



वित्तीय सलाहकार  
Financial Adviser

Phone : 23711255  
Fax : 23711117

वैज्ञानिक तथा औद्योगिक अनुसंधान परिषद्

अनुसंधान भवन, 2 रफ़ी अहमद किदवई मार्ग, नई दिल्ली - 110 001

**Council of Scientific & Industrial Research**  
Anusandhan Bhavan, Rafi Ahmed Kidwai Marg, New Delhi - 110 001

No.34-2(6)/CSIR/Referral/NPS/2006-07

Dated: 10.10.2008

To  
Directors of all National Labs. / Instts.,

Sir,

I am directed to state that CSIR had been receiving reference from various Labs / Instts in respect of the following issues under NPS:

a) Whether the amount accumulated under Tier-I of the New Pension Scheme in respect of an employee who tenders resignation from the service and applied in writing for refund of the amount accumulated under NPS may be refunded or not

b) What benefits under the NPS will be admissible to Government servant joined on or after 1.1.2004 in case of his/her death.

The above issues were referred to concerned departments and clarified by them as under:-

**Clarification:**

a) Department of Economic Affairs (ECB & PR Division) vide their letter No.34-2(5)/NPS/2004, dated 27.12.2005 had clarified that Employee contribution can continue, however Government will not make a matching contribution in the case of dismissal or removal of employee or resignation by employee. The matter was further examined in consultation with Ministry of Finance. Ministry of Finance, Department of Financial Services, Pension Reforms, North Block, New Delhi-1 vide their letter No.5(2)/2008 PR, dated 10.09.2008 has clarified that under NPS, individuals can normally exit at or after age of 60 years from NPS after mandatorily annuitizing 40% of pension wealth to purchase an annuity from IRDA regulated Life Insurance Company. Individuals would have the flexibility to leave NPS prior to age of 60 years with the mandatory annuitisation of 80% of pension wealth.

b) Department of Economic Affairs (ECB & PR Division) vide their letter No.5(13)/2004-ECB&PR, dated 27.12.2005 had clarified that the deceased employee's own contribution plus Governments matching contribution plus interest at 8% p.a. on both may be paid to the legal heirs immediately. In the matter of other retirement benefits viz. death gratuity and /or ex-gratia payment, CSIR was requested to consult with Department of Pension and Pensioner's Welfare (DP & PW). The matter was further examined in consultation with DP&PW. Department of Pension & Pensioner's Welfare, Lok Nayak Bhawan, New Delhi has clarified that the matter regarding additional benefits (other than NPS) is under consideration.

The above clarification may kindly be brought to the notice of all concerned functionaries and individuals accordingly.

Yours faithfully

  
(S.P. Singh)

Finance & Accounts Officer

Copy to :

1. The Director, National Chemical Laboratory, Pune, with reference to his letter dated 11.7.2008 seeking clarification on the above issue in the case Mr.Venugopal, Ex Scientist-F, who had resigned from the Service.
2. The Director, CSMCRI, Bhavnagar with reference to his letter No.2-1(1412)/2008/Estt. Dated 15.7.2008 seeking on the above issue in the case of Dr.S.K.Mukhopadhyay, Ex.Scientist Gr.IV(2).
3. All Controller of Administration/Administrative Officers of Labs/Instt.,
4. All Controller of Finance & Accounts / Finance & Accounts Officer of Labs/Instt.,
5. Sr.Dy.Secretary / Dy.Secretary / Under Secretary of CSIR Hqtrs.,
6. Head IT with a request to make this circular available on the CSIR Website.,