RTI Matter

No.F.21-68/2019-UT-3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
UT-3 Section
***

New Delhi, dated the 9th October, 2019

To,

[redacted]
Delhi [redacted]10085
Email:- jashusingh2018@gmail.com

Sub: **Application seeking information under RTI Act 2005-reg.**

Sir,

In continuation of this Department's letter of even Number dated 16.9.2019 with reference to your online RTI application having reg no. DOSEL/R/2019/52276 dated 19.8.2019 filed with Ministry of Human Resource Development and on payment of Additional Fee for supply of information as indicated on the RTI-MIS portal, the copies of relevant correspondence and notesheets sent and received from NVS related to CCS pension, containing 390 pages is furnished herewith. The receipt of the same may please be acknowledged.

2. First appeal, if any, may please be preferred to Shri D.K.D. Rao, Deputy Secretary and First Appellate Authority, Department of School Education & Literacy, Room No. 327, C-Wing, Shastri Bhawan, New Delhi within 30 days of receipt of this reply.

Yours faithfully,

Incl. As above

Manoj Ku
(Manoj Kumar)
Under Secretary to the Govt. of India and CPIO

No.F.1-1/2010-NVS (Comm.)

NAVODAYA VIDYALAYA SAMITI

In order to pursue the matter of extending CCS Pension Scheme 1972 to the employees of Navodaya Vidyalaya Samiti, who have joined prior to 1st January 2004, it is decided to approach the Ministry with revised Cabinet Note on the issue. To facilitate the process, the following two Committees are constituted who will complete the task within a month.

COMMITTEE-I (CABINET NOTE DRAFTING COMMITTEE)

1. Shri M. S. Khanna, Joint Commissioner (Pers.) – Chairman
2. Shri K. K. Sharma, Assistant Commissioner (Fin.), NVS (Hqrs.) – Member
3. Shri P. K. Sharma, Assistant Commissioner (Estt.), NVS (Hqrs.) – Member
4. Shri B. C. Panda, Assistant Commissioner (Admn), NVS, Regional Office, Chandigarh (UT) - Member

COMMITTEE-II (COORDINATING COMMITTEE)

1. Shri Alok Verma, Joint Commissioner (Admn.) – Chairman
2. Shri B. Singh, Deputy Commissioner (I/c), NVS, RO, Bhopal (MP) – Member
3. Shri R. K. Kaushal, Assistant Commissioner (SA), NVS (Hqrs.) – Member
4. Shri N. K. Pahwa, Assistant Commissioner (Admn.), NVS, Regional Office, Jaipur (Raj.) - Member

Each Committee will keep on informing the undersigned about the progress from time to time.

(Manoj Singh)
Commissioner
November 15, 2010

JC (Pers.)

18/11

(2)

Reference notes at pre-page.

A draft Cabinet note for introduction of CCS Pension Scheme for employees of Navodaya Vidyalaya Samiti who joined prior to 1-1-2004 is placed below for consideration please. Financial implications for implementation of the scheme are to be added in consultation with F&A wing.

Draft note is submitted for approval please.

(M. S. Khanna)
Joint Commissioner (Pers.)
December 15, 2010

Commissioner

1436/JC(A)
21/12/10

may like to take n.a
as per discussion.

20/12

JC(A)

We need to work out financial liability as under:

1. On introduction of Pension under CCS (Pension) Rules for employees joined prior to 1.4.04
2. On pension liability for above employees only for future cases of retirement
3. Pensionary liability on NPS for above category of employees (additional)
4. Size of Corpus fund required in case we start our own NVS pension scheme for payment of defined monthly return after retirement.

Can we do this or may need to engage an outside expert. Pl advice with the earliest of act.

may discuss
21/12

20 DEC 2010
20/12

20 DEC 2010
3282
Joint Commissioner (Pers.)

JC(P)

JC(P)

78 ③ - 3 -

Ref. Notes at bee 1-2/11

- The figures mentioned under Para No 7 & 11 placed below draft note for Cabinet Committee on Economic Affairs reg. introduction of CSS (Classic) scheme for the employees of NVS, have been verified and indicated there.
- The figures towards total accumulation of CPF Corpus & Pension liability to be shown in Para 9, may be ascertained from IA Unit / CPF unit of NVS Hqrs.
- If required, this proposal may further be discussed on the convenience of JC (Pers).

JC (Pers)

AO (Audit)

31.1.11

AO (Audit)

Information as required for Para-9 is not available in I.A. Cell. However, it is understood that the same information was got calculated from Actuary last year and available in C.A. Section. Submitted for orders.

6/1/11

JC(P)

Pl. discuss

7.1.11

ACA Pl. provide calculation of Actuary done last year

Sh. Sajeev

12.1.11

Jmh.

(4)

Ref. remarks of AC(GA) on pre-page.

As directed, a copy of evaluation done by actuary and copy of letter forwarding the same to M/HRD is placed below at flag 'X'

Submitted please.

73/AC(GA) 12-1-11

[signature] 12.1.11

AC(GA)

JC(P)

[signature] 12.1.11

Pl link the report submitted by Sh Bhudev Chatterjee and Avershaw in this regard.

[signature] 4/2/11

AC(GA) Sh. Safeer [initial] 4.2.11

Ref. remarks of JC(P) above.

Report submitted by Dareshaw and Sh. Bhudev Chatterjee in this regard are linked at flag 'X' and 'Y' respectively.

Submitted pl.

संयुक्त आयुक्त (कार्मिक) Joint Commissioner (Pers.) डा.नं./DY No. 348 04 FEB 2011

1205/AC(GA) 8/2/11

[signature] 08.2.11

AC(GA)

JC(P)

[signature] 8.2.11

5

NAVODAYA VIDYALAYA SAMITI

This is regarding extension of pension scheme as per provisions of CCS Pension Rules 1972 to the employees of NVS. A draft note for Cabinet Committee on Economic Affairs has been prepared in this regard. The matter is pending for working of financial liability on introduction of pension scheme.

In this regard, the following points are noted:-

1. Pension scheme under CCS (Pension) Rules, 1972 has been discontinued by the Government for employees joined on or after 1-1-2004 i.e. employees who have joined before this date only are eligible for grant of pension. For employees joining on or after 1-1-2004, a new pension scheme has been introduced.

2. NVS has extended new pension scheme for all its employees, irrespective of the date of joining, w.e.f. 1-4-99 with the approval of the Government.

   Should be 1.4.2009

3. In case we initiate a proposal for grant of old pension scheme for NVS, it will be applicable only to the employees who had joined NVS upto 31-12-93 and not thereafter.

4. Employees joining on or after 1-1-2004 till 1-4-2009 i.e. the date of extension of new pension scheme for employees of NVS may have to give an option either to opt for a CPF scheme, as at present, or to convert to new pension scheme.

5. In case the old pension scheme is extended to NVS, it would be applicable with prospective effect i.e. past cases already settled will not be reopened. In the past, Samiti had got two Actuarial Valuations on pension liability, first from Mr. Bhudev Chaterjee for pension liability for staff as on 31-12-2003 and the second from M/s Darashaw for pension liability as on 31-3-2009.

Based on the above assumptions under which old pension scheme is to be extended only ~~to~~ employees working with the Samiti as on 31-12-2003 and still continuing, the Actuarial calculations made by Sh. Chaterjee would be more relevant.

Sh. Chaterjee had made calculations for about 13700 employees as on 31-12-93. The liability of pension calculated by him was as under:-

Should be 31.12.2003

Rs./Crores

	Amount Rs.		Amount (Rs.)
Value of past service liability	180.52	Fund	103.82
Value of Future Service Liability	336.98	Value of Future Service contribution @17.89% of salary as contribution	413.68
Total	**517.50**		**517.50**

(6)

Since then the number of employees as on 31-12-93 has gone down from 13700 to 12895. The pension liability has gone up by about 80% and would be about Rs. 930 crores. PF accumulation of Management share has increased from Rs. 103.82 crores to about Rs. 249 crores. Thus, the approximate scenario as on date would as under:-

Rs./Crores

	Amount Rs.		**Amount (Rs.)**
Value of past service liability	324	Fund	249
Value of Future Service Liability	606	Value of Future Service contribution @17.89% of salary as contribution	681
Total	**930**		**930**

Thus, the gap would be around Rs. 681 crores a part of which can be met out of 10% contribution of Management share in CPF and judicious investment of funds which at present is around 8.5%. The gap in pension liability would be considerably reduced and should be manageable, through one time corpus or annual grants.

We may refer this to AC(Fin.) for reconfirming the assumptions as above and, if need be, detailed calculations of liability and the gap between resources and liability can be worked out before submitting to the Government.

(M. S. Khanna)
Joint Commissioner (Pers.)
February 25, 2011

Commissioner

25/2

28/2/11

JC(P)

AC(Fin.)

Ref. Notes as above

- The assumption made above for working out the pension liability as on date (i.e. w.e.f. 28.2.2011) i.e. the regular employees existed on 31.12.2003 and still working in NVS, appears to be rational.
- However, in my opinion it would be appropriate if an experienced actuary also confirms the above facts or works out the amount afresh with [illegible] details before a proposal in this regard is submitted to the Ministry, H.

[illegible] with file of M/o. [illegible]

9.3.2011

JC(Pers.) [illegible]

721/AC(F) 1/3

7 54

Reference notes at pre-page.

The acturial calculations made by M/s Darashaw have been reviewed in consultation with the agency. As per earlier calculations, the total liability of payment of pension to employees who joined the Samiti before 1-1-2004 was Rs. 1108 crores. As per confirmation obtained from various Regional offices about 4% employees have left the Samiti which will off set the additional pension liability between 31-3-2009 i.e. the date of calculations to 31-3-2011. However, considering the reinvestment rate of accumulations as 8.5% DA per annum, the current liability comes to Rs. 800 crores. This can be paid to Samiti by Govt. in one lumpsum or 5 annual instalments of Rs. 187 crores alongwith normal grant.

Draft cabinet note has been prepared accordingly and is placed below for consideration and approval please.

(M. S. Khanna)
Joint Commissioner (Pers.)
July 14, 2011

Commissioner

21/7

JS(SE)

JS(VT)

Pl. examine put up. 22/7

Dy. 912/VT-I 25/7/11

22/7

VT-3 Immediate 25/7/11

Received on 25/7/11 MSVP

नवोदय विद्यालय समिति
(मानव संसाधन विकास मंत्रालय, स्कूल शिक्षा और साक्षरता का एक स्वायत्त संस्थान),
भारत सरकार

ए - 28, कैलाश कॉलोनी,
नई दिल्ली - 110 048

NAVODAYA VIDYALAYA SAMITI

(An Autonomous Organization under Ministry of Human Resource Development, Department of School Education & Literacy),
Government of India
A-28, Kailash Colony
NEW DELHI – 110 048

Email : Navodaya@ren02.nic.in
: Navodaya@nda.vsnl.net.in
Website: Navodaya.nic.in

25

F.No. 11-35/09-NVS (Admn.) / 203

Dated. 12.05.2010

To

Shri S.C. Khuntia
Joint Secretary (SE&L)
Ministry of Human Resource Development,
Department of School Education & Literacy,
Shastri Bhawan,
New Delhi – 110 001

Sub: **Pension liability for providing pension under CCS Pension Rules 1972 to the employees of Navodaya Vidyalaya Samiti.**

Sir,

Navodaya Vidyalaya Samiti has appointed an Actuary for calculating the pension liability of employees who have joined the Samiti before 1.1.2004. The report of the Actuary is enclosed at Annex I. As per the report, the Samiti requires Rs. 1358.15 crore (approx.) as corpus fund for meeting the pension liability under CCS Pension Rules, 1972. *"However the Samiti already has Rs. 249.89 Cr as accumulated fund from employer's share in CPF which can be utilized for this scheme. Therefore the net fund requirement for meeting the Pension liability is Rs. 1108.26 Cr (approx.)" The Samiti has also tried to work out various scenario's for spreading the financial burden over various time periods.*

1. Scenario – I
   Govt. provides for funding of Rs. 105 Cr ever year for the next 15 Years in addition to its regular contribution. This will help to build up a corpus that will take care of the pension liabilities. The details are at Annex.II.

2. Scenario – II
   Govt. provides for funding of Rs. 80 Cr ever year for the next 27 Years & Rs. 40 Cr in 28th Year only in addition to its regular contribution. This will help to build up a corpus that will take care of the pension liabilities. The details are ~~at~~ Annex.III.

3. Scenario – III
   From the current accumulated corpus and the regular contribution, the Samiti will be in a position to meet the liability for the next 13 years after which Govt will meet the net Pension liability each year. An estimation of expected liabilities over these years has been simulated in Annexure IV.

It is requested that keeping the above facts in view, the Government may kindly consider re-examination of entire proposal, so that long pending demand of employees regarding providing pensionary benefits to the employees of Navodaya Vidyalaya Samiti, who have joined before 1.1.2004, under CCS Pension Rules, 1972 can be met.

Received / प्राप्त
12 MAY 2010
12/5/10

Yours faithfully

(Manoj Singh)
Commissioner

(26)

GOVERNMENT OF INDIA

MINISTRY OF HUMAN RESOURCE DEVELOPMENT

DRAFT NOTE FOR CABINET COMMITTEE ON ECONOMIC AFFAIRS

Subject: **Introduction of CSS (Pension) Scheme for employees of Navodaya Vidyalaya Samiti (NVS).**

1. INTRODUCTION

The scheme of Jawahar Navodaya Vidyalaya (JNV) was approved by the Union Cabinet in Aug'1985 to give shape to the vision of the then Prime Minister Shri Rajiv Gandhi to have a residential school system for the talented children pre-dominantly from rural areas. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Deptt. of Sec. and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. JNVs are fully residential, co-educational institutions providing free education including board and lodging, text books, uniform, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is thus a part of the conscious efforts of the Government for spread of quality secondary education in the country through Central Sector Schools. Navodaya Vidyalayas are addressing the needs of talented rural children, who are otherwise deprived of good quality education.

2. Service conditions of the employees of NVS

The Government of India has approved extension of the pay structure of central government employees to the teaching and non-teaching staff of JNVs. The Samiti has also adopted mutatis-mutandis Government of India rules and regulations on service matters for its employees vide office order No. F. 6-I/92-NVS(Admn.) dated 30.3.1992 **(Annexure-1).** The Government of India has also brought NVS under the purview of the Central Administrative Tribunal. However, no pension scheme has been extended to the employees of the Samiti even after more than 25 years of existence of the organization.

The Ministry of Finance, Department of Expenditure, Govt, of India vide its Notification No. 491)- E.V./90 (i) dated 11.11.1991 **(Annexure-II)** extended the Contributory Provident Fund (CPF) Scheme to the employees of NVS retrospectively w.e.f. 1st April'1988. A proposal was moved for introduction of Pension / GPF Scheme in the Samiti in the light of decisions taken by the Government of India on the recommendations of Fourth Pay Commission and circulated vide O.M. No. 4/1/87-PIC-I dated 01.5.1987 **(Annexure - III)** issued by Department of Pensions and Pensioners Welfare, wherein it was decided that all CPF beneficiaries in service should be given an option to convert to Pension Scheme. It was, however, not agreed to by the Ministry of Finance, Deptt. of Expenditure who informed that the question of introduction of a Pension Scheme in public sector undertakings is under consideration of the Govt, and hence the department is not in a position to give concurrence to introduction of Pension Scheme in the Samiti. The matter was again referred to the Department of Expenditure in Feb' 1990 when that department informed that keeping in view the likely repercussions of the decision to bring employees of NVS under the pension scheme, the proposal may not be agreed on balance of convenience. The proposal was again submitted to Department of Expenditure in 1992 when that department did not support the proposal on the ground that in the context of the resource crunch and the efforts of the government to •maintain the budgetary deficit within the desired limits, status quo should be maintained.

The case was again taken up by the then Hon'ble HRM and Chairman, NVS with Hon'ble Minister of Finance in December, 1998. **(Annexure-IV)** In - response, the then Hon'ble Finance Minister has informed that the Ministry of Finance had not agreed to the proposals for introduction of pension scheme on GOI pattern for the employees of the autonomous bodies for certain

(26)

reasons and in case the proposal regarding introduction of pension scheme on GOI pattern for the employees of NVS is agreed to there would be similar demands from other autonomous bodies receiving grants-in-aid from the Government which may be difficult to resist. The reasons given by the Hon'ble Finance Minister in his letter dated 5.2.99 **(Annexure-V) for** rejecting the proposal are as under:-

a) The cost of introduction of pension scheme is much higher than the CPF Scheme. While CPF is an one-time settlement, pension is a life-long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the recommendations of the successive Pay Commissions, revision in the rates of deamess relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

b) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

c) Under the employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will lose resources to that extent.

d) In case the organization is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

(29)

3. RETIREMENT BENEFITS BEING GIVEN TO NVS EMPLOYEES

At present, employees of NVS have got the benefit of leave encashment and Contributory Provident Fund. Government has approved introduction of New Pension Scheme to all regular NVS employees joining NVS after the date of Notification and also given approval to other regular employees of the NVS either to join the New Pension Scheme or to continue with the existing scheme. This scheme has been introduced w.e.f. 1.4.2009. However, employees who joined Samiti before this date have not accepted this scheme.

4. <u>JUSTIFICATION FOR THE INTRODUCTION OF PENSION SCHEME IN NVS</u>

Following instructions/orders issued by the Govt, of India from time to time clearly reveal that the employees of the NVS are the rightful claimants to the pensionary benefits under CCS (Pension) Rules.

a) <u>Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:</u>

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to extend the retirement benefits to the teachers as available to the Central Government employees.

b) In the note for cabinet following statements have been made with regard to pay scales of teachers in Navodaya Vidtyalayas :

"The teaching and non-teaching staff that each school will require, has been worked out and, is at Annexure-II. The calculation in Annexure-IV are based on the salary structure in the Kendriya Vidyalaya Sangathan. A final decision on the pay scales to be made applicable to these schools would be taken after the reports of Expert Committees are received and the scales may be somewhat higher in view of the special nature of these schools."

In the same note it was also proposed to provide a separate section in the Ministry of Education to look after the work relating to Navodaya Vidyalayas. It was proposed to have this section under the Officer of the rank of Director assisted by 01 Under Secretary, 01 Section Officer, 04 Assistants, 03 LDCs, 02 Stenographers and 02 Group 'D' employees.

