

TA-3-07001/2/2021-TA-CGA /cs-5365/241

Ministry of Finance
Controller General of Accounts
Department of Expenditure
Mahalekha Niyantrak Bhawan

'E' Block, GPO Complex,
INA, New Delhi – 110023
Dated: 10 July 2026

OFFICE MEMORANDUM

Subject: Interest in case of delayed remittance of NPS Contribution to PFRDA- Reg.

It has come to the notice of this office that the remittance of NPS contribution to PFRDA are being delayed in many cases due to varied reasons. In this regard, attention is invited to the provisions of CCS (Implementation of NPS) Rules, which provides strict timelines for remittance of NPS contributions and further provides for levying of interest in case of delayed remittance beyond the stipulated timelines. Rules also provide for fixing of accountability for such delay by the respective Head of the Departments. The related extant provisions of the CCS (implementation of NPS) Rules are as under:

2 . **Rule 4(10)** states that "In a case where the process of registration of the Government servant in the National Pension System has not been completed before the date of drawal of the salary for the first month or any subsequent month, such salary or salaries shall be paid to the Government servant after withholding the amount of contribution as determined in accordance with rule 6. The amount of the contribution withheld from the salary as well as the amount of interest payable under rule 8 shall be credited to the Individual Pension Account of the Government servant as soon as the process of generation of Permanent Retirement Account Number of Government servant in the National Pension System is completed by the Central Recordkeeping Agency and communicated to the Pay and Accounts Officer or Cheque Drawing and Disbursing Officer."

3. **Rule 8(1)(iii)** states that "crediting of the monthly contributions by the Government to the Individual Pension Account of the Subscriber beyond the time limit prescribed in rule 7, the amount of contribution may be credited to the Individual Pension Account of the Subscriber along with interest for the delayed period. The interest shall be credited to the Individual Pension Account of the employee within a period of thirty days of the crediting of the amount of contribution. **The rate of interest for this purpose would be the rate of interest, as decided by the Government from time to time, for the Public Provident Fund deposits.**"

4. **Rule 8(2)(i)** states that "Every case of delay in registration of the Subscriber in the National Pension System or commencement of contributions under rule 4 or deduction and crediting of monthly contribution of the Subscriber under rule 6 or

crediting of monthly contribution by the Government in the Individual Pension Account of the Subscriber under rule 7 shall be examined by the Head of Department or Chief Controller of Accounts for fixation of responsibility.”

(ii) If the Head of Department or Chief Controller of Accounts is satisfied that the delay is caused on account of administrative lapse, the delinquent official or officials shall be liable to pay the amount of pecuniary loss to the Government on account of payment of interest.

(iii) The responsibility and the amount of liability on the part of the delinquent official or officials shall be determined in the same manner as in the case of delayed deduction or remittance of Tax Deduction at Source under Section 201(IA) of the Income-tax Act, 1961. This will be without prejudice to any disciplinary action which the disciplinary authority may propose to take against the official or officials responsible for the administrative lapse in this respect.

5. In view of the above mentioned provisions stipulated under CCS (Implementation of NPS) Rules, all the offices are advised to **strictly adhere** to the prescribed timelines for remittance of NPS Subscription. Concerned Head of the Departments are also advised to ensure strict compliance of the provisions in terms of para 8(2) of the said rules and take appropriate actions, wherever required.

6. It has also been observed that amounts are lying under the head 8342-117. All the Pr. CCAs/CCAs/CAs are requested to ensure that the amount lying under this head is in terms of this Office Memorandum TA-3-6/3/2020-TA-II/cs-4308 dated 22.04.2022 and DoPT OM dated 14.10.2024 (copy enclosed). No other amount shall remain under this head.

7. A detailed report on the actions taken in this regard till date may be provided in this office by 31st July 2026.

This issues with the approval of the competent authority.



(Sanchita Shukla)

Joint Controller General of Accounts

To,

1. All Pr.CCAs/CCAs/CAs
2. Sr. AO, ITD, O/o CGA for uploading on the website.

Copy for information:

1. PPS to CGA
2. PS to Addl. CGA(A&FR)
3. PS to Jt. CGA(A&FR)
4. PA to Sr. Dy. CGA
5. PA to A.CGA

No. 57/06/2021-P&PW (B)
Government of India
Ministry of Personnel, Public Grievances and Pension
Department of Pension and Pensioners' Welfare

Lok Nayak Bhawan, Khan Market
New Delhi, Dated 14th October, 2024

OFFICE MEMORANDUM

Subject: Refund of employee's share with returns thereon on availing benefits under CCS (Pension) Rules, 1972 or CCS (EoP) Rules, 1939 in the event of death of a Central Government employee covered under National Pension System or his discharge on the ground of disablement or invalidation prior to notification of the Central Civil Services (Implementation of National Pension System) Rules, 2021 - reg.

