No. Fin (Pen)A(3)-1/96-loose. Government of Himachal Pradesh Finance (Pension) Department

From

The Additional Chief Secretary (Finance) to the Government of Himachal Pradesh, Shimla-2.

To:

- 1. All Administrative Secretaries, to the Government of Himachal Pradesh, Shimla-2.
- 2. All Heads of Departments in: Himachal Pradesh.

Dated: Shimla-2 the 28 December, 2015.

Subject:- Contributory Pension Scheme (New Pension System) clarifications thereto.

Sir,

On the above cited subject, I am directed to state that the Government of Himachal Pradesh vide Notification No. Fin(Pen)A(3)-1/96 dated 15-03-2003(copy enclose as Annexure-I) has modified the CCS(Pension)Rules, 1972 and said Rules were made inapplicable to all appointments made in the State of Himachal Pradesh on or after 15-5-2003. Employees appointed on regular basis on or after 15-5-2003 are covered under the Contributory Pension Scheme (New Pension System) and they are governed by the Himachal Pradesh Civil Services Contributory Pension Rules; 2006 notified vide Notification No.Fin. (Pen)A(3)-1/96 dated 17-08-2006 and Government instructions thereunder from time to time.

- 2. A number of references are being received from various departments seeking clarification about the status of Government employees who were appointed in Government service between the period 15-05-2003 to 17-08-2006 and continued to subscribe under the General Provident Fund Rules, 1960.
- In this regard, it is clarified that the CCS(Pension)Rules, 1972 and General Provident Fund (Central Services) Rules, 1960 are two Separate set of Rules. The General Provident Fund (Central Services) Rules, 1960 provide for a saving scheme to the the employees, whereby, they can contribute varying amounts to the Fund, depending on their own choice and volition subject to certain minimum amount and the State Government acts as a banker/ trustee for savings of the employees, on which a fixed rate of interest is paid from time to time. On the

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Sr. GN. Siaria

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other hand, CCS(Pension)Rules, 1972, provide for payment of defined pensionary benefits under these Rules. Therefore, subscribing towards General Provident Fund, by an employee for whatsoever reasons, does not make him eligible for pensionary benefits under the CCS (Pension) Rules, 1972.

- Moreover, employees appointed on or after 15.5.2003 are governed by the Himachal Pradesh Civil Services Contributory Pension Rules, 2006 and they are not eligible to subscribe to the General Provident Fund as per Rule 4(4) of the Rules *ibid*. Further, Rule 4(26) of the H.P. Civil Services Pension Rules, 2006 deals with the cases where the employees appointed on or after 15.5.2003 were contributing towards GPF. This Rule provides that, employees appointed on or after 15.5.2003 and who were already contributing towards the GPF shall cease to subscribe towards the GPF from the date of notification of the Contributory Pension Scheme and the amount deposited in their GPF accounts shall be transferred to their respective CPS Accounts alongwith interest.
- 5. In addition State Government has also amended the General Provident Fund (Central Services) Rules, 1960 vide Notification No Fin(C)A(3)6/96-II dated 15-09-2006 (copy enclosed as Annexure-II) read with corrigendum of even number dated 17-02-2007 by substituting following proviso in place of existing first proviso to Rule 4 of the General Provident Fund (Central Services) Rules, 1960:-

"Provided further that no such Government servant appointed on or after the 15<sup>th</sup> May, 2003 and who is covered under the provisions of Contributory Pension Scheme notified by the State Government will be eligible to subscribe to the Fund. However, amount deposited in their General Provident Fund Account shall be transferred to their respective Contributory Pension Fund Accounts alongwith interest. In case the balance in General Provident Fund Accounts alongwith interest is found excess to the amount required to be adjusted towards arrears of the employees contribution towards Contributory Pension Scheme, the same shall be refunded to the individual and in case the balance in GPF accounts falls short of the prescribed limit the same shall be recovered from his salary as an additional instalment as provided in rule 4(26) of the Himachal Pradesh Civil Service Contributory Pension Rules, 2006 notified vide Notification No.Fin(Pen)A(3)-1/96 dated 17<sup>th</sup> August, 2006."