Thus the requirement of teaching and non-teaching staff for a Navodaya Vidyalaya along with financial implications were included in this note for cabinet. These calculations were based on the salary structure in the Kendriya Vidyalaya Sangthan where the employees were getting pension at that time and are getting pension now also. Further this note also provided for creation of one section under an officer of the rank of Director in the Ministry of Education to look after the work relating to Navodaya Vidyalayas.

The financial implications for creation of posts in the Ministry of Education and NVS as included in the note for cabinet are identical. It is thus evident that -

31

i) While calculating the financial implications for creation of posts for Navodaya Vidyalayas, pension component was taken into account;. and

ii) The posts created in the Ministry of HRD for looking after work relating to NVS are having pensionery benefits whereas posts created in the Samiti under the same cabinet note are not being given this benefit.

c) **Extracts from the IV Pay Commission Report**

"Para 9.8:

In so far as the CPF beneficiaries still in service on January 1, 1986 are concerned, we recommend that they should be deemed to have come over to the pension scheme on that date unless they specifically opt out to continue under the CPF scheme. The CPF beneficiaries who decide to continue to remain under that scheme should not be eligible on retirement for ex gratia payment recommended by us for the CPF retirees".

The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987 **(Annexure-III),** conveyed the acceptance of above recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to pension scheme w.e.f. 1.1.1986. However, the option was not allowed to the employees of NVS on the ground that Samiti has not come in existence on 01.01.1986

It is relevant to point out that two Navodaya Vidyalayas were opened at Amrawati and Jhajhar during 1985 - 86. Posts for these Vidyalayas were sanctioned by the Government on 28.10.1985 (Annexure-VI).

(32)

First installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985 (Annexure-VII). Thus the posts for Navodaya Vidyalayas were existing prior to 01.01.1986. As such NVS is covered under the provisions of Department of Pension and Pensioner's Welfare OM No. 4/1/87-PIC-I dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

d) Initial appointment in NVS was made on deputation basis. Direct Recruitment/ Permanent Absorption was started in 1989. At that time, an assurance was given to all employees that pension scheme for employees of the Samiti is under consideration and is likely to be introduced in the near future. It was also assured that on adoption of the pension scheme in the Samiti such employees will be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the rules.

e) Extracts of General Financial Rules of Government of India

"Rule 149 (4) (iv) Annexure-XI :

(iv) ***All Autonomous Bodies or grantee institutions which receive more than 50% of their recurring expenditure in the form of grant-in-aid should formulate terms and conditions of service of their employees so that by and large they are broadly comparable to those applicable to similar categories of employees in Central Government".***

Since the Samiti is provided 100% funds in the form of grant-in-aid by the MHRD, the employees of the Samiti are eligible for the pensionary benefits as available to employees of likely placed organizations i.e. KVS, CTSA, NCERT etc.

It is also seen that the benefits of the pension scheme have been allowed to many other organizations, though they were set up after the establishment of the NVS.

5. Recommendations of Committees

The committee set up by the Ministry of HRD to review the management, structure and operating mechanism of the NVS under the Chairmanship of Shri Y.N. Chaturvedi has also strongly recommended the extension of pensionary benefits to the employees of Samiti at par with Kendriya Vidyalaya Samiti (KVS). The committee has observed the non-availability of this benefit to be one of the reasons for the teachers leaving the services of NVS.

Department related Parliamentary Standing Committee on HRD has in its 154th Report on functioning of Navodaya Vidyalayas (NVs) observed vide para 18.3 as under :

> "The committee takes note of the reservations of the Ministry of Finance in providing Pensionary benefit to employees of NVs The committee fails to comprehend the reasons for having different approach of mind for employees working in two organizations doing similar work under a similar set up and conditions. The committee would like to point out when employees of Kendriya Vidyalaya Sangathan can enjoy the pensionary benefits on their retirement, what deters the Government in providing similar facility for employees of Navodaya Vidyalaya Samiti, many of them away from their families serving in residential schools located in rural areas. **The committee, therefore, strongly feels that the position may be reviewed again and a decision acceptable to employees of JNVs may reached at the earliest."**

34

Further, the department related Parliamentary Standing Committee on HRD in its 184th report on the functioning of Navodaya Vidyalayas observed as under:-

"The Committee reiterate its recommendations made in 154th report for provision of pensionary benefits to NVS employees on the same level as being given to KVS employees. The Committee strongly feels that NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees..

It is thus seen that the necessity of extending the provisions of CCS(Pension) Rules to the employees of the NVS has been appreciated and recommended by a number of high level committees.

6. Concern of the Samiti

Navodaya Vidyalayas have emerged as leaders in the secondary school system in the country. These vidyalayas have out performed other school system within a sort span of their existence. It is very important to recruit and retain competent and qualified teachers willing to serve interior rural areas so that the vidyalayas can achieve the noble objectives of providing quality education to the talented children pre-dominantly from rural areas and serving as pace setting institutions in each district. . Being residential schools, the work schedule of the staff of NVS is much more remanding in comparison to that of day schools like KVs. Navodaya teachers are serving at far flung places where, sometimes, the facilities even for primary education of their children are not available. It is becoming difficult to attract and retain young talent in the vidyalayas for want of a pension scheme.

It, therefore, becomes very important for the organization to extend pensionary benefits to the staff to attract and retain talented people, as pension is an important social security after retirement.

38

7. Outlay during XIth Plan

Plan outlay for the scheme during XIth Plan is as under:-

(i) Approved Plan Outlay for XIth Plan - Rs.4600/- crores

(ii) Annual allocation and expenditure during XIth Plan

(Amount in Crore)

S. No.	Year	Budget Allocation/expenditure			
		Non-Plan		Plan	
		Allocation	Expenditure	Allocation	Expenditure
1	2007-08	194.80	195.14	910.00	902.28
2	2008-09	259.87	273.39	1290.00	1208.36
3	2009-10	376.20	357.46*	1300.00	1281.96*
4	2010-11	370.40	370.40 (P)	1385.00	1385.00 P

* Anticipated

8. <u>Financial implication for implementation of pension scheme</u>

576 Navodaya Vidyalayas have already been sanctioned with the ultimate target of one Navodaya Vidyalaya in each district of the country. Another 50 districts are targeted to he covered by the end of XIth Plan. As on date, the sanctioned strength of employees in NVS is approx. 22000. **This** work force is comprised mainly of the teachers (more than 12900). Over the years, CPF contribution of the Samiti towards management contribution and interest, thereon, has accumulated to over Rs.______ crores and will go on increasing every year. The current annual liability is around Rs._____ crores. This liability is being met out of the annual grant received from Govt. In case pension scheme is introduced for the employees of the Samiti, the entire CPF liability towards management contribution and interest can be transferred to pension fund. The pension fund duly managed by the Trust as per the guidelines of the Govt, may be set up by the NVS as per all other autonomous bodies having pension scheme. The accretions to the pension fund can be invested as per the pattern laid down by the Govt, and being followed by other organizations. The accretions to the CPF are also being invested as per the Govt. guidelines and the same can be done with the pension fund also.

9. Points on which consideration of the Cabinet is solicited

Approval of the cabinet is solicited for the following points:

Introduction of Pension Scheme for the NVS employees who joined before 01.01.2004 on the pattern of Central Civil Services (Pension) Rules, 1972.

Implementation schedule

(i) The proposed Pension Scheme will be given effect by adopting the CCS (Pension) Rules, 1972.

10. Approval by HRM

Minister of Human Resource Development has seen and approved the ~~me~~ note.

যদ্‌ ভদ্রং তন্ন আসুব

Bhudev Chatterjee M.Sc. F.I.A
Fellow Institute of Actuaries (U.K.)
Fellow Federation of Insurance Institute (India)
Fellow Acturial Society of India
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21.2.06

Received today at 1310 hrs
3/3/06

Ms. .Manikuntala Sarkar
Asst. Commissioner (Gen. Admn.)
Navodaya Vidyalaya Samiti
A-28 Kailash Colony
New Delhi 110048

Dear Sir,

Sub: Costing as on 31.3.2005 of Proposed Pension Scheme of Navodaya Vidyalaya Samiti
For Staff of post at 31.12.2003

Kindly refer to our discussion in your office on 14.2.2005, on the Report on Costing as on 31.3.2005 of Pension Eligible Employees submitted earlier.

During the course of discussion, it transpired :

1. The calculation were based on 15541 being number of sanctioned post as at 31.12.2003. Distribution of Pension Eligible Employees as at 31.3.2005, on Quenquennial Age Group for each Salary Scale, numbering 13700 was provided to be taken for Re-Valuation.

2. Table showing average service of the Pension Eligible Employees, on Quenquennial Age Group for each Salary Scale, was also provided, to be taken for Re-Valuation

3. **Based on the Revised data Costing has been carried out :**
   From the same we notice that:
   3.1 Reduction in number and salary of Pension Eligible Employees has reduced both Past and Future Service Liability in Revised Costing.

   3.2 For Original Costing Average Service was calculated as Average Age – 20.(assuming staff joining at age 20). Although this is correct but since this Organization has come into existence in 1989, therefore, maximum service of the Employee cannot exceed 16 yrs.
   This has resulted in drastically lowering of Accrued Liability, in Revised Costing.

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286
30

4. **We summarise the result of Re-Valuation as below :**

   4.1 Assuming that Employer's share of contribution of 103.81 upto 31.3.~~2005~~ will be transferred from Employees Provident Fund to the Pension Scheme.

   4.2 Annual contribution of 18% will be made on monthly basis, effective from 1.4.2006.

Then such funding will be adequate to pay Pension to Pension Eligible Employees and their families as and when it arise.

5. We enclose a Solvency Certificate in this regard as well as Detailed Report.

6. This Revised Costing supersedes Report on Costing submitted earlier.

With kind regards,

Yours faithfully,

Bhudev Chatterjee

BHUDEV CHATTERJEE
ACTUARY

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289
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21st February 2006

NAVODAYA VIDYALAYA SAMITI

CERTIFICATE OF SOLVENCY AS AT 31.03.2005
OF
PROPOSED PENSION LIABILITY
OF
PENSION ELIGIBLE EMPLOYEES

TO WHOM IT MAY CONCERN

I certify that:

1. The data to the Actuarial Valuation was supplied by the Company. This data was found acceptable for valuation purpose. This data was subjected to Age-Service, Salary-Service, Age-Salary consistency tests. These tests have not shown any discrepancies.

2. I confirm that based on salary as at 31.03.2005 and service upto 31.03.2005. Actuarial Valuation of Pension Liability has been carried out. The bases of calculation and result of calculation are shown in the detailed report. Based on the same I confirm as follows :

   (i) If Rs. 103.82 crores of Employer's share of Provident Fund Contribution is transferred to Employees Pension Fund by 31.03.2006.

   And

   (ii) If annual Contribution @ 18% of salary be paid to the Fund.

   Then such funding will be adequate to pay pension to Pension Eligible Employees and their dependents as at when it arises.

BHUDEV CHATTERJEE
ACTUARY

7/19 (290) 50

NAVODAYA VIDYALAYA SAMITI

PENSION LIABILITY AS AT 31.03.2005
OF
PENSION ELIGIBLE EMPLOYEES

BY
BHUDEV CHATTERJEE M.Sc
FELLOW INSTITUTE OF ACTUARIES (UK)
FELLOW ACTUARIAL SOCIETY OF INDIA

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CALCUTTA 700 016

TWENTY FIRST DAY OF FEBRUARY,
TWO THOUSAND SIX

Bhudev Chatterjee M.Sc., F.I.A.
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291

41

NAVODAYA VIDYALAYA SAMITI

PENSION LIABILITY AS AT 31.03.2005
OF
PENSION ELIGIBLE EMPLOYEES

INDEX

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NAVODAYA VIDYALAYA SAMITI
PENSION LIABILITY AS AT 31.03.2005
OF
PENSION ELIGIBLE EMPLOYEES

1. FORENOTE

Navodaya Vidyalaya Samiti (NVS) wishes to fund the liability of payment of Pension on exit of Pension Eligible Employees from service or on one's death to one's spouse. The Scheme has not been funded based on Actuarial Basis. It is envisaged that Employer's share of Contribution to Provident Fund of an amount of Rs. 103.82 crores, will form the corpus of Pension Scheme.

The aim of this valuation is to work out :

(i) Past Service Pension Liability as at 31.03.2005 for Pension Eligible Employees for their service upto 31.03.2005

and

(ii) Annual Contribution Rates required to support Pension Benefit for their future service

2. COVERAGE

This covers

(i) Employees who were on the roll on the Effective Date 31.12.2003 and opted for the Scheme

(ii) Employees joining after the Effective Date are not covered.

3. BENEFIT

Pensionery Benefits is akin to that based on Rules 48 and 49 of CCS Pension Rules 1973 as modified from time to time which is broadly monthly Pension as 50% of average Basic Salary for 33 years, proportionate thereof for lesser period of service with Minimum Pension of Rs. 1275/- and with 100% D.A neutralisation.

Average Basic Salary is Basic Salary averaged over last 10 months.

Details of benefit are in **Schedule – P1.**

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43

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4. DATA

NVS has decided that valuation will be based on Quinquennial Data. Accordingly data has been provided showing Age Group Salary/Service from 25-30 to 55-60.

4.1 This is first valuation carried out by us.

Accordingly we have not carried out

(i) Reconciliation of Data, between valuations as to exits from last date
(ii) Follow the trend of increase in salary over the years

4.2 The data was subjected to usual correlation Tests of

(a) Age - Salary
(b) Age - Service
(c) Salary - Service

Such tests have not shown any inconsistency thereon. Accordingly, the data has been used in valuation without amendments.

5. BASES OF VALUATION

This is the first valuation, consequently we have relied upon Stock-Basis i.e general basis as applicable to establishment with mainly white colour worker of such size. Basis of Actuarial Valuation is detailed in **Schedule – P2.** In successive valuation expected exits on actuarial bases will be worked out and compared with actual exits. This will justify or modify the bases used – when appropriate action will be taken.

6. RATIONALE OF VALUATION

Unit projection method has been used. Under the same each individual employee has been valued as per rationale detailed in **Schedule – P3.**

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2

7. RESULTS OF VALUATION – UPRATED GROUP DATA

7.1 COMPUTATION OF CURRENT GROUP AVERAGE SALARY

SALARY INPUT			NUMBER INPUT							SALARY X NUMBER OUTPUT						
SAL1	SAL2	AVSAL	N27	N32	N37	N42	N47	N52	N57	K AVR	L AVR	M AVR	N AVR	O AVR	P AVR	Q AVR
14300	18300	16300	0	0	0	0	1	1	0	0	0	0	0	16300	16300	0
12000	16500	14250	0	0	0	0	2	4	5	0	0	0	0	28500	57000	71250
10000	15200	12600	0	0	51	105	94	81	47	0	0	642600	1323000	1184400	1020600	592200
7500	12000	9750	0	0	54	75	34	12	2	0	0	526500	731250	331500	117000	19500
6500	10500	8500	301	554	781	540	193	79	21	2558500	4709000	6638500	4590000	1640500	671500	178500
5500	9000	7250	866	1493	1661	1059	425	137	28	6278500	10824250	12042250	7677750	3081250	993250	203000
5000	8000	6500	60	107	165	107	33	17	14	390000	695500	1072500	695500	214500	110500	91000
4500	7000	5750	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4000	6000	5000	95	182	267	178	35	11	1	475000	910000	1335000	890000	175000	55000	5000
3200	4900	4050	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3050	4590	3820	232	458	550	210	63	44	20	886240	1749560	2101000	802200	240660	168080	76400
2650	4000	3325	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2610	3540	3075	38	120	103	41	12	3	1	116850	369000	316725	126075	36900	9225	3075
2550	3200	2875	242	515	539	335	113	51	32	695750	1480625	1549625	963125	324875	146625	92000
83360	122730	103045	1834	3429	4171	2650	1005	440	171	11400840	20737935	26224700	17798900	7274385	3365080	1331925
AVERAGE										6216	6048	6287	6717	7238	7648	7789

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7.2 COMPUTATION OF CURRENT GROUP AVERAGE SERVICE

NUMBER INPUT							SERVICE INPUT							SERVICE X NUMBER		OUTPUT				
N27	N32	N37	N42	N47	N52	N57	S27	S32	S37	S42	S47	S52	S57	Y AVR	Z AVR	AA AVR	AB AVR	AC AVR	AD AVR	AE AVR
0	0	0	0	1	1	0	0.00	0.00	0.00	0.00	0.00	14.00	14.00	0.00	0	0	0	0	14	0
0	0	0	0	2	4	5	0.00	0.00	0.00	0.00	14.00	16.50	16.11	0.00	0	0	0	28	66	80.55
0	0	51	105	94	81	47	0.00	1.00	12.39	13.48	13.13	14.53	14.58	0.00	0	631.89	1415.4	1234.22	1176.93	685.26
0	0	54	75	34	12	2	0.00	0.00	15.66	15.54	15.55	17.12	15.54	0.00	0	845.64	1165.5	528.7	205.44	31.08
301	554	781	540	193	79	21	1.99	5.43	8.99	12.45	15.19	16.93	14.67	598.99	3008.22	7021.19	6723	2931.67	1337.47	308.07
866	1493	1661	1059	425	137	28	2.68	5.71	9.64	12.36	13.10	13.67	14.61	2320.88	8525.03	16012.04	13089.24	5567.5	1872.79	409.08
60	107	165	107	33	17	14	3.59	5.31	11.55	12.42	13.87	11.68	14.80	215.40	568.17	1905.75	1328.94	457.71	198.56	207.2
0	0	0	0	0	0	0	1.00	0.00	14.67	15.85	2.00	15.00	0.00	0.00	0	0	0	0	0	0
95	182	267	178	35	11	1	5.24	9.06	13.62	16.12	11.94	13.39	14.75	497.80	1648.92	3636.54	2869.36	417.9	147.29	14.75
0	0	0	0	0	0	0	0.00	13.00	13.07	13.00	13.00	0.00	0.00	0.00	0	0	0	0	0	0
232	458	550	210	63	44	20	4.02	9.03	11.06	15.11	12.66	11.43	10.57	932.64	4135.74	6083	3173.1	797.58	502.92	211.4
0	0	0	0	0	0	0	0.65	12.49	13.64	15.67	17.00	0.00	13.00	0.00	0	0	0	0	0	0
38	120	103	41	12	3	1	5.37	8.15	12.86	16.51	14.39	14.25	13.78	204.06	978	1324.58	676.91	172.68	42.75	13.78
242	515	539	335	113	51	32	4.63	8.42	10.52	12.32	12.49	11.79	14.18	1120.46	4336.3	5670.28	4127.2	1411.37	601.29	453.76
1834	3429	4171	2650	1005	440	171	29.17	77.60	147.67	170.83	168.32	170.29	170.59	5890.23	23200.38	43130.91	34568.65	13547.33	6165.44	2414.93
														3.21	6.77	10.34	13.04	13.48	14.01	14.12