The undersigned is directed to say that the New Pension Scheme (now called as National Pension System) (NPS) was introduced vide Ministry of Finance, Department of Economic Affairs' notification No. 5/7/2003-ECB & PR dated 22.12.2003. It was provided that NPS would be mandatory for all new recruits to the Central Government service from 1st of January 2004 except the Armed Forces. Simultaneously, the Central Civil Services (Pension) Rules, 1972 and the CCS (Extraordinary Pension) Rules, 1939 were amended to provide that those rules would be applicable to the Government servants appointed on or before 31.12.2003.

2. However, considering the hardship being faced by the Government servants appointed on or after 01.01.2004, benefits of CCS (Pension) Rules, 1972 or CCS (Extraordinary Pension) Rules, 1939 as the case may be, were extended on provisional basis, in the event of death of Government servant covered by NPS or his discharge from service on invalidation / disablement, vide this Department's OM No. 38/41/06/P&PW(A) dated 05.05.2009. These benefits being provisional in nature, were subject to adjustment against the final payments to be made in accordance with the Rules to be framed.

3. Thereafter, PFRDA notified PFRDA (Exits and Withdrawals under NPS) Regulation, 2015 under PFRDA Act on 11.05.2015 which stipulates that if the subscriber or the family members of the deceased subscriber, upon his death, avails the option of additional relief on death or disability provided by the Government, the Government shall have right to adjust or seek transfer of the entire accumulated pension wealth of subscriber to itself. Therefore, on availing benefits under CCS (Pension) Rules, 1972 or CCS (Extraordinary Pension) Rules, 1939, as the case may be, by the Government employee or the family members, the entire accumulated pension corpus under NPS was transferred into the Government account.

Contd.

4. Subsequently, Department of Pension and Pensioners' Welfare notified Central Civil Services (Implementation of National Pension System) Rules, 2021 to regulate service related matters in respect to Central Government employees covered under National Pension System. These rules inter-alia provides that if on death of the Subscriber or his discharge from service on invalidation or disablement, benefits are payable to the family members / Government servant under the Central Civil Services (Extraordinary Pension) Rules, 1939 or the Central Civil Services (Pension) Rules, 1972, the Government contribution and returns thereon in the accumulated pension corpus of the Subscriber shall be transferred to Government account. The remaining accumulated pension corpus shall be paid in lump sum to the Government servant or the person(s) in whose favour a nomination has been made under the Pension Fund Regulatory and Development Authority (Exits and Withdrawals under National Pension System) Regulations, 2015, as the case may be.
5. The CCS (Implementation of NPS) Rules, 2021 are applicable from the date of their notification in the official Gazette i.e. 31.03.2021.
6. The matter has been examined in consultation with Department of Expenditure and Controller General of Accounts. It has been decided that in the cases relating to NPS employees, where Government servant or the family members had been granted benefits under CCS (Pension) Rules, 1972 or CCS (EOP) Rules, 1939 in place of NPS in accordance with the Department of Pension and Pensioners' Welfare OM No. 38/41/06-P&PW(A) dated 05.05.2009 and the entire accumulated pension corpus under NPS was transferred to the Government account, only the Government contribution with returns thereon in the accumulated pension corpus of the subscriber would be retained in Government account and remaining corpus would be paid back to the Government servant or nominee(s) or legal heir(s), as the case may be, as provided in the CCS (Implementation of NPS) Rules, 2021.
7. These orders shall take effect from 01.01.2004. The employee's contribution with returns thereon would be returned to the nominee(s) / legal heir(s) / Government servant, as the case may be, along with interest calculated for the period from the date of death / boarding out up to the date of payment of that amount, at rates and manner applicable to Public Provident Fund deposits from time to time.
8. In the cases related to Central Government employees covered under NPS, where Government servant or family members had been granted benefits under CCS(Pension) Rules, 1972 or CCS (EOP) Rules, 1939 in accordance with the Department of Pension and Pensioners' Welfare OM dated 05.05.2009 and has also been granted benefits from the accumulated pension corpus under NPS of the Government servant, the Government servant or the family member availing benefit of pension under pension rules would require to refund (in cases where NPS accumulations were not deposited into the Government account or not already refunded into Government account for availing benefit under pension rules) the Government contribution with return thereon in the accumulated pension corpus at the time of exit from NPS along with interest (upto the date of deposit in Government account) to be calculated at the same rate and manner as in the case of General Provident Fund applicable from time to time to continue to avail benefit under pension rules.