6. It is, further clarified that the State Govt. has given retrospective effect to the H.P. Civil Services Pension, Rules, 2006, w.e.f 15.5.2003, in order

to grant the Govt. employees the benefits of social security in the form of Contributory Pension Scheme retrospectively because the State Government employees appointed on or after 15.5.2003 had been excluded from the purview of CCS(Pension)Rules,1972 vide Notification No.Fin(Pen)A(3)-1/96 dated 15.05.2003. If, retrospective effect to the said Notification had not been given, the persons appointed in Government service on or after 15.05.2003 and upto 17.08.2006 i.e. the date of notification of H.P. Civil Services Contributory Pension Rules, 2006 would not have been covered under the social security scheme envisaged under H.P. Civil Services Contributory Pension Rules, 2006.

In view of the provisions of Pension Rules/GPF Rules/CPS Rules, as explained above; it is clarified that; Government employees who were appointed in Government service between the period 15-05-2003 to 17-08-2006 and whose contribution to the General Provident Fund (Central Services) Rule, 1960, was made for on whatsoever reasons, are covered under the H.P. Civil. Services Contributory Pension Rules, 2006

> (Akshay Seod) Special Secretary (Finance) to the Government of Himachal Pradesh, Shimla-2. Ph. No. 0177-2621798

> > the 28 Dec., 2015.

Endst.No.Fin (Pen)A(3)-1/96 Dated:Shimla-2: Visit Finance Department- www.himachal.gov.in/finance Copy forwarded to:-

- 1. The Accountant General (Audit) Himachal Pradesh, Shimla-3. 2. The Principal Resident Commissioner, Himachal Pradesh, Himachal Bhawan, 27- Sikandra Road, New Delhi-110001.
- Sr. Deputy Accountant General (A&E), Himachal Pradesh, Shimla-3.
- 4. All Divisional Commissioner in Himachal Pradesh. 5. All Deputy Commissioner in Himachal Pradesh.
- 6. Registrar General, Himachal Pradesh High Court, Shimla-171001.
- 7. All Deputy Commissioners in Himachal Pradesh.
- 8. All District and Session Judges in Himachal Pradesh.
- 9. All District Treasury Officers/Treasury Officers of Sub-Treasuries in Himachal Pradesh
- 10. All Sections of Finance Department, H.P. Secretariat, Shimla-2.

(Akshay Sood)

Special Secretary (Finance) to the Government of Himachal Pradesh, Shimla-2.

## Directorate of Hr. Education Himachal Pradesh



Endst. No. EDN-H(1)B(15)1/2009- Imp. Instt. Dated Shimla – 171001 the Copy for information and further necessary action is forwarded to:

- The Addl.Chief Secretary(Finance) to the Govt. of H.P. w.r.t. to the letter No.Fin(Pen)A(3)-1/96-loose dated 28.12.2015 for information please.
- 2. The Addl.Chief Secreatry(Education) for information please.
- 3. The Additional Director of Hr. Education (Adm.), H.P.
- 4. The Additional Director of Hr. Education (C), H.P.
- 5. The Additional Director of Hr. Education (S), H.P.
- 6. The Joint Director of Hr. Education, C-I/C-II, H.P.
- 7. The Joint Controller (F&A), Dte. of Hr. Education, H.P.
- 8. The OSD(C)/ OSD(Skt.) Directorate of Hr. Education, H.P.
- 9. All the Principal, GDC/ GCTE Dhramshala / SKt. Colleges in Pradesh & Deputy Directors of Higher Education in the Pradesh for similar action. *Please treat it most urgent*.
- 10. All the Branch Officer & Supdt. (internal), Directorate of Higher Education, H.P. *Please treat it most urgent*.
- 11. The PS to the Director of Higher Education, H.P.
- 12. The Incharge Computer Cell, Dte. of Hr. Education, H.P with the remarks to upload the said orders on the deptt. Website

13. Guard File.

Addl.Director(Admn.)

Directorate of Higher. Education

Himachal Pradesh