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7.3 ACCRUED LIABILITY OF CONTINGENT PENSIONER OF EXISTING STAFF

PENSION WITH D.A. RELIEF

Group Age	Average Accrued Service	Average Current Basic (Rupees)	Average Dearness Allowance (Rupees)	Accrued Average Pension (Rupees)	Accrued Average Liability (Rupees)	Number	Accrued Fund Liability Rs.Crores
25-	3.21	6216	1243	362	34163	1834	6.26
30-	6.77	6048	1209	744	74891	3429	25.68
35-	10.34	6287	1257	1181	129420	4171	53.98
40-	13.04	6717	1343	1592	192782	2650	51.08
45-	13.48	7238	1447	1773	242170	1005	24.33
50-	14.01	7648	1529	1948	303626	440	13.35
55-	14.12	7789	1557	1999	339783	171	5.81
Total						13700	180.52

7.4 FUTURE LIABILITY OF CONTINGENT PENSIONER OF EXISTING STAFF

PENSION WITH D.A. RELIEF

Group Age	Average Future Service	Average Expected Salary (Rupees)	Average Dearness Allowance (Rupees)	Future Average Pension (Rupees)	Future Average Liability (Rupees)	Number	Future Fund Liability Rs.Crores	Value of 1% Salary as Cotribution Rs.Crores
25-	29.79	30952	22370	26533	276571	1834	50.72	3.93
30-	26.23	23596	14017	18219	254896	3429	87.40	6.34
35-	22.66	19219	9383	13232	251555	4171	104.92	6.99
40-	18.00	16088	6456	9090	240358	2650	63.69	4.00
45-	13.00	13583	4480	5525	216664	1005	21.77	1.31
50-	8.00	11246	3048	2851	164944	440	7.25	0.43
55-	3.00	8974	1999	865	70273	171	1.20	0.08
Total						13700	336.98	23.11

Note :

Accrued Pension	-	Pension Accrued for service rendered upto 31.03.2005
Accrued Liability	-	Actuarial Value of Accrued Pension
Future Pension	-	Pension that will accrue for service to be rendered from 01.04.2005
Future Liability	-	Actuarial value of Future Pension

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47

37
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8. VALUATION BALANCE SHEET - TOTAL EMPLOYEE

8.1 UPRATED GROUP DATA

EXISTING STAFF DATA SUMMARY

Number	13700
Salary	Rs. 8,81,33,092

8.2 VALUATION BALANCE SHEET FOR CONTINGENT PENSION LIABILITY OF PENSION ELIGIBLE EMPLOYEE A AT 31.03.2005 FOR PAYMENT OF PENSION WITH DA RELIEF

Rs./Crores

	Amount Rs.		Amount Rs.
Value of Past Service Liability	180.52	Fund	103.82
Value of Future Service Liability	336.98	Value of Future Service Contribution @ 17.89% of salary as Contribution	413.68
Total	517.50		517.50

9. CONCLUSION

9.1 Assuming that Employer's share of contribution of 103.82 upto 31.3.2005 will be transferred from Employees Provident Fund to the Pension Scheme by 31.03.2006.

9.2 Annual contribution of 18% will be made on monthly basis, effective from 1.4.2006.

Then such funding will be adequate to pay Pension to Pension Eligible Employees and their families as and when it arise.

10. RECOMMENDATION

10.1 At the time of falling interest rate it will be advisable to Fund Pension Liability.

10.2 Actuarial Valuation will be carried annually.

10.3 Fund should be so invested that it earns at least 7.5% of Interest p.a.

Bhudev

BHUDEV CHATTERJEE
ACTUARY

48

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Schedule – P1

SCHEME OF BENEFITS - PENSION

Type of Benefit	Benefit Formula
Retirement on completion of qualifying service of 33 years	50% of Average emoluments Minimum Pension - 1275
Retirement before completing qualifying service of 33 years but after completion of qualifying service of 10 years	50% Average emoluments for 33 years of service reduced pro-rate for lesser year of maximum service Minimum Pension - 1275
Invalid Pension on permanent in capacity before reaching age 60	50% of Average emoluments Minimum Pension - 1275
Family Pension payable on (i) Death in Service – when the member dies after rendering 7 years of continuous service (ii) Death after retirement	50% of Last Pay drawn Minimum Pension Rs. 1275 (i) In the event of death in service pension is payable from the date following the death for a period of seven years or for a period upto the date on which the deceased Employee would have attained the age of 65 years had he survived whichever is less. (ii) In the event of death after retirement Pension is payable for period of seven years of for a period upto the date on which the retired deceased Employee would have attained the age of 65 years Had he survived whichever is less.

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39 ~~40~~ 249

Schedule – P2 49

BASES OF ACTUARIAL VALUATION

BASES FOR VALUATION OF CONTINGENT PENSION LIABILITY

1. *STAFF MORTALITY*

MALE STAFF — L.I.C.I 1994-1996 ULTIMATE TABLE AT Age X-3 for Age X if age is over 40 otherwise at Age x-4 for age x.

FEMALE STAFF — FEMALE Aged X has been taken as MALE Aged X-3

2. *CONTINGENT PENSIONER-MORTALITY*

MALE STAFF — a(55)

FEMALE STAFF — a(55) at age x-2

3. *PROPORTION MARRIED*

AGE	MALE	FEMALE
Upto age 25	.30	.50
Between 25 & 30	.60	.75
Over 30	.90	.95

4. *RESIGNATION/DISMISSAL/DISABLEMENT*

All Causes Combined per 1000 Employees — 6 Exits p.a distributed as below
3 below Age 30 &
2 between Age 30 and Age 40 &
1 above Age 40

5. *AGE-RETIREMENT*

Retirement Age — 60
Retirement over age 60 Ignored

6. *VOLUNTARY-RETIREMENT* — IGNORED

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7. *SALARY SCALE*

MANAGEMENT STAFF & NON-MANAGEMENT STAFF — Basic Salary Scale, for different Grades has been considered. Effect is 5.5% of Salary as annual increases for Management Staff and 3.5% for Non-Management Staff.

8. *PENSION INFLATION* — 4% p.a with half yearly rest after vesting of Pension

9. *INTEREST RATE*

Current Investment yield is given below

Outstanding Term	Govt. Security	P.S.U
Less than 5 years	6.75%	7.0%
Between 5 & 10 Years	7.00%	7.25%
10 Years & Over	7.25%	7.50%

Based on the current market position it is expected that Interest Rate will not further fall in future

Interest rates used for valuation -

Liability upto 5 years	-	6.75%
Between 5 & 10 years	-	7.00%
Over 10 years	-	7.25%

51

277

Schedule – P3

RATIONALE OF VALUATION OF CONTINGENT PENSION LIABILITY

Consider one age x now
with salary s
Service n

Accrued Pension after t years from now will be

$PEN(x+t) = \text{Pension Fraction} \times (n+t) \times S \times (1+I)^t$

When I is the rate of annual Increase of salary.

Probability that such a pension will be payable

$p(x+t) = \dfrac{r(x+t) + w(x+t)}{l(x)}$

When l (x) = Number of staff age x now
r (x+t) = Member retires at age x+t on superannuation
w (x+t) = Member retires at age x+t on other ground

Then probable pension = pension x probability of payment
= PEN (x+t) x p(x+t)

Cost of purchase price of the pension = PEN (x+t) x p (x+t) x a (x+t)

When a (x+t) = Cost of purchase of annuity of Re.1/- p.m. at age x + t

When annuity represents present value of payment for all years to death from date of retirement.

Discounted value at age x of a pension payable at age x+t

$V(x+t)=PEN(x+t) \times p(x+t) \times a(x+t)/(1+J)^{-t}$

When j is rate of discounting

Aggregate of all discounted values from t = 0 to 60, will constitute the pension liability of the individual.

REPORT #1 - FUND SNAPSHOT

N... odaya Vidyalaya Samiti

Navodaya Vidyalaya Samiti CPF Trust

Fund Snapshot as on 01-Jul-2011

Fund Snapshot Report provides a synopsis of the fund's composite portfolfio on a particular date.

Important Portfolio

Promised Yield To Maturity	8.88 %
Average Coupon	6.27 %
Average Maturity	8.17 yrs
Average Credit Quality	AA

Category Investments

Category	Face Value		Purchase Value	
Central & State Category	3,638,400,000	50.31%	3,608,409,180	49.63%
Corporate Bond Category	3,316,726,400	45.86%	3,385,247,500	45.86%
Special Deposit Scheme	277,097,457	3.83%	277,097,457	3.83%
Total	7,232,223,857		7,270,754,137	

Scenario 1

Reinvestment Rate: 8.50%

Fund Required - 800.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18	23.29	20.00	800.00			**274.00**
2012	11.77	94.10	21.00		843.29	833.11	1107.11
2013	18.72	102.89	22.05		115.10	103.33	1210.44
2014	20.25	111.92	23.15		124.94	106.21	1316.66
2015	28.99	121.68	24.31		135.07	114.82	1431.47
2016	34.65	131.62	25.53		145.99	117.00	1548.47
2017	42.16	142.03	26.80		157.15	122.50	1670.97
2018	53.75	152.80	28.14		168.83	126.68	1797.64
2019	67.13	163.61	29.55		180.94	127.19	1924.83
2020	96.69	174.32	31.03		193.16	126.03	2050.86
2021	125.97	183.56	32.58		205.35	108.65	2159.51
2022	164.13	191.22	34.21		216.14	90.17	2249.69
2023	214.24	196.43	35.92		225.43	61.30	2310.99
2024	244.01	197.97	37.71		232.35	18.11	2329.10
2025	291.81	197.27	39.60		235.69	-8.32	2320.78
2026	316.52	192.60			236.86	-54.94	2265.84
2027	318.33	182.06			192.60	-123.92	2141.91
2028	329.84	170.48			182.06	-136.27	2005.65
2029	336.04	156.93			170.48	-159.36	1846.29
2030	331.77	141.71			156.93	-179.11	1667.18
2031	300.42	125.56			141.71	-190.06	1477.12
2032	300.68	110.69			125.56	-174.87	1302.25
2033	299.01	94.54			110.69	-189.99	1112.26
2034	256.23	77.16			94.54	-204.47	907.80
2035	223.65	61.94			77.16	-179.07	728.73
2036	209.67	48.20			61.94	-161.71	567.02
2037	177.55	34.47			48.20	-161.47	405.55
2038	96.50	22.31			34.47	-143.08	262.47
2039	90.34	16.00			22.31	-74.19	188.28
2040	52.17	9.69			16.00	-74.34	113.95
2041	34.00	6.07			9.69	-42.48	71.46
2042	17.57	3.70			6.07	-27.92	43.54
2043	5.02	2.52			3.70	-13.87	29.67
2044	4.95	2.31			2.52	-2.49	27.18
2045	0.87	2.09			2.31	-2.64	24.53
2046	0.00	2.19			2.09	1.21	25.75
2047	1.28	2.37			2.19	2.19	27.94
2048	0.87	2.47			2.37	1.09	29.03
2049	0.57	2.60			2.47	1.59	30.62
2050	2.81	2.78			2.60	2.04	32.66
					2.78	-0.04	32.62

Salary Increment: 5.00%

All figures in Rs. Crore

54

Scenario 2 Reinvestment Rate: 8.50% Fund Required 867.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						**274.00**
2011	10.18	23.29	20.00	289.00	332.29	322.11	596.11
2012	11.77	50.67	21.00	289.00	360.67	348.90	945.01
2013	18.72	80.33	22.05	289.00	391.38	372.65	1317.66
2014	20.25	112.00	23.15		135.15	114.90	1432.56
2015	28.99	121.77	24.31		146.08	117.09	1549.65
2016	34.65	131.72	25.53		157.25	122.60	1672.25
2017	42.16	142.14	26.80		168.94	126.79	1799.03
2018	53.75	152.92	28.14		181.06	127.31	1926.34
2019	67.13	163.74	29.55		193.29	126.16	2052.50
2020	96.69	174.46	31.03		205.49	108.79	2161.29
2021	125.97	183.71	32.58		216.29	90.32	2251.61
2022	164.13	191.39	34.21		225.59	61.47	2313.08
2023	214.24	196.61	35.92		232.53	18.28	2331.36
2024	244.01	198.17	37.71		235.88	-8.13	2323.24
2025	291.81	197.48	39.60		237.07	-54.73	2268.51
2026	316.52	192.82			192.82	-123.70	2144.81
2027	318.33	182.31			182.31	-136.02	2008.79
2028	329.84	170.75			170.75	-159.09	1849.70
2029	336.04	157.22			157.22	-178.82	1670.88
2030	331.77	142.02			142.02	-189.75	1481.13
2031	300.42	125.90			125.90	-174.53	1306.61
2032	300.68	111.06			111.06	-189.62	1116.99
2033	299.01	94.94			94.94	-204.06	912.93
2034	256.23	77.60			77.60	-178.63	734.30
2035	223.65	62.42			62.42	-161.24	573.06
2036	209.67	48.71			48.71	-160.96	412.10
2037	177.55	35.03			35.03	-142.52	269.58
2038	96.50	22.91			22.91	-73.59	195.99
2039	90.34	16.66			16.66	-73.68	122.31
2040	52.17	10.40			10.40	-41.77	80.54
2041	34.00	6.85			6.85	-27.15	53.39
2042	17.57	4.54			4.54	-13.03	40.36
2043	5.02	3.43			3.43	-1.59	38.77
2044	4.95	3.30			3.30	-1.66	37.11
2045	0.87	3.15			3.15	2.28	39.40
2046	0.00	3.35			3.35	3.35	42.75
2047	1.28	3.63			3.63	2.35	45.09
2048	0.87	3.83			3.83	2.96	48.06
2049	0.57	4.08			4.08	3.52	51.57
2050	2.31	4.38			4.38	1.57	53.14

Salary Increment: 5.00% All figures in Rs. Crore

(55)

Scenario 3 Reinvestment Rate: 8.50% **Fund Required** 935.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						**274.00**
2011	10.18	23.29	20.00	187.00	230.29	220.11	494.11
2012	11.77	42.00	21.00	187.00	250.00	238.23	732.34
2013	18.72	62.25	22.05	187.00	271.30	252.57	984.91
2014	20.25	83.72	23.15	187.00	293.87	273.62	1258.53
2015	28.99	106.98	24.31	187.00	318.29	289.30	1547.83
2016	34.65	131.57	25.53		157.09	122.44	1670.27
2017	42.16	141.97	26.80		168.77	126.62	1796.89
2018	53.75	152.74	28.14		180.88	127.12	1924.01
2019	67.13	163.54	29.55		193.09	125.96	2049.97
2020	96.69	174.25	31.03		205.27	108.58	2158.55
2021	125.97	183.48	32.58		216.05	90.09	2248.64
2022	164.13	191.13	34.21		225.34	61.22	2309.85
2023	214.24	196.34	35.92		232.25	18.01	2327.86
2024	244.01	197.87	37.71		235.58	-3.42	2319.44
2025	291.81	197.15	39.60		236.75	-55.05	2264.39
2026	316.52	192.47			192.47	-124.05	2140.34
2027	318.33	181.93			181.93	-136.40	2003.94
2028	329.84	170.33			170.33	-159.51	1844.43
2029	336.04	156.78			156.78	-179.26	1665.17
2030	331.77	141.54			141.54	-190.23	1474.94
2031	300.42	125.37			125.37	-175.05	1299.88
2032	300.68	110.49			110.49	-190.19	1109.69
2033	299.01	94.32			94.32	-204.68	905.01
2034	256.23	76.93			76.93	-179.30	725.71
2035	223.65	61.69			61.69	-161.97	563.74
2036	209.67	47.92			47.92	-161.75	401.99
2037	177.55	34.17			34.17	-143.38	258.61
2038	96.50	21.98			21.98	-74.52	184.09
2039	90.34	15.65			15.65	-74.69	109.40
2040	52.17	9.30			9.30	-42.87	66.53
2041	34.00	5.65			5.65	-28.34	38.18
2042	17.57	3.25			3.25	-14.33	23.86
2043	5.02	2.03			2.03	-2.99	20.87
2044	4.95	1.77			1.77	-3.18	17.69
2045	0.87	1.50			1.50	0.63	18.33
2046	0.00	1.56			1.56	1.56	19.88
2047	1.28	1.69			1.69	0.41	20.29
2048	0.87	1.72			1.72	0.85	21.14
2049	-0.57	1.80			1.80	1.23	22.37
2050	2.81	1.90			1.90	-0.91	21.46

Salary Increment: 5.00% All figures in Rs. Crore

956

No.F.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
UT-3 Section

New Delhi, dated the 14th September, 2011

To,

Shri Alok Verma,
Joint Commissioner (Admn.)
A-28, Kailash Colony
New Delhi-110048

Sub: CCEA Note for introduction of CCS (Pension) 1972 to the employees of NVS –reg.

Sir,

I am directed to refer to your note No. 1-1/2010-NVS (Comm.) dated 15.9.2011 on the above-mentioned subject and to say that the issue was earlier taken up with Department of Expenditure and a copy of their observations is enclosed. You are requested to provide the detailed service conditions of employees of NVS at the time of recruitment and of other autonomous organizations where CCS (Pension) 1972 have been introduced vig. NIOS, UGC etc. subsequently to establish parity.

Encl As above

Yours faithfully,

(P.K.Mittal)
Deputy Secretary to the Govt. of India

Verma
16/9/11

-07-

46

Government of India
Ministry of Finance
Department of Expenditure

....

Ministry of Human Resource Development may kindly refer to their notes on preceding pages wherein it was requested to reconsider the proposal for introduction of Pension Scheme as per CCS (Pension) Rules, 1972 for all NVS employees who had joined prior to 1.1-2004 for the reasons that the Old Pension Scheme has recently been extended to the NAAC and Inter-University Councils and, therefore, the demand of NVS merits reconsideration.

2. In this regard it is intimated that the bye-laws and service conditions of all IUCs including NAAC provided for the GPF, Pension and Gratuity to its employees. Hence, the GPF-cum-Pension Scheme was extended to 6 IUCs including NAAC with the condition that the expenditure would be borne by UGC from its own funds..

