JCM).

2. Additional Secretary (Pension) made a brief presentation on the recommendation of the 7th CPC and the decision of the Government on setting up of the Committee, composition of the Committee, formation of three Sub Committees and issues being considered by each of the Sub Committee. The presentation also brought out the issues raised and suggestion made by the employees' Associations and other stakeholders for streamlining the implementation of NPS.

- 3. Thereafter, JCM (Staff side) made following observations / suggestion :
 - NPS amounts to discrimination between employees appointed before and after 01.01.2004 and also between service personnel and civilian employees within Defence Department. Personnel retiring with less service period are getting very little pension with no revision linked to price index. Government employees

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should be excluded from the purview of NPS. In case, however, it was not possible to exempt the Government employees from the NPS, a minimum pension @ 50% of the last pay drawn with dearness relief may be ensured to all NPS employees on their retirement.

- In the Defence Department, the contributions of around 250 employees have not been credited to their NPS accounts and are presumed to be lying in suspense account. The matter should be looked into.
- There is lot of confusion over NPS among employees due to deficiencies in communication of information. Employees are not getting any statement of their deductions / accumulated fund. The statement of transaction i.e. details of contribution made by employees, matching contribution from the Government and the accumulated wealth as on date should be communicated to employees at regular intervals. This may be provided in the form of passbook to the employees in physical form.
 - Employees should be made aware about the grievance mechanism available under NPS and the authorities whom they could approach for redressal of their grievances. Employees should be made aware of the procedure for correction of Name, address and contact details etc. in the NPS account.
 - Rules on entitlements to employees / family on death or disability of an employee covered under NPS may be framed. There may be no objection to giving an option to the employee / family to get family pension / disability pension under the old pension scheme or the benefits under NPS, in the event of death / disability of the employee during service.
 - Study on International practices on the pension should be done and functional difficulties in NPS may be sorted out. Best practices should be adopted after the study.

4. Secretary (Pension) assured that the concern raised by the JCM (Staff side) would be duly considered and addressed in the report of the Committee.

5. The meeting ended with a vote of thanks to the Chair.