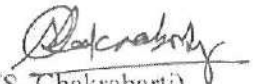
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9. The accounting procedure for refund of employee's share with return thereon along with up to date interest, as provided by Office of the Comptroller & Auditor General vide their ID note No. 648/91-GA/2014 dated 23.03.2023 and Controller General of Accounts vide their UO note No. TA-3-6/3/2020-TA-III/cs-4308/138 dated 31.03.2023 is attached at Annexure-A.

10. All Ministries / Departments are requested to bring the contents of these orders to the notice of Controller of Accounts/ Pay and Accounts Officers and Attached, Subordinate offices under them.

11. This issues in consultation with Ministry of Finance, Department of Expenditure vide their ID Note No. 1(15)/EV/2021 dated 17.01.2022 and in consultation with Controller General of Accounts vide their I.D. Note No. TA-3-6/3/2020-TA-III/cs-4308 dated 22.04.2022.

12. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders are issued in consultation with Comptroller and Auditor General of India, as mandated under Article 148(5) of the Constitution of India.


(S. Chakrabarti)

Under Secretary to the Government of India

To,

1. All Central Government Ministries / Departments.
2. Department of Expenditure, Ministry of Finance, North Block, New Delhi.
3. C&AG, Bahadur Shah Zafar Marg, New Delhi.
4. Ministry of Railways, Railway Board, New Delhi.
5. Department of Financial Services, Jeevan Deep Building, Parliament Street, New Delhi.
6. CGA, Department of Expenditure, INA, New Delhi.
7. NIC for posting on the website of this Department.

Accounting procedure as referred to in para (9) of the OM No. 57/06/2021-P&PW(B) dated 03.10.2024

The accounting procedure will be followed only for refund of employees share with return thereon and up to date interest to the nominee / Government Servants who had availed benefit under CCS (Pension) Rules, 1972 or CCS (FOP) Rules, 1939 in term of DOP&PW OM No. 38/41/06-P&PW(A) dated 05.05.2009, in the event of death or discharge on their disablement or invalidation of Government Servant covered under National Pension System (NPS) prior to notification of CCS (Implementation of NPS) Rules, 2021. The procedure would be as under:

1. In respect of employee whose provisional pension or family pension was already being paid in terms of DOP&PW OM dated 05.05.2009, the entire amount of employee's contribution and employer contribution with return thereon, as received from PFRDA was credited to "MH-0071-Contributions and Recoveries Pension and other Retirement Benefits, 01-Civil, 101-Subscriptions and Contributions, 01- Accumulated Pension Wealth in respect of NPS subscribers".
2. The Head of the Office / DDO shall work out the bifurcation of amount (employee's Contribution and return thereon) in confirmation with the service record of the employee, the copy of challan indicating details of NPS accumulated credited into Government Accounts (i.e. under MH 0071-Contribution and Recoveries and other retirement benefits, 01-Civil, 101-Subscription and Contributions, 01-Accumulated Pension Wealth in respect of NPS Subscribers) and other details of employees viz. PRAN, Period of Contribution, date of invalidation or death of employee etc.
3. DDO shall ensure that details of NPS accumulations so suggested by him tallies with the details provided by NSDL or match with Government records prior to constitution of PFRDA. The amount also needs to be reconciled with the figures available with the PAO.
4. PAO will prepare a Transfer Entry and transfer the bifurcation amount of employee contribution and return on employee contribution from the head originally credited (i.e. MH 0071-Contribution and Recoveries and other retirement benefits) to "MH 8342- Other Deposit, 117- Defined Contribution Pension Scheme for Government".
5. The interest on bifurcation amount (i.e. employee's contributions and return on employee's contribution) till proposed date of payment of accumulated fund shall be calculated by the DDO of the employees concerned.
6. The calculation of interest will be verified by the PAO concerned in the form of an authority.

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7. The PAO will make necessary accounting entry of interest amount by debiting the head "MH-2049-Interest payment, 60-Interest on other obligations, 101-Interest on Deposits, 29-Interest on defined Contribution Pension Scheme. 01-Interest on Contribution under Tier-1" and crediting the "MH 8342-Other Deposits, 117- Defined Contribution Pension Scheme for Government, 01- Government Servant Contribution under Tier-1".
8. After calculating the interest and got verified from PAO, the DDO shall prepare and prefer the bill of total amount to PAO clearly mentioning the employees details viz. PRAN and bifurcation amount interest amount etc.
9. The PAO shall confirm the bill amount on the basis of record available with them.
10. The PAO shall make payment of bill by debiting the head "8342-Other Deposit, 117- Defined Contribution Pension Scheme for Government, 01-Government Servant Contribution under Tier-1".
11. The PAO will also make necessary entry in service record of the concerned NPS employee.