3. With regard to NVS , the Cabinet has already approved (i) introduction of NPS to all regular employees joining NVS after the date of notification and (ii) giving an option to the regular employees of NVS as on the date of notification of NPS to continue with the existing CPF scheme or to join the NPS, hence, it would not be possible to extend the Pension Scheme as CCS (Pension) Rules, 1972 for the NVS employees who have joined prior to 01-01-2004.

4. If the Pension Scheme under the CCS (Pension) Rules (1972) is extended to the employees of Navodaya Vidayalaya Samiti who joined prior to 1.1.2004, there would be similar demands from other similarly placed autonomous bodies and which would be very difficult for the Government to resist. The Ministry of Finance is, therefore, unable to extend the Pension Scheme under CCS (Pension) Rules, 1972 to the employees of NVS.

Msahay
(Manoj Sahay)
Director

764
26 MAR 2010

8653
25/3

AS& FA, Ministry of Human Resource Development, Shastri Bhawan
Ministry of Finance, D/o Expenditure U.O.No.139/EV/2010 dated 25-03-2010

25/3

JS(SE)

May like to see.

SC Khuntia
26/3/2010.

1031-F/JS(SE)/2010
26/3/2010

Secy (SE&L)

Aad!

57

NAVODAYA VIDYALAYA SAMITI
Ministry of Human Resource Development
(Department of School Education & Literacy)
Government of India
A-28, Kailash Colony, New Delhi – 110 048
Tel.011-29244172, Fax: 29240149
Website:www.navodaya.nic.in,
www.navodaya.gov.in
E-mail: navodaya@nic.in, navodaya@nda.vsnl.net.in

No.F.11-35/2009-NVS (GA) November 15, 2011

To

Shri P.K. Mittal,
Deputy Secretary (UT)
Ministry of HRD,
Department of School Education & Literacy,
UT Section, Shastri Bhawan,
New Delhi - 110 001.

Subject: **CCEA Note for introduction of CCS (Pension) 1972 to the employees of NVS – reg.**

Sir,

I am directed to refer to your letter No.17-44/2011-UT.III dated 14th September 2011 on the subject to inform that Navodaya Vidyalayas were initially started under the name of "Model Schools" as was indicated in the Cabinet Note for approval of the Scheme. These were subsequently renamed as "Jawahar Navodaya Vidyalaya" during July 1989.

The first two Model Schools / Navodaya Vidyalayas were opened in Amrawati (Maharashtra) and Jhajjar (Haryana) during 1985-86 which were initially administered by National Council of Educational Research and Training on behalf of Ministry of HRD pending registration of Navodaya Vidyalaya Samiti as a Society. Initial appointment of staff for these two schools was made on direct recruitment basis and the conditions of service appointed for these two schools inter-alia provided as under: -

Dy. 1387/UT-I 21/11/11

"The service under the Model School is not Government Service and is governed by the Rules and Regulations of the Model School prescribed from time to time. The employees are entitled to the benefit of Pension-cum-Gratuity / Contributory Provident Fund (CPF) as per rules of the Model Schools. The option for CPF / Pension Scheme is to be exercised within six months from the date of appointment of the employees concerned. If the option is not received within this period, it will be presumed that he / she has exercised for GPF / Pension."

1501/DS(UT) 17/11/11

Copies of some appointment orders issued during January / February 1986 are enclosed.

18/11 UT-3 21/11

58

Further, it is pointed out that Memorandum of Association and Rules of the Samiti which were prepared by the Government for registration of the Society empowered the Executive Committee of the Samiti to determine procedures for payment of pension, gratuity or provident fund to the employees of the Society or to their wives, children or other dependents under Rule 24 (ii) (i).

From the above, it is evident that at the time of initial appointment of staff under Navodaya Vidyalayas, the service conditions offered an option for pension-cum-gratuity scheme to the employees of the Navodaya Vidyalayas which brings Navodaya Vidyalaya Samiti at par with IUCs Councils to whom the pension has been extended.

It is requested that demand of Navodaya Vidyalaya Samiti for Pension Scheme be re-considered on the basis of above for a positive decision at par with IUCs.

Yours faithfully,

(M.S. Khanna)
Joint Commissioner (Pers.)

Encl.: As above.

Model School, Walgaon Road Amravati 444601

~~MODEL SCHOOL, WALGAON ROAD, AMRAVATI~~

Reference : F. No. [illegible] Dated : 9/1/86

Subject :- Offer of Appointment to the post of Upper Division Clerk in Model School Amravati.

The Model School, Amravati temporarily administered by NCERT, New Delhi, on behalf of the Autonomous Body to be set up by the Ministry of Human Resources Development, Government of India, and to be registered under the Societies Registration Act, to manage and run the Model Schools, is pleased hereby to offer Shri/~~Smt/Kum~~. P. B. Dive a purely temporary post of Upper Division Clerk on pay of Rs. 330/— in the payscale of Rs. 330-10-380-EB-12-500-EB-15-560. The appointee will also be entitled to allowances at the rates as admissible, and subject to the conditions laid down in rules, regulations and orders governing the grant of such allowances in force from time to time, in the Model School.

(2) The service under the Model School is not Govt. Service and is governed by the rules and regulations of the Model School prescribed from time to time. The employees are entitled to the benefit of Pension-cum-Gratuity/CPF (Contributory Provident Fund) as per the rules of the Model Schools. The option for CPF/Pension Scheme is to be exercised with in six months from the date of appointment of the employee concerned. If the option is not received with in this period, it will be presumed that he/she has exercised for GPF/Pension.

(3) The terms of appointment are as follows.

i) The appointment is temporary at present. He/she will be on probation for a period of two years from the date of his/her appointment, which may be extended at the discretion of the appointing authority. During the period of probation the services can be terminated by the appointing authority without any notice and without any reason being assigned therefor. After completion of the period of probation and till he/she is confirmed the services can be terminated any time without any reason being assigned therefor by one month's notice on either side. The appointing authority, however, reserves the right of terminating the services before the expiry of the prescribed period of notice by making payment of a sum equal to the pay and allowances for the period of notice or the unexpired portion there of.

The appointment is purely on adhoc basis and the post is reserved for SC/ST candidate. As and when such candidate is available his services will be terminated without any notice being assigned. This will not confer any right for regular appointment.

ii) Other the appointment carries within the liability to service in any part of India.

iii) Other conditions of service will be governed by the relevant rules and orders of the model school in force from time to time.

...2..

The appointment will be further subject to :- (a)

I) Production of medical certificate of fitness from the Competant medical authorities viz. Civil Surgeon, etc.

ii) [illegible] ion of marriage declaration in the form enclosed (Ann-I) in the event of the candidate having more than one wife living, or being married to a person having more than one wife living, the appointment will be subject to his/her being exempted from the enforcement of this requirement in this behalf.

iii) Taking an oath of allegiance/faithfullness to the Constitution of India (or making of a solemn affirmation) to that effect in the prescribed form enclosed (Annexure-II)

iv) Production of the following Original certificates at the time of joining the Model School.

(a) Degree/Diploma/Certificates of educational and other technical qualifications.
(b) Certificate of age.
(c) Discharge certificate of previous employment, if any.
(d) Certificates in the prescribed form in support of candidates claim, if any, to belong to SC/ST community.

5) If the declaration given or information furnished by him/her proves to be false or if he/she is found to have wilfully supressed any material information she/he will be liable to removal from service and other action as the Model School may deem fit.

6) No T.A. & D.A. will be admissible for joining the post.

7) If he wishes to maintain a lien on a post in his parent deptt. he is required to make such arrangements as he seems fit on his own. The Model School will not enter into any correspondence with his parent employer nor pay any leave salary or pension/CPF contributions to his parent employer.

8) If Shri/~~Smt/Kum.~~ P. B. Dive accepts the offer in the terms and conditions stated above, he/she should communicate his/her acceptance to the undersigned by __________. If no reply is received by the prescribed date, the offer will be treatedas cancelled.

9) It will be obligatory for him to be a member of Group Insurance Scheme as applicable to the employees of the Model School.

An attestation form (in triplicate) is enclosed which may be returned duly completed alongwith the acceptance letter.

Incl : As above.

PRINCIPAL

Principal प्राचार्य
Model School मॉडल स्कूल
Amravati अमरावती

To
Sri P. B. Dive,
At- Balaji Plot
Amravati

Copy to the Head, Model School Cell, NCERT, New Delhi-16.

(3)

Model School Amravati A-Z

Walgaon Road A-8

Reference :- F. No A-2/MS-Amr/85-86/113 -/11/86

Subject :- Offer of Appointment for the post of Librarian in Model School Amravati.

(8)

The Model School Amravati temporarily administered by NCERT, New Delhi, on behalf of the Autonomous Body to be set up by the Ministry of Human Resources Development, Government of India, and to be registered under the Societies Registration Act, to manage and run the Model Schools, is pleased hereby to offer Shri/~~Smt/Kum~~ N. S. Pawar a purely temporary post of Librarian on pay of Rs. 440/- in the payscale of Rs. 440-15-515-EB-15-560-20-700-EB-25-750. The appointee will also be entitled to allowances at the rates as admissible, and subject to the conditions laid down in rules, regulations and orders governing the grant of such allowances in force from time to time in the Model School.

(2) The service under the Model School is not Govt. Service and is governed by the rules and regulations of the Model Schools as prescribed from time to time. The employees are entitled to the benefit of Pension-cum-Gratuity/CPF (Contributory Provident Fund) as per the rules of the Model Schools. The option for CPF/Pension Scheme is to be exercised with in six months from the date of appointment of the employee concerned. If the option is not received with in this period, it will be presumed that he/she has exercised for CPF/Pension.

(3) The terms of appointment are as follows :-

i) The appointment is temporary at present. He/she will be on probation for a period of two years from the date of his/her appointment, which may be extended at the discretion of the appointing authority. During the period of probation the services can be terminated by the appointing authority without any notice and without any reason being assigned therefor. After completion of the period of probation and till he/she is confirmed the services can be terminated any time without any reason being assigned therefor by one month's notice on either side. The appointing authority, however, reserves the right of terminating the services before the expiry of the prescribed period of notice by making payment of a sum equal to the pay and allowances for the period of notice or the unexpired portion thereof.

The appointment is purely on adhoc basis against the post reserved for SC/ST candidate. As and when such candidate is available his services will be terminated without any notice being assigned. This will not confer any right for regular appointment.

ii) Other the appointment carries within the liability to service in any part of India.

iii) Other conditions of service will be governed by the relevant rules and orders of the model school in force from time to time.

(4)

4. The appointment will be further subject to :-

i) Production of medical certificate of fitness from the competent medical authorities viz. Civil Surgeon, etc.

ii) Submission of marriage declaration in the form enclosed (Annex) in the event of the candidate having more than one wife living, or being married to a person having more than one wife living, the appointment will be subject to his/her being exempted from the enforcement of this requirement in this behalf.

iii) Taking an oath of allegiance/faithfulness to the Constitution of India (or making of a solemn affirmation) to that effect in the prescribed form enclosed (Annexure-II)

iv) Production of the following Original certificates at the time of joining the Model School.

(a) Degree/Diploma/Certificate of educational and other technical qualifications.

(b) Certificate of age.

(c) Discharge certificate of previous employment, if any.

(d) Certificates in the prescribed form in support of candidates claim, if any, to belong to SC/ST community.

5). If the declaration given or information furnished by him/her proves to be false or if he/she is found to have wilfully supressed any material information she/he will be liable to removal from service and other action as the Model School may deem fit.

6) No T.A. & D.A. will be admissible for joining the post.

7) If he wishes to maintain a lien on a post in his parent deptt. he is required to make such arrangements as he seems fit on his own. The Model School will not enter into any correspondence with his parent employer nor pay any leave salary or pension/CPF contributions to his parent employer.

8) If Shri/~~Smt/Kum~~ N S Pawar accepts the offer in the terms and conditions stated above, he/she should communicate his/her acceptance to the undersigned by 20/11/06. If no reply is received by the prescribed date, the offer will be treatedas cancelled.

9) It will be obligatory for him to be a member of Group Insurance Scheme as applicable to the employees of the Model School.

An attestation form (in triplicate) is enclosed which may be returned duly completed alongwith the acceptance letter.

Encl : As above.

PRINCIPAL

To Shri N S Pawar
At Po. Bhandari, Tah. Pusad
(Distt) Yeotmal

Copy to the Head, Model School Cell, NCERT, New Delhi-16.

A-8 Regd. post for kind attention of Shri P...

Model School Walgaon Road Amravati-444601

Reference : F.No.A-2/MS/Amr/85-86 Dated 14-2-86

Subject :- Offer of Appointment for the post of Trained Graduate Teacher in Model School, Amravati.

The Model School, Amravati, temporarily administered by NCERT, New Delhi, on behalf of the Autonomous Body to be set up by the Ministry of Human Resources Development, Government of India, and to be registered under the Societies Registration Act, to manage and run the Model Schools, is pleased hereby to offer Shri/Smt/Kum. J. D. Dharme a purely temporary post of Trained Graduate Teacher in the payscale of Rs. 1400-40-... on pay of Rs. ______. The appointee will also be entitled to the allowances as may be admissible, and subject to the conditions laid down in rules, regulations and orders governing the grant of such allowances in force from time to time, in the Model School.

(2) The service under the Model School is not Govt. Service and is governed by the rules and regulations of the Model School prescribed from time to time. The employees are entitled to the benefit of Pension-cum-Gratuity/CPF (Contributory Provident Fund) as per the rules of the Model Schools. The option for CPF/Pension Scheme is to be exercised with in six months from the date of appointment of the employee concerned. If the option is not received with in this period, it will be presumed that he/she has exercised for CPF/Pension.

(3) The terms of appointment are as follows:-

i) The appointment is temporary at present. He/she will be on probation for a period of two years from the date of his/her appointment, which may be extended at the discretion of the appointing authority. During the period of probation the services can be terminated by the appointing authority without any notice and without any reason being assigned therefor. After completion of the period of probation and till he/she is confirmed the services can be terminated at any time without any reason being assigned therefor by one month's notice on either side. The appointing authority, however, reserves the right of terminating the services ... notice by making

64

F.No.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
B-Wing, Ground Floor, Shastri Bhawan
***

New Delhi, dated 25th January 2012

The Commissioner,
Navodaya Vidyalaya Samiti,
A – 28, Kailash Colony,
New Delhi – 110048.

Subject: Revised proposal for extension of CCS (Pension) Rules, 1972 to the employees of NVS.

Sir,

Please refer to the discussions held in the meeting with Hon'ble HRM on 16th January, 2012 regarding extension of CCS (Pension) Rules, 1972 to the employees of NVS.

NVS is requested to send a revised proposal to UT Bureau analyzing in detail the implications of extending New Pension Scheme to employees who joined prior to 01.01.2004 vis-à-vis implications of extending CCS (Pension) Rules, 1972. NVS is also requested to furnish all related documents establishing its claim of being constituted in 1985.

Yours faithfully,

(P.K. Mittal)
Deputy Secretary to the Govt. of India
Tele: 23387153

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NAVODAYA VIDYALAYA SAMITI

(An Autonomous Organization under Ministry of Human Resource Development, Department of School Education & Literacy)
Govt. of India

B-15, Sector 62, Noida (UP) - 201309

F. No 14-03/11-NVS(GA.)/Vol.III/315 Dated 11 .06.2012

सेवा में,

श्री पी.के. मित्तल
उप–सचिव (यू.टी), भारत सरकार,
मानव संसाधन विकास मंत्रालय,
स्कुल शिक्षा और साक्षरता विभाग
शास्त्री भवन, नई दिल्ली।

Sub: Revised proposal for extension of CCS Pension Rules 1972 to the employees of NVS – reg.

Sir,

I am to refer to your letter no. 17-44/2011-UT.III dated 25.01.2012 vide which it was desired that revised proposal to UT bureau analyzing in details the implications of extending New Pension Scheme to NVS employees who joined prior to 01.01.2004 viz.a viz. implications of extended CCS Pension Rules 1972.

In this context, it is to inform you that the New Pension Scheme has been extended to NVS employees w.e.f. 01.04.2009 and not w.e.f. 01.01.2004.

This issues with the approval of JC(Pers.)

भवदीया,
वीना शर्मा
11.6.12
(वीना शर्मा)
सहायक आयुक्त (सं.प्रशा.)

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13/7/12

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F.No.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
B-Wing, Ground Floor, Shastri Bhawan
***

New Delhi, dated 21st June 2012

The Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Sector-62,
Noida (U.P.) - 201309.

Subject: Revised proposal for extension of CCS Pension Rules 1972 to the employees of NVS.

Sir,

Please refer to NVS's letter no. 14-03/11-NVS(GA)/Vol.III dated 11.06.2012 and this Ministry's letter of even no. dated 25.01.2012. It may be recalled that the issue was discussed in a meeting taken by Hon'ble HRM and it was decided that a revised proposal be prepared by NVS with detailed analysis of the implications of extending the New Pension Scheme to employees who joined prior to 01.01.2004 vis-à-vis implications of extending CCS (Pension) Rules, 1972. NVS was also requested to furnish all related documents establishing its claim of being constituted in 1985.

The information send by NVS is not sufficient to prepare a revised proposal. NVS is therefore requested to send a revised proposal along with all related documents to UT Bureau.

Yours faithfully,

(P.K. Mittal)
Deputy Secretary to the Govt. of India

67

Most Immediate

No.F.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
UT-3 Section

To,

New Delhi, dated the 7th Feb. 2013

Shri G.S. Bothyal.
Commissioner
Navodaya Vidyalaya Samiti
B-15, Sec-62
Noida (U.P.)

Sub: Revised proposal for extension of CCS (Pension) Rules, 1972 to the employees of NVS- reg.

Please refer to this Deptt.'s letter of even number dated 21.06.2012 (copy enclosed) on the above mentioned subject. The requisite information is still awaited from NVS. You are requested to send a revised proposal alongwith all the related documents to this Ministry urgently to unable us to take up the matter with the concerned authority.

Yours faithfully,

(P.K. Mittal)
Deputy Secretary to the Govt. of India

Encl: as above

66 FTS-15611/2013

NAVODAYA VIDYALAYA SAMITI

(An Autonomous Organization under
Ministry of Human Resource Development,
Department of School Education & Literacy),
Government of India
B-15, Sector 62, Noida
U.P. - 201307
Email : nvsnoida@gmail.com
Website: Navodaya.nic.in,
Tele : 0120-2405191, Fax No. 0120-2405182

F. No 18-1/2010-NVS (GA)/85 07.02.2013

To

The Joint Secretary (SE-II),
Deptt. of School Education & Literacy,
M/HRD, Govt. of India,
Shastri Bhawan,
New Dlehi.

Subject: **Meeting with AS (SE) on 06.02.2013 to discuss the issues raised by Joint Action Committee (JAC) – proposal for reconsidering the proposal for extension of GPF-cum-Pension Scheme, 1972 to the employees of NVS.**

Sir,

Please refer to our discussions held with AS (SE) regarding extension of GPF-cum-Pension Scheme, 1972 to the employees of Navodaya Vidyalaya Samiti who joined the Samiti prior to 01.01.2004.

As desired, I am enclosing herewith a copy of proposal submitted by the Samiti for extension of GPF-cum-Pension Scheme, 1972 to the employees of the Samiti who were on the roll of NVS as on 01.01.2004 with the request to kindly re-consider the proposal and take up the matter with the Ministry of Finance for their approval.

Yours faithfully,

Encl: As above.

(G.S. Bothyal)
Commissioner

146/UT-3
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SO SM

UT-3

Subject: Introduction of CSS (Pension) Scheme for employees of Navodaya Vidyalaya Samiti (NVS).

1. INTRODUCTION

The scheme of Jawahar Navodaya Vidyalaya (JNV) was approved by the Union Cabinet in Aug'1985 to give shape to the vision of the then Prime Minister Shri Rajiv Gandhi to have a residential school system for the talented children pre-dominantly from rural areas. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Deptt. of Sec. and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. JNVs are fully residential, co-educational institutions providing free education including board and lodging, text books, uniform, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is thus a part of the conscious efforts of the Government to spreading quality secondary education in the country through Central Sector Schools. Navodaya Vidyalayas are addressing the needs of talented rural children, who are otherwise deprived of good quality education.

2. Service conditions of the employees of NVS

The Government of India has approved extension of the pay structure of central government employees to the teaching and non-teaching staff of JNVs. The Samiti has also adopted mutatis-mutandis Government of India rules and regulations on service matters for its employees vide office order No. F. 6-I/92-NVS(Admn.) dated 30.3.1992. The Government of India has also brought NVS under the purview of the Central Administrative Tribunal. However, no pension scheme has been extended to the employees of the Samiti even after more than 25 years of existence of the organization.

The Ministry of Finance, Department of Expenditure, Govt, of India vide its Notification No. 491)- E.V./90 (i) dated 11.11.1991 extended the Contributory Provident Fund (CPF) Scheme to the employees of NVS retrospectively w.e.f. 1st April'1988. A proposal was moved for introduction of Pension / GPF Scheme in the Samiti in the light of decisions taken by the Government of India on the recommendations of Fourth Pay Commission and circulated vide O.M. No. 4/1/87-PIC-I dated 01.5.1987 issued by Department of Pensions and Pensioners Welfare, wherein it was decided that all CPF beneficiaries in service should be given an option to convert to Pension Scheme. It was, however, not agreed to by the Ministry of Finance, Deptt. of Expenditure to extend pensions benefit to the employees of NVS who informed that the question of introduction of a Pension Scheme in public sector undertakings is under consideration of the Govt, and hence the department is not in a position to give concurrence to introduction of Pension Scheme in the Samiti. The matter was again referred to the Department of Expenditure in Feb' 1990 when that department informed that keeping in view the likely repercussions of the decision to bring employees of NVS under the pension scheme, the proposal may not be agreed on balance of convenience. The proposal was again submitted to Department of Expenditure in 1992 when that department did not support the proposal on the ground that in the context of the resource crunch and the efforts of the government to maintain the budgetary deficit within the desired limits, status quo should be maintained.

The case was again taken up by the then Hon'ble HRM and Chairman, NVS with Hon'ble Minister of Finance in December, 1998. In -response, the then Hon'ble Finance Minister has informed that the Ministry of Finance had not agreed to the proposals for introduction of pension scheme on GOI pattern for the employees of the autonomous bodies for certain reasons and in case the proposal regarding introduction of pension scheme on GOI pattern for the employees of NVS is agreed to there would be similar demands from other autonomous bodies receiving grants-in-aid from the Government which may be difficult to resist. The reasons given by the Hon'ble Finance Minister in his letter dated 5.2.99 for rejecting the proposal are as under:-

a) The cost of introduction of pension scheme is much higher than the CPF Scheme. While CPF is an one-time settlement, pension is a life-long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the recommendations of the successive Pay Commissions, revision in the rates of deamess relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

b) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

c) Under the employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will lose resources to that extent.

d) In case the organization is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

3. RETIREMENT BENEFITS BEING GIVEN TO NVS EMPLOYEES

At present, employees of NVS have got the benefit of leave encashment and Contributory Provident Fund. Government has approved introduction of New Pension Scheme to all regular NVS employees joining NVS after the date of Notification and also given approval to other regular employees of the NVS either to join the New Pension Scheme or to continue with the existing scheme. This scheme has been introduced w.e.f. 1.4.2009. However, employees who joined Samiti before this date have not accepted this scheme.

72

4. JUSTIFICATION FOR THE INTRODUCTION OF PENSION SCHEME IN NVS

Following instructions/orders issued by the Govt, of India from time to time clearly reveal that the employees of the NVS are the rightful claimants to the pensionary benefits under CCS (Pension) Rules.

a) Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to extend the retirement benefits to the teachers as available to the Central Government employees.

b) The first two Model Schools / Navodaya Vidyalayas were opened in Amrawati (Maharashtra) and Jhajjar (Haryana) during 1985-86 which were initially administered by National Council of Educational Research and Training on behalf of Ministry of HRD pending registration of Navodaya Vidyalaya Samiti as Society. Initial appointment of staff for these two schools was on direct recruitment basis and the conditions of service appointed for these two schools inter-alia provided as under: -

"The service under the Model School is not Government Service and is governed by the Rules and Regulations of the Model School prescribed from time to time. The employees are entitled to the benefit of Pension-cum-Gratuity / Contributory Provident Fund (CPF) as per rules of the Model Schools. The option for CPF / Pension Scheme is to be exercised within six months from the date of appointment of the employees concerned. If the option is not received within this period, it will be presumed that he / she has exercised for GPF / Pension."

c) Memorandum of Association and Rules of the Samiti which were prepared by the Government for registration of the Society empowered the Executive Committee of the Samiti to determine procedures for payment of pension, gratuity or provident fund to the employees of the Society or to their wives, children or other dependents under Rule 24 (ii) (i).

From the above, it is evident that at the time of initial appointment of staff under Navodaya Vidyalayas, the service conditions offered an option for pension-cum-gratuity scheme to the employees of the Navodaya Vidyalaya which brings Navodaya Vidyalaya Samiti at par with IUCs Councils to whom the pension has been extended.

d) At that time Direct recruitment / Permanent Absorption in 1989, an assurance was given to all employees that pension scheme for employees of the Samiti is under consideration and is likely to be introduced in the near future. It was also assured that on adoption of the pension scheme in the Samiti such employees will be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the rules.

e) In the note for cabinet following statements have been made with regard to pay scales of teachers in Navodaya Vidtyalayas :

"The teaching and non-teaching staff that each school will require, has been worked out and, is at Annexure-II. The calculation in Annexure-IV are based on the salary structure in the Kendriya Vidyalaya Sangathan. A final decision on the pay scales to be made applicable to these schools would be taken after the reports of Expert Committees are received and the scales may be somewhat higher in view of the special nature of these schools."

In the same note it was also proposed to provide a separate section in the Ministry of Education to look after the work relating to Navodaya Vidyalayas. It was proposed to have this section under the Officer of the rank of Director assisted by 01 Under Secretary, 01 Section Officer, 04 Assistants, 03 LDCs, 02 Stenographers and 02 Group 'D' employees.

Thus the requirement of teaching and non-teaching staff for a Navodaya Vidyalaya along with financial implications were included in this note for cabinet. These calculations were based on the salary structure in the Kendriya Vidyalaya Sangthan where the employees were getting pension at that time and are getting pension now also. Further this note also provided for creation of one section under an officer of the rank of Director in the Ministry of Education to look after the work relating to Navodaya Vidyalayas.

The financial implications for creation of posts in the Ministry of Education and NVS as included in the note for cabinet are identical. It is thus evident that -

i) While calculating the financial implications for creation of posts for Navodaya Vidyalayas, pension component was taken into account; and

ii) The posts created in the Ministry of HRD for looking after work relating to NVS are having pensionery benefits whereas posts created in the Samiti under the same cabinet note are not being given this benefit.

f) Extracts from the IV Pay Commission Report

"Para 9.8:

In so far as the CPF beneficiaries still in service on January 1, 1986 are concerned, we recommend that they should be deemed to have come over to the pension scheme on that date unless they specifically opt out to continue under the CPF scheme. The CPF beneficiaries who decide to continue to remain under that scheme should not be eligible on retirement for ex gratia payment recommended by us for the CPF retirees".

The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987, conveyed the acceptance of above recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to pension scheme w.e.f. 1.1.1986. However, the option was not allowed to the employees of NVS on the ground that Samiti has not come in existence on 01.01.1986

It is relevant to point out that two Navodaya Vidyalayas were opened at Amrawati and Jhajhar during 1985 - 86. Posts for these Vidyalayas were sanctioned by the Government on 28.10.1985 (Annexure-VI). First installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985 (Annexure-VII). Thus the posts for Navodaya Vidyalayas were existing prior to 01.01.1996. As such NVS is covered under the provisions of Department of Pension and Pensioner's Welfare OM No. 4/1/87-PIC-I dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

g) Extracts of General Financial Rules of Government of India

"Rule 149 (4) (iv) Annexure-XI :

(iv) ***All Autonomous Bodies or grantee institutions which receive more than 50% of their recurring expenditure in the form of grant-in-aid should formulate terms and conditions of service of their employees so that by and large they are broadly comparable to those applicable to similar categories of employees in Central Government".***

Since the Samiti is provided 100% funds in the form of grant-in-aid by the MHRD, the employees of the Samiti are eligible for the pensionary benefits as available to employees of likely placed organizations i.e. KVS, CTSA, NCERT etc.

It is also seen that the benefits of the pension scheme have been allowed to many other organizations, though they were set up after the establishment of the NVS.

5. Recommendations of Committees

The committee set up by the Ministry of HRD to review the management, structure and operating mechanism of the NVS under the Chairmanship of Shri Y.N. Chaturvedi has also strongly recommended the extension of pensionary benefits to the employees of Samiti at par with Kendriya Vidyalaya Samiti (KVS). The committee has observed the non-availability of this benefit to be one of the reasons for the teachers leaving the services of NVS.

Department related Parliamentary Standing Committee on HRD has in its 154th Report on functioning of Navodaya Vidyalayas (NVs) observed vide para 18.3 as under :

"The committee takes note of the reservations of the Ministry of Finance in providing Pensionary benefit to employees of NVs The committee fails to comprehend the reasons for having different approach of mind for employees working in two organizations doing similar work under a similar set up and conditions. The committee would like to point out when employees of Kendriya Vidyalaya Sangathan can enjoy the pensionary benefits on their retirement, what deters the Government in providing similar facility for employees of Navodaya Vidyalaya Samiti, many of them away from their families serving in residential schools located in rural areas. **The committee, therefore, strongly feels that the position may be reviewed again and a decision acceptable to employees of JNVs may reached at the earliest."**

Further, the department related Parliamentary Standing Committee on HRD in its 184th report on the functioning of Navodaya Vidyalayas observed as under:-

"The Committee reiterate its recommendations made in 154th report for provision of pensionary benefits to NVS employees on the same level as being given to KVS employees. The Committee strongly feels that NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees..

It is thus seen that the necessity of extending the provisions of CCS (Pension) Rules to the employees of the NVS has been appreciated and recommended by a number of high level committees.

6. Concerns of the Samiti

Navodaya Vidyalayas have emerged as leaders in the secondary school system in the country. These vidyalayas have out performed other school system within a sort span of their existence. It is very important to recruit and retain competent and qualified teachers willing to serve interior rural areas so that the vidyalayas can achieve the noble objectives of providing quality education to the talented children pre-dominantly from rural areas and serving as pace setting institutions in each district. . Being residential schools, the work schedule of the staff of NVS is much more remanding in comparison to that of day schools like KVs. Navodaya teachers are serving at far flung places where, sometimes, the facilities even for primary education of their children are not available. It is becoming difficult to attract and retain young talent in the vidyalayas for want of a pension scheme.

It, therefore, becomes very important for the organization to extend pensionary benefits to the staff to attract and retain talented people, as pension is an important social security after retirement.

7. Financial implication for implementation of pension scheme

576 Navodaya Vidyalayas have already been sanctioned with the ultimate target of one Navodaya Vidyalaya in each district of the country. Another 50 districts are targeted to he covered by the end of XIth Plan. As on date, the sanctioned strength of employees in NVS is approx. 22000. This work force is comprised mainly of the teachers (more than 12900). Over the years, CPF contribution of the Samiti towards management contribution and interest, thereon, has accumulated to over Rs.274 crores and will go on increasing every year. The current annual liability is around Rs.20 crores. This liability is being met out of the annual grant received from Government In case pension scheme is introduced for the employees of the Samiti, the entire CPF liability towards management contribution and interest for employees who joined before 1.1.2004 can be transferred to pension fund. As per actuarial

calculations got by NVS, the total pension liability as on date for employees joined before 1.1.2004 after taking into account the existing CPF liability will be approximately Rs.800 crore which may be provided by Government either in lump-sum or in installments. The pension fund duly managed by the Trust as per the guidelines of the Government may be set up by the NVS as per all other autonomous bodies having pension scheme. The accretions to the pension fund can be invested as per the pattern laid down by the Government and being followed by other organizations. The accretions to the CPF are also being invested as per the Govt. guidelines and the same can be done with the pension fund also employees of the NVS has submitted a representation for re-opening the proposal for grant of pension benefit to the employees of NVS. AS (School Education) convened a meeting on 06.02.2013 interalia to discuss the issue of pension to the employees of NVS. It was decided that NVS may again submit the proposal to the Department of School Education & Literacy. In view of above, the proposal is again submitted for the consideration.

8. Present status

In view of the facts and circumstances as on date it is felt that introduction of Pension Scheme for NVS employees who joined before 01.01.2004 on the pattern of CCS (Pension) Rules 1972 may kindly be implemented at the earliest.

92

F.No. 17-8/1 [illegible]-UT-[illegible]
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
UT-3 section

Dated 12.2.13

To,

The Commissioner,
Navodaya Vidyalaya Samiti
B-15, Institutional Area,
Noida

Subject: Minutes of the Meeting held on 9th & 11th February, 2013 by Addl. Secretary (SE) with Commissioner, NVS and members of the Joint Action Committee (JAC) of Emp[illegible] of NVS in the Conference hall (Room No. [illegible]) [illegible] New Delhi.

Sir,

I am directed to say that AS (SE) took a meeting with members of JAC of the employees of NVS and Commissioner (NVS) on 09.2.13 and 11.2.13 on the above mentioned subject. A copy of the minutes of the meeting is enclosed for your information and necessary action.

Yours Faithfully

(Gulab Singh)
Under Secretary to Govt. of India

Encl: As above

Copy to :
PPS to AS(SE) for information.

12/2/13

93

MINUTES OF THE MEETING HELD ON 9TH & 11th FEBRUARY, 2013 UNDER THE CHAIRPERSONSHIP OF MS. VRINDA SARUP, ADDL. SECRETARY, DEPTT. OF SCHOOL EDUCATION & LITERACY, M/HRD, SHASTRI BHAWAN, NEW DELHI WITH THE REPRESENTATIVES OF JOINT ACTION COMMITTEE (JAC) OF EMPLOYEES ASSOCIATION/FORUM OF NAVODAYA VIDYALAYA SAMITI

A meeting was held under the chairpersonship of Ms. Vrinda Sarup, Additional Secretary (SE), MHRD on 09.02.2013 at 12.00 noon in the conference hall in 'C' Wing, Shastri Bhawan, New Delhi, with the representative of Joint Action Committee of NavodayaVidyalayaSamiti Employees Associations, to discuss their demand. The following members attended the meeting:

1. Shri V.L. Balasubramanian, Member CEC, JAC and ex-Principal, JNV, Kasargod
2. Shri M.S. Yadav, General Secretary, NVSEWA (RO, Chandigarh)
3. Shri Bijay Kumar, President, JNVCA & MSWA (JNV, Supaul, Bihar)
4. Shri Yogendra Kumar Sharma, Vice-President, AINVSA (JNV, SawaiMadhopur, Rajasthan)
5. Shri Pankaj Kumar, General Secretary, JNVCA &MSWA (JNV, Samastipur, Bihar)
6. Shri A.K. Gaur, National Working President, AINVSA (JNV, Sonepat, Haryana)
7. Shri P.K. Gupta, National Organizing Secretary, AINVSA, (JNV, Bhopal, MP)
8. Shri Raj Kumar Raddi, Member, NAVSEWA (RO, Chandigarh)
9. Shri Shiv Narain, President, NAVSEWA(RO, Chandigarh).
10. Shri RPS Negi, Member, AINVSA(TGT, Maths, JNV, Solan(HP).
11. Shri Anil Sharma, President, NAVSEWA (RO, Jaipur).

In addition, the following officers from MHRD and NVS were also present:-

1. Dr. Nagesh Singh, Economic Advisor, M/HRD.
2. Sh. G.S. Bothyal, Commissioner, NVS.
3. Sh. Naresh Kumar, Joint Commissioner (Admn.), NVS.
4. Sh. M.S. Khanna, Joint Commissioner (Pers.). NVS.
5. Sh. P.K. Sharma, Deputy Commissioner (Admn.), NVS.
6. Sh.D.C. Verma, Asstt. Commissioner (Estt.), NVS.

The following decisions were taken on the demands of employees:-

S.No.	Demands	Decision
1.	Govt. of India CCS Pension to all employees joined prior to 01.01.2004	NVS will re-submit a proposal with full justification and various options available for providing Pension to employees of the NVS who joined prior to 01.01.2004, along with Draft Cabinet note, within 15 days of the issue of the minutes.
2.	10% Special allowance to non-teaching staff	The following committee is set up to look into this demand:- 1. JC (Admn.) 2. JC(Pers.) 3. Two Principal's

		4. Shri Bijay Kumar, CA, JNV, Sapaul. 5. Shri M.S. Yadav, OS, JNV, Chandigarh NVS will submit a comprehensive proposal to the Ministry within one month giving full justification for grant of 10% Special Allowance to the non-teaching staff of JNVs indicating theduties and responsibilities of each category of post including available options for outsourcing the work wherever feasible. Commissioner may like to add more members in the Committee, if required.
3.	Defining working hours for all categories of employees	The following Committee is set up to look into their demand: 1. J.C. (Pers.) Chairman 2. Two Deputy Commissioners- Members 3. Four Principals (Two Male and Two Female) – Members 4. Eight Teachers (Four male and Four female) - Members. The Committee will ensure that functioning of the JNVs is not adversely affected while preparing duty roster. Commissioner may like to add any more members, if required. The Committee will submit its report to the Ministry within three months from the date of issue of the minutes.
4	MACP to teaching staff	As per 6^{th} CPC, the MACP has been extended to only non-teaching staff. In the case of teaching faculty, they have been extended up-graded pay scale as per recommendations of 6^{th} CPCand the benefit of MACP was not extended to them as it is not recommended by 6^{th} CPC. They have been given two higher upgradations as was applicable to them in the 5^{th} CPC. However, it was decided to examine the case of Principals cadre in respect of possibility of financial upgradation. JS (SE-II), MHRD, will look into this matter in consultation with Ministry of Finance CPC Unit and convey decision to the Samiti within a period of one month.
5.	Appointment of Warden and Matron on permanent basis.	The MHRD will look into the proposal submitted by the Samiti for creation of post of Warden for Boys' Hostel or outsourcing possibilities and will convey early decision in the matter.
6& 7	Discrimination with the Assistants/Audit Assistants/Legal Assistant/PAs and upgradation of Grade Pay of Section Officers.	Demand is not acceptable in view of clearly laid down position of CPC.
8.	Sanction of Post of Mess Staff	As decided against item No.2 (ibid)

9.	Conducting the departmental promotion test yearly.	The test will be conducted every year. The test for promotion of TGTs to PGTs may be conducted in May, 2013 by Navodaya Vidyalaya Samiti positively.
10.	Restoration of Earned Leave to teaching staff/ Vacation staff in addition to Half Pay leave.	Demand is not acceptable as facility of leave as per recommendations of the 6th CPC, has been provided.
11.	Timely promotion to all staff.	Samiti will expedite the matter and ensure that cases of promotions are finalized on priority.
12.	Stepping up of pay of Seniors with that of their juniors.	A Committee has already been set up by the Samiti to examine cases of such anomalies in respect of each category which will be addressed on priority basis.
13.	Enhancement of HM/AHM allowance	The matter is already under consideration with the Samiti. The updated guidelines including provision for this allowance will be submitted by the Samiti to the next FC/EC for decision.
14.	Implementation of Nursing allowance to the Staff Nurses of JNVs.	The case has been referred by the Ministry to the Anomalies Committee of Ministry of Finance. Their decision is awaited.
15.	Up-gradation of Grade Pay of Catering Assistant in NVS.	The MHRD will examine the proposal submitted by the Samiti and with due consultation with Finance Department will convey its decision at the earliest.
16	Nomenclature of Post of UDC to Accountant.	Demand is not acceptable as it would require change of educational qualification.
17.	Providing free education to the children of expired staff.	The Samiti will examine the proposal and submit the same to the FC/EC for consideration and appropriate decision.
18.	Admission of ward of Hqrs and Regional office staff under staff ward quota.	Demand not accepted.
19.	Timely compensation and entitlement to dependents on accidental expiry of any staff.	Samiti would act with promptness in such matters.
20.	Timely benefit for retiring staff	Samiti would expedite such matters and they will be monitored by Commissioner on a regular basis.
21.	MACP/Senior Scale to the Drivers in NVS	Demand not accepted as the Drivers are covered under separate ACP scheme.
22	Creation of PGT posts in Modern Indian Languages.	The Ministry will examine the proposal submitted by the Samiti and convey its decision at the earliest.
23.	Extension of the retirement age for the teachers.	Demand not accepted as the same is not within the ambit of Samiti / Ministry.

86

The Additional Secretary (Secondary Education) further desired that Samiti may evolve a mechanism to hold regular meetings with the representatives of the Associations to consider and address their demands in a timely manner. She also appealed to the members of the JAC to call of the strike and resume their duties and ensure that the Vidyalayas function smoothly and students do not suffer as their annual Board examinations are near at hand.

Since the above meeting was not attended by some of the members of JAC, they were given an opportunity on 11.2.2013 at 3.30 pm in the Ministry of HRD which was attended by the following:-

1) Shri L.B. Reddy, General Secretary, AINVSA, TGT (Hindi), JNV, Warangal, AP
2) Shri Jagdish Rai, President, AINVSA, PGT (Economics), JNV, Azamgarh, UP.
3) Shri J.K. Singh, General Secretary, AINVSA, PGT (Hindi), JNV, Purnea, Bihar.
4) Shri Rajesh Kumar, Member, AINVSA, TGT (English), JNV, Kasargod, Kerala.

During the meeting above members were apprised about the detailed deliberations held on 9.2.2013 and were handed over the draft minutes.

Meetings ended with a Vote of thanks to the Chair.

****

F.18-1/2010-NVS(GA)

Navodaya Vidyalaya Samiti

Sub : Minutes of the Meeting held on 9TH February, 2013 under the Chairpersonship of Ms. Vrinda Sarup, Addl. Secretary, Deptt. of School Education & Literacy, M/o HRD, Shastri Bhawan, New Delhi with the representatives of Joint Action Committee (JAC) of Employees Association/Forum of Navodaya Vidyalaya Samiti.

***

A meeting was held under the chairpersonship of Ms. Vrinda Sarup, Additional Secretary (SE), MHRD on 09.02.2013 at 12.00 noon in the conference hall in 'C' Wing, Shastri Bhawan, New Delhi, with the representative of Joint Action Committee of Navodaya Vidyalaya Samiti Employees Associations, to discuss their demand.

FTS-16151/JS(SE-2)
12/2/2013

2. Draft minutes of the meeting are placed below for kind perusal and approval of AS(SE).

11/2/2013
(Naresh Kumar)
Joint Commissioner (Admn.)
11.2.2013

May kindly approve the draft minutes.
11/2/2013

Commissioner

J.S. (SE II)

~~A.S. (SE)~~

11/2/13

As edited.
12/2/13

~~JS SE II / SA (SE&L)~~

12/2

Commissioner (NVS)

98

MOST IMMEDIATE

No.F.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
UT-3 Section

New Delhi, dated the 15th Feb, 2013

To,

Shri G.S. Bothyal,
Commissioner
Navodaya Vidyalaya Samiti
B-15, Sec-62
Noida (U.P.)

Sub: Meeting with AS (SE) on 06.2.2013 to discuss the issues raied by JAC -- proposal for reconsidering the proposal for extension of GPF-cum-Pension scheme, 1972 to the employees of NVS.

Sir,

Please refer to your letter no. 18-1/10-NVS(GA) dated 7.2.13 on the subject mentioned above. The proposal submitted by you takes note of the past events leading to the setting up the NVS and the grounds as to why the proposal of pension scheme could not accepted so far the Government, which are actual facts and have already considered by the Ministry of Finance.

2. You are, therefore, requested to furnish a self-contained proposal for reconsideration of benefits of GPF-cum-Pension scheme for the employees of NVS who joined the Samiti before 1.1.2004 as decided in the meeting with supporting documents alongwith a draft cabinet note.

Yours faithfully,

(P.K.Mittal)
Deputy Secretary to the Govt. of India

Issued

49
FTS-29518/JS(SB-II)/2013.
11/3/2013.

NAVODAYA VIDYALAYA SAMITI
(An Autonomous Organization under
Ministry of Human Resource Development,
Department of School Education & Literacy),
Government of India
B-15, Sector-62, Institutional Area, Noida-201309(U.P.)
Phone no. 0120-2405927 Fax No. 0120-2405182
Email : Navodaya@ren02.nic.in
: Navodaya@nda.vsnl.net.in
Website: Navodaya.nic.in

F. No.24-01/2013-NVS(GA)/189 Dated : 08/03/2013

To

Shri Nagesh Singh
Joint Secretary(S-II) and Economic Advisor
Ministry of HRD
Department of School Education & Literacy,
Shastri Bhawan
New Delhi.

Sub : Draft note for Cabinet Committee on Economic Affairs – Introduction of Pension Scheme under CCS(Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti.

Sir,

As desired, I am enclosing herewith draft note for Cabinet Committee on Economic Affairs regarding introduction of Pension Scheme under CCS(Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti.

2. It is requested necessary action may please be taken at your end.

Recd at 6.15 PM 8/3 Sr PPS

put up immediately.
11/3/2013

Yours faithfully,

(G.S. Bothyal)
Commissioner

DS(VT)
11/3

11/3
Urgent
SO

272/13/VT-3
11/3/13

GOVERNMENT OF INDIA

MINISTRY OF HUMAN RESOURCE DEVELOPMENT

DRAFT NOTE FOR CABINET COMMITTEE ON ECONOMIC AFFAIRS

Subject: Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS).

PROPOSAL

The proposal seeks approval of the Cabinet for introduction of GPF Pension Scheme under CCS (Pension) Rules, 1972 for the employees in Navodaya Vidyalaya Samiti, an autonomous organization, fully funded by the Government of India under the Ministry of Human Resource Development, Department of School Education & Literacy, who joined the service before 1.1.2004.

1. BACKGROUND

The scheme of Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 to give shape to the vision of the then Prime Minister Late Shri Rajiv Gandhi to have a residential school system for the talented children pre-dominantly from rural areas. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Department of Secondary and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. Navodaya Vidyalaya Samiti is a Central Sector Scheme which is 100% funded by the Government of India in the shape of grant-in-aid. JNVs are fully residential, co-educational institutions providing free education including boarding and lodging, text books, uniform, stationery, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is, thus, a part of the conscious efforts of the Government for spreading quality education in the country through Central Sector Schools. Navodaya Vidyalayas are addressing the needs of talented rural children, who are otherwise deprived of good quality education.

Initially, 02 Navodaya Vidyalayas were opened at District Amrawati (Maharashtra) and Jhajjhar (Haryana) during 1985-86. The appointment in these JNVs were initially made on deputation basis and thereafter direct recruitment/permanent absorption of employees have taken place from the year 1989 onwards. At that time, an assurance was given to all employees that pension scheme for employees of the Samiti is under consideration and likely to be introduced in the near future. It was also assured that on adoption of the pension scheme in the Samiti such employees would be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the extant rules. JNVs started functioning with 02 numbers in 1985 has now grown to 596 Nos. and aiming to establish JNVs in the remaining districts of the country as a part of the scheme.

2. SERVICE CONDITIONS OF THE EMPLOYEES OF NVS

The Government of India has approved extension of the pay structure to the teaching and non-teaching staff of Central Government employees. NVS has also adopted, mutatis-mutandis, the Government of India rules and regulations on service matters for its employees

The Ministry of Finance, Department of Expenditure, Govt, of India vide its Notification No. 4(1)-E.V./90 (i) dated 11.11.1991 extended the Contributory Provident Fund (CPF) Scheme to the employees of NVS retrospectively w.e.f. 1st April'1988 ***Annexure-I)***.

At present, employees of NVS are given the benefit of Leave Encashment, Gratuity and Contributory Provident Fund. The Government has approved introduction of New Pension Scheme to all regular NVS employees joining NVS after the date of Notification and also given option to other regular employees of NVS either to join the New Pension Scheme or to continue with the existing CPF scheme. The New Pension scheme has been introduced w.e.f. 1.4.2009. However, the employees who joined NVS before this date, have not accepted this scheme.

3. EFFORTS MADE TO INTRODUCE CCS PENSION SCHEME IN N.V.S.

A proposal was moved for introduction of Pension / GPF Scheme in the Samiti in the light of decisions taken by the Government of India on the recommendations of Fourth Pay Commission and circulated vide O.M. No. 4/1/87-PIC-I dated 01.5.1987 ***Annexure–II)*** issued by the Department of Pensions and Pensioners Welfare, wherein it was decided that all CPF beneficiaries in service should be given an option to convert to Pension Scheme. It was, however, not agreed to by the Ministry of Finance, Deptt. of Expenditure informing that the question of introduction of a Pension Scheme in public sector undertakings is under consideration of the Govt, and hence the department is not in a position to give concurrence for introduction of Pension Scheme in the Samiti. Subsequently, however, the option was not allowed to the employees of NVS on the ground that NVS has not come in existence on 01.01.1986.

The matter was again referred to the Department of Expenditure in Feb' 1990 and in reply the department informed that keeping in view the likely repercussions of the decision to bring employees of NVS under the pension scheme, the proposal may not be agreed on balance of convenience. The proposal was again submitted to the Department of

Expenditure in 1992 and this was not supported on the ground that in the context of resource crunch and efforts of the Government to maintain the budgetary deficit within the desired limits, status quo should be maintained.

This proposal was again taken up by the then Hon'ble HRM and Chairman, NVS with the Hon'ble Minister of Finance in December, 1998. In response, the then Hon'ble Finance Minister has informed that the Ministry of Finance had not agreed to the proposal for introduction of pension scheme on GOI pattern for the employees of autonomous bodies for certain reasons and in case the proposal regarding introduction of pension scheme on GOI pattern for the employees of NVS is agreed to, there would be similar demands from other autonomous bodies receiving grants-in-aid from the Government which may be difficult to resist. The reasons given by the then Hon'ble Finance Minister in his letter dated 5.2.99 for rejecting the proposal are as under:-

a) The cost of introduction of pension scheme is much higher than the CPF Scheme. While CPF is an one-time settlement, pension is a life-long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the recommendations of the successive Pay Commissions and revision in the rates of dearness relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

b) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

c) Under the employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will loose resources to that extent.

d) In case the organization is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

4. JUSTIFICATION FOR THE INTRODUCTION OF PENSION SCHEME IN NVS

Following instructions/orders issued by the Govt. of India from time to time clearly reveal that the employees of NVS are the rightful claimants to the pensionary benefits under CCS (Pension) Rules, 1972

a) Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to extend the retirement benefits to the teachers as available to the Central Government employees.

b) In the note for Cabinet, following statements have been made with regard to pay scales of teachers in Navodaya Vidyalayas :

"The teaching and non-teaching staff that each school will require, has been worked out and is at Annexure-III. The calculations in Annexure-IV are based on the salary structure in the Kendriya Vidyalaya Sangathan. A final decision on the pay scales to be made applicable to these schools would be taken after the reports of Expert Committees are received and the scales may be somewhat higher in view of the special nature of these schools."

In the same note, it was also proposed to provide a separate section in the Ministry of Education to look after the work relating to Navodaya Vidyalayas. It was proposed to have this section under the Officer of the rank of Director assisted by 01 Under Secretary, 01 Section Officer, 04 Assistants, 03 LDCs, 02 Stenographers and 02 Group 'D' employees.

Thus the requirement of teaching and non-teaching staff for a Navodaya Vidyalaya along with financial implications were included in the note for cabinet. These calculations were based on the salary structure in the Kendriya Vidyalaya Sangthan where the employees were getting pension at that time and are getting pension now also. Further, this note also provided for creation of one section under an officer of the rank of Director in the Ministry of Education to look after the work relating to Navodaya Vidyalayas.

The financial implications for creation of posts in the Ministry of Education and NVS, as included in the note for Cabinet, are identical. It is thus evident that -

i) While calculating the financial implications for creation of posts for Navodaya Vidyalayas, pension component was also taken into account; and

ii) The posts created in the Ministry of HRD for looking after the work relating to NVS are having pensionary benefits whereas in respect of the posts created for NVS under the same Cabinet note, this benefit is not given to NVS employees.

c) **Extracts from the IV Pay Commission Report**

"Para 9.8:

In so far as the CPF beneficiaries still in service on January 1, 1986 are concerned, we recommend that they should be deemed to have come over to the pension scheme on that date unless they specifically opt out to continue under the CPF scheme. The CPF beneficiaries who decide to continue to remain under that scheme should not be eligible on retirement for ex gratia payment recommended by us for the CPF retirees".

The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987, conveyed the acceptance of above recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to Pension scheme w.e.f. 1.1.1986.

It is relevant to point out that two Navodaya Vidyalayas were opened at Amrawati and Jhajjhar during 1985 - 86. The posts for these Vidyalayas were sanctioned by the Government on 28.10.1985 ***(Annexure-III)***. The first installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985 ***(Annexure-IV)***. Thus the posts for Navodaya Vidyalayas were existing prior to 01.01.1986. As such NVS is covered under the provisions of Department of Pension and Pensioner's Welfare OM No. 4/1/87-PIC-I dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

d) Extracts of General Financial Rules of Government of India

"Rule 149 (4) (iv) Annexure-VII:

(iv) ***All Autonomous Bodies or grantee institutions which receive more than 50% of their recurring expenditure in the form of grant-in-aid should formulate terms and conditions of service of their employees so that by and large they are broadly comparable to those applicable to similar categories of employees in Central Government".***

Since the Samiti is provided with 100% funds in the form of grant-in-aid by the Ministry of HRD, the employees of NVS are eligible for the pensionary benefits as available to employees of likely placed organizations i.e. KVS, CTSA, NCERT etc.

e) Benefits extended to other similarly placed organizations:

It is also submitted that the benefits of GPF Pension Scheme under the CCS(Pension) Rules, 1972 have been allowed to many other organizations namely IIT, Kanpur, IIT, Bombay, IIT, Kharagpur, IIT, Roorkee, CSIR, Life Insurance Corporation, General Insurance of India, IIPA, National Human Rights Commission, Indira Gandhi National Open University, NIOS, Nehru Yuva Kendra, Mizoram University, Konkan Railway Corporation Ltd. etc. though they were set up almost at the same time or after the establishment of NVS. Details of such organization are given at ***(Annexure-V)***.

Some of the organisations where pension scheme has been extended are in a position to generate funds to fully or partly meet the pensionary liability. However, the policy regarding extension of pensionary benefits needs to be decided on the principles of equity and not on the basis of any organisation's capacity to generate funds which is determined by its mandate as decided by the Government itself. Any decision based only on organisation's capability to generate funds would tend to be discriminatory.

5. RECOMMENDATIONS OF VARIOUS COMMITTEES

The committee set up by the Ministry of HRD to review the management, structure and operating mechanism of NVS under the Chairmanship of Shri Y.N. Chaturvedi (Retd.) Additional Secretary, Ministry of Human Resource Development, has also strongly recommended the extension of pensionary benefits to the employees of NVS at par with Kendriya Vidyalaya Sangathan (KVS). The committee has observed the non-availability of this benefit to be one of the reasons for the teachers leaving the services of NVS.

Department related Parliamentary Standing Committee on HRD in its 154th Report on functioning of Navodaya Vidyalayas (NVs), has observed vide para 18.3 as under :

"The committee takes note of the reservations of the Ministry of Finance in providing Pensionary benefit to employees of NVS. The committee fails to comprehend the reasons for having different approach of mind for employees working in two organizations doing similar work under a similar set up and conditions. The committee would like to point out when employees of Kendriya Vidyalaya Sangathan can enjoy the pensionary benefits on their retirement, what deters the Government in providing similar facility for employees of Navodaya Vidyalaya Samiti, many of them away from their families serving in residential schools located in rural areas. **The committee, therefore, strongly feels that the position may be reviewed again and a decision acceptable to employees of JNVs may reach at the earliest."**

Further, the department related Parliamentary Standing Committee on HRD in its 184th report on the functioning of Navodaya Vidyalayas has observed as under:-

"The Committee reiterate its recommendations made in 154th report for provision of pensionary benefits to NVS employees on the same level as being given to KVS employees. The Committee strongly feels that NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees.

It is thus seen that the necessity of extending the provisions of CCS(Pension) Rules, 1972 to the employees of NVS has been appreciated and recommended at the highest levels.

6. CONCERN OF THE SAMITI

Navodaya Vidyalayas have emerged as leaders in the secondary school system in the country for the last so many years. These Vidyalayas have out performed other school system within a short span of their existence. It is very important to recruit and retain competent and qualified teachers willing to serve in interior rural areas so that the Vidyalayas can achieve the noble objectives of providing quality education to the talented children pre-dominantly from rural areas and serving as pace setting institutions in each district. The academic excellence of JNVs is better than other organized school systems.

Grant of pension benefits to employees of NVS can not be denied on account of financial crunch and organisation's inability to generate funds to meet this liability. Therefore, on the grounds of equity and parity with other similarly situated organisations, pensionary benefits may be extended to the staff of NVS who have joined before 1.1.2004, as pension is an important social security factor after retirement.

7. FINANCIAL IMPLICATION FOR IMPLEMENTATION OF PENSION SCHEME

At present, 596 Navodaya Vidyalayas(including 20 JNVs in districts having large concentration of SC& ST population) have been sanctioned with the ultimate target of one Navodaya Vidyalaya in each district of the country. As on date, the sanctioned strength of employees in NVS is approx. 23,000, which includes about 13,000 teaching and 10,000 non-teaching employees. The number of employees who joined NVS prior to 1.1.2004 and are still working is 12,300. Besides, the employees who have retired after completing 10 years of regular service in NVS prior to 1.1.2004 and are thus eligible for pension is 450. Thus, in case the Pension Scheme under CCS(Pension) Rules, 1972 is extended to NVS, this would be applicable to approx. 12,750 eligible employees, including retired employees of NVS.

In respect of CPF Subscribers of NVS, an amount of Rs.369.14 crores (approx.) towards the CPF Contribution (i.e. Management Share alongwith interest payable thereon) has accumulated upto the year 2012-13. The committed liability towards CPF Management Share is met out of Grant-in-aid received from the Govt. and the interest liability thereof is borne out of the interest earned on investment of CPF Corpus available with the Samiti. In case the Pension Scheme under CCS (Pension) Rules, 1972 is introduced for the employees of NVS, the entire CPF liability towards Management Contribution alongwith interest in respect of the eligible working employees who joined prior to 1.1.2004 will be transferred to Pension Fund which will go on increasing every year. Eligible retired employees will be given an option to join the pension scheme on refund of the CPF Management Share already paid to them alongwith interest @ 12% p.a.

As per actuarial calculations got by NVS, the total pension liability for the eligible employees joined before 1.1.2004 will be approximately Rs.1358.15 crores. After adjusting Rs.369.14 crores of accumulated CPF liability towards Management Contribution available till the end of 2012-13, the balance liability for providing pension benefits to employees of NVS will be about Rs.989.01 crore which may be provided by the Government either in lump-sum or in installments as a part of grant-in-aid. The accretions to the Pension Fund can be invested as per the pattern laid down by the Government.

8. POINT ON WHICH CONSIDERATION OF THE CABINET IS SOLICITED

Approval of the Cabinet is solicited for the implementation of GPF Pension Scheme for the eligible NVS employees, who joined before 01.01.2004, on the pattern of Central Civil Services (Pension) Rules, 1972.

9. IMPLEMENTATION SCHEDULE

The proposed Pension Scheme will be given effect by adopting the CCS (Pension) Rules, 1972 during the year 2013-14.

10. APPROVAL BY HRM

The Minister of Human Resource Development has seen and approved this note.

****

117

Annexure -I

PUBLISHED IN THE GAZETTE OF INDIA
PART II SECTION (3), SUB SECTION (ii)

No.4(1)-E.V./90(..I)
Government of India
Ministry of Finance
Department of Expenditure
*****

New Delhi, the 11th Nov., 1991.

NOTIFICATION

S.O. In exercise of the powers conferred by sub-section(3) of section 8 of the Provident Funds Act, 1925 (19 of 1925), the Central Government hereby adds to the Schedule to the said Act the name of the following public institutions, namely:-

Navodaya Vidyalaya Samiti; and

Energy Management Centre, Nagpur.

Sd/-
(J.P. PATI)
DIRECTOR(E.G.)

The Manager,
Government of India Press,
Ring Road, New Delhi.

Copy forwarded to:

i) Ministry of Human Resource Development (Deptt. of Education)

ii) Deptt. of Pension & Pensioners' Welfare, Ministry of Personnel, Public Grievances and Pension with the request that the name of the above Organisation may be included in the list of organisations shown in the schedule to the Provident Funds Act.

iii) Department of Power

iv) Ministry of Law, Legislative Department.

(J.P. PATI)
DIRECTOR(E.G.)

Annexure - II

No.4/1/87-PIC-I
Government of India
Ministry of Personnel, Public Grievances and Pensions
Department of Pension and Pensioners' Welfare

144

New Delhi, the 1st May, 1987.

OFFICE MEMORANDUM

Subject:-*Change over of the Central Government employees from the Contributory Provident Fund Scheme to Pension Scheme - Implementation of the recommendations of the Fourth Central Pay Commission.*

The undersigned is directed to state that the Central Government employees who are governed by the Contributory Provident Fund Scheme (CPF Scheme) have been given repeated options in the past to come over to the Pension Scheme. The last such option was given in the Department of Personnel and Training O.M. No. F3(1)-Pension unit/85 dated the 6th June, 1985. However, some Central Government employees still continue under the CPF Scheme. The Fourth Central Pay Commission has now recommended that all CPF beneficiaries in service on January 1, 1986, should be deemed to have come over to the Pension Scheme on that date unless they specifically opt out to continue under the CPF Scheme.

2. After careful consideration the President is pleased to decide that the said recommendation shall be accepted and implemented in the manner hereinafter indicated.

3. All CPF beneficiaries, who were in service on 1.1.1986 and who are still in service on the date of issue of these orders will be deemed to have come over to the Pension Scheme.

3.2. The employees of the category mentioned above will, however, have an option to continue under the CPF Scheme, if they so desire. The option will have to be exercised and conveyed to the concerned Head of Office by 30.09.1987 in the form enclosed if the employees wish to continue under the CPF Scheme. If no option is received by the Head of Office by the above date the employees will be deemed to have come over to the Pension Scheme.

3.3. The CPF beneficiaries, who were in service on 1.1.1986, but have since retired and in whose case retirement benefits have also been paid under the CPF Scheme, will have an option to have their retirement benefits calculated under the Pension Scheme provided they refund to the Government, the Government contribution to the Contributory Provident Fund and the interest thereon, drawn by them at the time of settlement of the CPF Account. Such option shall be exercised latest by 30.09.1987.

3.4. In the case of CPF beneficiaries, who were in service on 1.1.1986 but have since retired, and in whose case the CPF Account has not already been paid, will be allowed retirement benefits as if they were borne on pensionable establishments unless they specifically opt by 30.09.1987 to have their retirement benefits settled under the CPF Scheme.

3.5 In the case of CPF beneficiaries, who were in service on 1.1.1986, but have since died, either before retirement or after retirement, the case will be settled in accordance with para 3.3 or 3.4 above as the case may be. Options in such cases will be exercised latest by 30.09.1987 by the widow/widower and in the absence of widow/widower by the eldest surviving member of the family who would have otherwise been eligible to family pension under the Family Pension Scheme if such scheme were applicable.

3.6 The option once exercised shall be final.

3.7 In the types of cases covered by paragraph 3.3 and 3.5 involving refund of Government's contribution to the contributory provident fund together with interest drawn at the time of retirement, the amount will have to be refunded latest by the 30th September, 1987. If the amount ~~is~~ not refunded by the said date, simple interest thereon will be payable at 10% per annum for period of delay beyond 30.9.1987.

4.1 In the case of employees who are deemed to come over or who opt to come over to the Pension Scheme in terms of paragraphs 3.3, 3.4 and 3.5, the retirement and death benefits will be regulated in the same manner as in case of temporary/quasi-permanent or permanent Government servants, as the case may be, borne on pensionable establishment.

4.2 In the case of employees referred to above, who come over or are deemed to come over to the Pension Scheme, the Government's contribution to the CPF together with the interest thereon credited to the CPF Account of the employee will be resumed by the Government. The employees contribution together with the interest thereon at his credit in the CPF Account will be transferred to the GPF Account to be allotted to him on his coming over to the Pension Scheme.

4.3 Action to discontinue subscriptions/contributions to CPF Account may be taken only after the last date specified for exercise of option, viz., 30.09.1987.

5. A proposal to grant exgratia payment to the CPF beneficiaries, who retired prior to 1.1.1986 and to the families of CPF beneficiaries who died prior to 1.1.1986, on the basis of the recommendations of the Fourth Central Pay Commission is separately under consideration of the Government. The said ex-gratia payment, if and when sanctioned, will not be admissible to the employees or their families who opt to continue under the CPF Scheme from 1.1.1986 onward.

6.1 These orders apply to all Civilian Central Government employees who are subscribing to the Contributory Provident Fund under the Contributory Provident Fund Rules (India), 1962. In the case of other contributory provident funds, such as Special Railway Provident Fund or Indian Ordnance Factory Workers Provident Fund or Indian Naval Dockyard Workers Provident Fund, etc., the necessary orders will be issued by the respective administrative authorities.

6.2 These orders do not apply to Central Government employees who, on re-employment, are allowed to subscribe to Contributory Provident Fund. These orders

also do not apply to Central Government employees appointed on contract basis where the contribution to the Contributory Provident Fund is regulated in accordance with the terms of contract.

6.3 These orders do not also apply to scientific and technical personnel of the Department of Atomic Energy, Department of Space, Department of Electronics and such other Scientific Departments as have adopted the system prevailing in the Department of Atomic Energy. Separate orders will be issued in their respect in due course.

7.1 Ministry of Agriculture etc., are requested to bring these orders to the notice of all CPF beneficiaries under them, including those who have retired since 1.1.1986 and to the families covered by paragraph 3.5 of these orders.

7.2 Administrative Ministries administering any of the Contributory Provident Fund Rules, other than Contributory Provident Fund Rules (India), 1962, are also advised to issue similar orders in respect of CPF beneficiaries covered by those rules in consultation with the Department of Pension and Pensioners' Welfare.

8. These orders issue with the concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No.2038/JS (Pers)/87 dated 13.4.1987.

9. In their application to the persons belonging to Indian Audit and Accounts Department, these orders issue after consultation with the Comptroller and Auditor General of India.

10. Hindi version of these orders follows.

(I.K. Rasgotra)
Additional Secretary to the Government of India

To

All Ministries/Departments of the Government of India.

Copy to :-

1. President's Secretariat
2. Vice President's Secretariat
3. Prime Minister's Office
4. Lok Sabha Secretariat
5. Rajya Sabha Secretariat
6. Cabinet Secretariat
7. Secretary, U.P.S.C., New Delhi
8. Supreme Court of India
9. Election Commission
10. Planning Commission
11. Comptroller and Auditor General of India
12. Accountants General of all States
13. Director of Audit, Central, Madhu Industrial Estate, P.B.Marg, Bombay
14. Director of Audit (Central), Calcutta
15. Director of Audit, Central Revenue, New Delhi

16. Director of Audit, Central, Bombay
17. Director of Audit, Scientific and Commercial Department, Bombay
18. Director of Audit Commerce, Works and Miscellaneous, New Delhi
19. Controller General of Accounts
20. Directorate of Accounts, P.A.I. Section, Panaji, Goa
21. Controller of Accounts, Delhi Administration, 'B' Block, Vikas Bhavan, Indraprastha Estate, N. Delhi
22. Controller General of Defence Accounts
23. Controller of Defence Accounts (Pension) Allahabad
24. Controller of Defence Accounts (Navy), Bombay
25. Controller of Defence Accounts (Air Force), N. Delhi
26. Deputy Controller of Defence Accounts,(Pension Disbursement),New Delhi
27. Finance Secretaries of All States and U. Ts.
28. Chief Secretaries of Governments of all States and Union Territories
29. All Attached and Subordinate Offices of the Department of Personnel & Training
30. All Officers and Sections in the Department of Personnel & Training/Department of Pension & Pensioners' Welfare
31. A.I.S. Division, Department of Personnel & Training (10 copies)
32. E.V.Section, Department of Expenditure (10 copies)
33. J.C.A. Section (With 100 spare copies for circulation among members of National Council (JCM)
34. Under Secretary (P), Deptt. of Pension & Pensioners' Welfare (with 30 spare copies for circulation among members of SCOVA)
35. Parliament Library (10 copies)
36. National Library.(10 copies)

M Vaidya

(M.R.Vaidya)
Deputy Secretary to the Govt. of Inida

Form of Option

I ______________________________, employed
(Name)

as ______________________________, in the Ministry/
(designation)

Department/Office of ______________________________
(name of the Ministry/Deptt./Office)

do hereby opt to continue under the Contributory Provident Fund Scheme in terms of the Department of Pension & Pensioners' Welfare OM NO.4/1/87-PIC-I dated 1.5.1987

Place______________

(Signature of the Optee)

Date______________

Annexure – III

118

No.F.[illegible]
Government of India
Ministry of Human Resources Development
(Deptt. of Education)

....

Shastri Bhawan, New Delhi-1,

October [illegible], 198[illegible].

To

The Secretary,
N.C.E.R.T., Sri Aurobindo Marg,
New Delhi – 110 016.

Sub:- Creation of posts for the two Model Schools being opened at Amravati and Jhajjar during 1985-86.

– – – – –

Sir,

I am directed to convey the approval of the Government of India to the creation of the following posts for each of the Model Schools being opened at Amravati and Jhajjar. The posts will be created by N.C.E.R.T. on behalf of the Autonomous Body to be set up to manage and run the Model Schools:

Sl. No.	Category	Number of Posts	Pay Scale (in rupees)
1.	Principal	1	1100 – 1600
2.	Trained Graduate Teachers	4	~~400~~ 440 – 750
3.	Physical Education Teacher	1	440 – 750
4.	Art & Craft Teachers	1	440 – 750
5.	Librarian	1	440 – 750
6.	U.D.C.	1	[illegible]
7.	Staff Nurse	1	[illegible]
8.	Chowkidar	1	[illegible]
	Total	11 Posts	

2. The expenditure on the pay and allowances etc. of these posts will be met out of the grants released to N.C.E.R.T. specifically for this purpose.

3. The posts are created with the approval of IFD vide their Dy. No.11952-C/85-IFD dt.25.10.'85.

Yours faithfully,

o/c (RENUKA MISRA) (MRS.)
UNDER SECRETARY

..../2

28/10

- 3 -

Annexure - IV

No.F.27-18/85-Sch.I
Government of India
Ministry of Human Resource Development
(Department of Education)

....

Shastri Bhavan, New Delhi-1.

October 28, 1985.

To

The Accounts Officer,
Pay & Accounts Office (Education),
New Delhi.

Sub:- Grant-in-aid to the National Council of Educational Research and Training during 1985-86 (Plan) for starting two Model Schools at Amravati and Jhajjar.

....

Sir,

I am directed to state that the Government of India has approved the setting up of one Model School in each District of the country during the Seventh Plan period. It has been decided to open two Model Schools in 1985-86 itself, one at Amravati (Maharashtra) and the other at Jhajjar (Haryana). Since the Autonomous Body to manage and run the Model Schools is yet to come into existence, the NCERT has been given the responsibility of starting and running the two schools this year. As soon as the Autonomous Body for the Model Schools is set up all work relating to Model Schools will be transferred to it. The funds released to NCERT will also be transferred to that Body.

2. I am directed to convey the sanction of the President of India to the payment of first instalment of grant of Rs.22.50 lakhs (Rupees twenty two lakhs and fifty thousand only) to the NCERT, New Delhi for starting and running the two model schools in 1985-86. The items of expenditure are given in the annexure (enclosed).

3. The expenditure involved would bet met out of Demand No.25-Education, Major Head 277-B, Education B-1 Secondary Education B1(1)(8) - Setting up of Model Schools (Plan) 1985-86.

4. This sanction is being issued in conformity with the rules and regulations and the pattern of assistance approved by the Ministry of Finance.

5. The accounts of this grant-in-aid shall be subject to audit by the Comptroller and Auditor General of India or his nominee in this behalf.

.../2

6. The amount of grant will be drawn by the Drawing and Disbursing Officer (Grants) of this Ministry and paid by a crossed cheque to the grantee organisation. On recipt of this amount it should be deposited in the State Bank of India who are the Bankers of the Council as provided in its Memorandum a of Association.

7. The assets created out of this grant should not, without the prior approval of the Government of India, be disposed of, encumbered or utilised for purpose other than those for which the grant is sanctioned.

8. No part of this grant should be diverted to any institution or utilised for any purpose other than what it is mentioned in the Budget proposals of the Council as approved by the Government of India.

9. Separate accounts should be maintained in respect of Plan and Non-Plan items of expenditure.

10. The portion of the amount of the grant which is not utilised by 31.3.1986 should be intimated to the Government immediately thereafter. It will be adjusted in the grant for the next year.

11. A register of assets acquired wholly or substantially out of the grant should be maintained in theform already furnished to the Council and a certified copy from the register in respect of the assets so acquired should be sent to this Ministry not later than the 30.4.1986. Such copies should continue to be furnished even if and after Government grants to the National council of Educational Research and Training have ceased. The information in the returns to be submitted to the Government should relates but to all previous assets too, created wholly or substantially out of Government grant upto the end of the period to which the return relates. For purpose of determining whether an asset has been created substantially out of Government grant should exceed 50 per cent.

12. The Council shall be bound to submit from time to time such reports, statement, etc. in respect of expenditure from this grant as might from time to time be required by the Government of India.

13. The grant is subject to the condition that House Rent Allowance travelling allowance, daily allowance and other similar allowances should be so regulated as not to exceed the corresponding allowances sanctioned to Government employees from time to time by Government.

14. The Council shall fully implement the Official Language Policy of the Union Government i.e. "the Council shall fully comply with the Official Language Act, 1963 and Official Languages (Use for the official purposes of the Union Rules, 1976 etc."

15. This sanction issues in exercise of delegated powers in consultation with Internal Finance Division vide their Dy.No. 8249-0/85-IF.I dated 28-10-1985.

.../3

16. No funds out of this grant should be utilised for any new scheme for which prior approval of Government has not been obtained.

17. With reference to the requirements of the Ministry of Finance O.M.No.14-IFA/64 dated the 23rd November, 1965 I am to add that the NCERT is exempted from the requirements of execution of Bond in terms of Ministry of Finance Memorandum of the same number dated 23.9.1964, read with their Memorandum dated 23.6.1965 because the NCERT was set up by the Government of India by Resolution and is registered under the Societies Registration Act.

Yours faithfully,

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Copy to :-

1. Secretary, NCERT, New Delhi.
2. Expenditure Control Unit of the Ministry of Human Resource Development, Department of Education.
3. Integrated Finance Division. 29-10-85
4. I.F.I Section with reference to their Dy.No.8249-0/85-IF.I dated 28-10-1985.
5. Drawing & Disbursing Officer (Grants), Ministry of Human Resource Development, Deptt. of Education, New Delhi with 2 fair signed copies for necessary action.
6. A.G.C.R. (Special Cell), New Delhi.
7. Sanction Folder.

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Encl: One
Annexure.

..../4

ANNEXURE to Letter No.27-18/85-Sch.I Dt.28th October, 1985.

ITEMS OF EXPENDITURE FOR MODEL SCHOOLS AT AMRAVATI AND JHAJJAR - 1985-86

Item	Amount (In Rs)
1. Boarding & Lodging and educational expenses of students.	1,40,000
2. Furniture for Schools for students.	30,000
3. Furniture and utensils for Hostel.	72,500
4. Lab-Equipment, Audio-Visual Aids, Sports, etc.	30,000
5. Library (Books and Furniture)	25,000
6. Furniture for Principal, Teachers and Common Room and furnishings.	30,000
7. Pay and Allowances & T.A./D.A. of Teachers and Staff.	1,50,000
8. Office and School Equipments.	25,000
9. Contingency	35,000
TOTAL	5,37,500
For Two Schools ..	5,37,500 x 2
=	10,75,000
Plus Building repair:	
For School at Jhajjar .. Rs.5,90,000; For School at Amravati . 5,85,000	11,75,000
Total amount to be released. ..	10,75,000 + 11,75,000
	22,50,000

(Rupees twenty two lakhs and fifty thousand only)

@*@*@*@*@*

Annexure-V

Details of organizations where benefits of GPF Pension Scheme under CCS (Pension) Rules, 1972 have been allowed which came into existence after the establishment of Navodaya Vidyalaya Samiti

Name of Organisation	Authority and date of implementation
1. IIT Kanpur	With the approval of Board of governess office order 10th June 1990
2. IIT Bombay	With the approval of Board of governess vide of 6th May 1998
3. IIT Karagpur	With the approval of Board of governess vide of 25th July 1997
4. IIT Roorkee	With the approval of Board of governess vide of 3rd April 1999
5. CSIR	With the approval of Board of governess vide of 25th January 1999

It may be seen that the above departments have adopted GPF cum pension scheme with the approval of Board of Governors without seeking approval from the Government of India.

There are many Central Government organizations which have introduced pension scheme after the existence of Navodaya Vidyalaya Samiti. Government has also allowed many organizations to switch over to Government of India pension scheme during the recent past. The details are given below.

Name of Organisation and approximate number of employees	Status	Effective Date and Authority
Life Insurance of India (1,25,000)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
General Insurance Corporation of India	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
National Insurance Company Limited (16/972)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The New India Assurance Company Limited (20,847)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The Oriental Insurance Company Limited	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The United India Insurance Company Limited (18,883)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995

124

The National Human Rights Commission (316)	Statutory Body under MHA —	Pension Scheme introduced on the basis of DO letter written by the J.S., Ministry of Home Affairs to the Secretary, NHRC
Indian Institute of Public Administration	Registered Society under DOPT	GOI provided Rs. 400 lacs for a non-recurring pension corpus fund in 1997-98 & 98-99
National Open School	Registered Society under MHRD (established in the year 1989) —	Pensionary benefits extended to the employees of NIOS from the date of registration as a society i.e. 23-11-89 on the ground that earlier this was started as project under CBSE/Department of Secondary Education and Higher Education
IGNOU	Central University (Set up in September 1985)	
Central Tibetan School Administration (816)	Registered Society under MHRD	Vide Circular no. F.22-31/86-CTSA dated 2nd March 1988 with the approval of GOI
Mizoram University	Central University under MHRD (Established in the year 2001)	
Maulana Azad National Urdu University, Hyderabad	Central University under MHRD (Established in the year 1998)	
IIT Roorkee	—	Notification dated 25th January 2002 issued on the basis of Government of India ordnance no. 6 of 2001 dated 21.09.01 while declaring the University of Roorkeas and IIT
Konkan Railway Corporation Ltd.	A Government of India undertaking setup in 1998	With the approval of BOG-Meeting held on 27.01.2004

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Annexure -125

नवोदय विद्यालय समिति
मानव संसाधन विकास मंत्रालय, स्कूल
शिक्षा और साक्षरता का एक स्वायत्त संस्थान),
भारत सरकार

ए - 28, कैलाश कॉलोनी,
नई दिल्ली - 110 048

Gram: 'NAVSAM'

NAVODAYA VIDYALAYA SAMITI
(An Autonomous Organization under
Ministry of Human Resource Development,
Department of School Education & Literacy)
Government of India
A-28, Kailash Colony
NEW DELHI - 110 048

Email : Navodaya@ren02.nic.in
: Navodaya@nde.vsnl.net.in
Website: Navodaya.nic.in

F.No. 18-1/2008-NVS (Admn.)

Dated: 04.08.2009

NOTIFICATION

The Ministry of Human Resource Development, Department of School Education & Literacy, vide letter No. F. 5-7/98-UT-1 dated 14th August 2008, has conveyed the approval of the Union Cabinet for introduction of the New Pension Scheme of Govt. of India to all regular Navodaya Vidyalaya Samiti (NVS) employees joining NVS after its notification by the Samiti and giving an option to the regular employees of NVS as on the date of notification to continue with the existing CPF Scheme or to join the New Pension Scheme. In the latter case, the amount accumulated in the CPF Account of the employee will be transferred to the pension fund under the New Pension Scheme.

Accordingly, it is hereby notified that the New Pension Scheme shall be applicable to all the regular employees of NVS and will come into force w.e.f. 01.04.2009. All regular employees of NVS joining on or after 1.4.09 shall become members of NPS. However those employees who had joined NVS on regular basis before 1.4.09 shall have the option either to continue with the existing CPF Scheme or to join the New Pension Scheme. In case of opting for the New Pension Scheme, the amount accumulated as on 1.4.2009, in the CPF Account of the employees, will be transferred to the pension fund under the New Pension Scheme. This option can be exercised within three months from the date of issue of this notification in the prescribed format (i.e. form of option) appended herewith.

New Pension Scheme notified by Department of Economic Affairs, Ministry of Finance on 22.12.2003 and introduced vide D/O Expenditure O.M.

No. 1(7)(2)/2003 dated 7.1.2004, and as amended from time to time, will apply mutates mutendis in the NVS.

Some of the salient features of the New Pension Scheme are as under.

(1) (a) The New Pension Scheme will have two tiers – Tier-I and II.
(b) Contribution to Tier-I is mandatory, whereas contribution to Tier-II will be optional and at the discretion of employees.

(2) (i) In Tier-I, employees will have to make contribution of 10% of their basic pay plus Dearness Pay plus DA (Plus NPA, if any), in the pre-revised pay scales and / or Revised Pay plus Grade Pay plus DA admissible in the revised pay scales, which will be deducted from his salary bill every month by the PAO concerned. The Samiti will make an equal matching contribution.
(ii) The contributions payable by the employees and those paid by the Samiti shall be rounded off to the nearest rupee.
(iii) Any recovery in the subsequent date after 1.4.2009, on account of short receipt / deductions of the employees and Samiti's contribution, etc. shall form part of the pension fund, under the New Pension Scheme. The outstanding CPF advances recovered after 1.4.2009 shall also form part of the pension fund.

(3) Recovery will commence from the month following the month of joining the service in NVS.

(4) No withdrawal is permissible from Tier-I account.

(5) (i) Tier-I contributions (and the investment returns) will be kept in a non-withdrawal Pension Tier-I Account.
(ii) Tier-II contributions will be kept in a separate account that will be withdrawable at the option of the employee.
(iii) The Samiti will not make any contribution to Tier-II account.

(6) Tire II is not operational as on date.

(7) A separate Cell will be set up at NVS (Hqrs.) to monitor and regulate the pension fund. This Cell will function as Central Record Keeping Agency for maintenance of the record, accounts etc. and also to undertake the works regarding implementation of New Pension Scheme in NVS.

(8) (i) Exit from the scheme will be normally on attaining the age of 60 years or after the age of 60 years from the Tier-I of the scheme.
(ii) At normal exit, it would be mandatory for the employees to invest 40 percent of pension wealth in an annuity (from an IRDA, Regulated Life Insurance Company) which will provide for pension for the lifetime of the Employees and their dependent parents / spouse.
(iii) In the case of employees who leave the scheme before attaining the age of 60 years, the mandatory annutization would be 80% of the pension wealth.

(9) The existing provisions of leave encashment will continue to be applicable to employees who join service in NVS on or after 1.4.2009, as

127

the benefit of encashment of leave salary is not a part of retireme. benefits admissible under the extent rules.

(10) Individuals will get an Annual statement containing the details opening balance, monthly contributions, Samiti's matching contributio and interest earned.

(11) Accumulations at the credit of subscribers to the New Pension Schem for all the regular employees of NVS shall carry interest at the rate to b notified by the competent authority from time to time.

(12) As the New Pension Scheme is based on defined contribution, the lengt of qualifying service is not relevant. Thus, no credit of casual servic shall be allowed to casual workers on their regularization against Group 'D' posts on or after 1.4.2009.

(13) It is further clarified that: -

(i) With effect from 1st June, 2008 National Securities Depository Ltd. (NSDL) has started functioning as the Central Record keeping Agency (CRA) for the NPS and it is they who shall be allotting the permanent Retirement Account Number (PRAN) and maintaining the accounts of individual NPS subscribers.

(ii) Once the pension corpus is transferred to the PFRDA regulated NPS architecture and invested therein, there would be no interest payable on the corpus so transferred. Returns thereon would, thereafter, be market determined. Further, investment of NPS contributions of subscribers shall take place in accordance with the investment guidelines of the Ministry of Finance for non-Government Provident Funds and Superannuation Funds. Ministry of Human Resource Development may, however, decide as regards the interest payable on the accumulated pension corpus (and to the underlying subscribers) prior to its actual transfer to the NPS architecture.

(Alok Verma)
Joint Commissioner (Admn.)

1. All Jawahar Navodaya Vidyalayas
2. All Regional Offices of NVS.
3. All Navodaya Leadership Institutes.
4. All Officers at NVS (Hqrs.)

Copy to: -

1. PS to Hon'ble HRM & Chairman, NVS, Shastri Bhawan, New Delhi
2. Joint Secretary (SE), Ministry of HRD, Department of School Education & Literacy, Shastri Bhawan, New Delhi.

Joint Commissioner (Admn.)

-5-

Annexure

128

Ministry of Finance
Department of Expenditure
E.V. Branch

****

We had last seen this case at page 2/ante and had not agreed to the proposal of Navodaya Vidyalaya Samiti to introduce a Pension Scheme because a Pension Scheme was found to be costlier than CPF Scheme which the Samiti earlier proposed to introduce.

Navodaya Vidyalaya Samiti is an autonomous organisation which is fully funded by the Government. As correctly stated by the Samiti, the employees of the Samiti cannot be treated or are at par with Central Govt. employees. The Deptt. of Pension and P.W.'s Orders dt. 1.5.87 (Flag 'A') are applicable to Central Govt. employees only. Therefore, these orders cannot be applied to the employees of the Samiti.

3. So far as question of attracting talented staff is concerned, most of the autonomous organisations are having CPF scheme and they do not find any difficulty in recruiting the best talent available for maning their posts. Taking 100% staff on deputation by the Samiti and now resorting to direct recruitment of 50% of the staff cannot be taken as a valid reason for introduction of a Pension Scheme in the Samiti. Normally, whenever a Govt. employee joins an autonomous organisation, he is required to join on permanent absorption basis and taking employees on deputation by the Samiti is an edge to the employees over other employees absorbed in other autonomous organisations. This also contradicts the guidelines issued in this connection by the Deptt. of Pension & PW in their O.M. dt. 29.8.84.

4705/JS(PER)/89
6/9/89

4. The question of introduction of a Pension Scheme in public sector undertakings is under consideration of the Govt. and we are not in a position to give our concurrence to introduction of a Pension Scheme in the Samiti till a decision is taken on the general question.

5. In the circumstances, AS(E) may like to advise the Samiti not to press for the proposal. Such proposals should more appropriately be routed ~~through~~ by the Samiti through Administrative Ministry and Integrated Finance.

(K.D. Sharma)
Desk Officer
1.9.89

4.9.89

DS(E)

F-1620/AS/E
5/9

JS(Per)

A. Gujaraman
4/9/89

AS(E) 5/9

Director, NVS — IFA - We may submit a self contained note to HRM on the subject for k i [illegible] terms of rules

IFA/DD(A)

6/9/89

127

Annexure

Ministry of Finance
Department of Expenditure
(E.V. Branch) [redacted]

The proposal for introducing a pension scheme for the employees of Navodaya Vidyalaya Samiti has been reconsidered in this Ministry. The decision on the general question regarding introduction of a pension scheme in Central Public Sector Undertakings/ Autonomous bodies is still pending. Keeping in view the likely repercussions of the decision to bring the employees of Navodaya Vidyalaya Samiti under the pension scheme, it is felt that on balance of considerations, we may have to reiterate our earlier stand in the matter.

2. Secretary(E) has approved.

(Humera Ahmed)
Deputy Secretary [redacted]

Director (Shri K.S. Sarma),
Navodaya Vidyalaya Samiti.
MOF(Expd) U-O No. 1937/EV/89 dt 6/2/90

This may lie over as desired

AD(Andh)

1/2/90

29/3

AD(Andh)
A/c - Pl keep

Annexure

Ministry of Finance
Department of Expenditure
E.V. Branch

The proposal regarding introduction of pension-cum-CPF-gratuity scheme for the employees of the Punjab University has been examined and it is noted that Punjab University is in receipt of 60% of grants from Union Territory of Chandigarh, besides a small amount of loan from Department of Education. As Punjab University is in receipt of more than 50% grants from the Central Government, it can be termed as an autonomous body, though not directly under the Central Government.

2. For the reasons given below, Ministry of Finance is not in favour of introduction of pension scheme for the employees in autonomous bodies under various Ministries/Departments :-

i) The cost of introduction of pension scheme is much higher than the CPF scheme. While CPF is one-time settlement, pension is a lifelong commitment not only in respect of pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay and dearness relief. Most of the autonomous bodies are funded by grants-in-aid received from Government. In case pension scheme is introduced, Government's liability will also increase to that extent.

ii) For servicing a pension fund, a pension fund has to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

iii) Under the Employees' Provident Fund Act, the accretions of the provident fund are invested by the Provident Fund Commissioner in Government Securities. 85% of the contributions goes to special deposit schemes under the Ministry of Finance and the remaining 15% in Government Securities. Withdrawal of this fund from these securities for a Pension Fund would have a serious impact on the resources of the Government.

iv) The moment pension scheme is introduced, the right of the employees to receive pension becomes absolute. In case the autonomous body is not in a position to fulfil its commitment, Government will have to bear additional liability.

3. In view of the above and also in the context of the present resources crunch and the efforts of Government to maintain the budgetary deficit within the desired limits, the suggested course is to maintain the status quo and to continue with the CPF scheme without any pension scheme. In case Punjab University so desires, they can work out a suitable annuity scheme through the Life Insurance Corporation which has the necessary expertise, based on voluntary contributions by employees through a fund outside the body and without any liability on Government.

[illegible]
(C. JOSEPH)
Director.

Ministry of Human Resource Development - FA(HRD)
M/o Finance(E.V.) U.O.No.612/EV/92 dated 26.6.92.

डायरी सं. 1019 | VINF वि०/सा० सं० वि०/
Dy. No .... /4/HRD/
10/2/99

Annexure

131

D.O.F.No.25(3)/EV/96

वित्त मंत्री
भारत
नई दिल्ली-110001
FINANCE MINISTER
INDIA
NEW DELHI-110001

February 5, 1999

Received in HRM's Office
Sent for Sig. on
Received back on

Dear Dr. Joshi,

Kindly refer to your letter No.14-3/95-NVS(VIG) dated 11th December, 1998 regarding introduction of a pension scheme on GOI pattern for the employees of the Navodaya Vidyalaya Samiti, an autonomous body under the Department of Education.

I have had the matter examined. Most of the autonomous bodies under various Ministries/Departments of the Government of India are fully funded through grants-in-aid received from the Government. My Ministry has not agreed to the proposals for introduction of pension scheme on GOI pattern for the employees of the autonomous bodies under various Ministries/Departments for the following reasons:-

i) The cost of introduction of pension scheme is much higher than the CPF Scheme. While CPF is an one time settlement, pension is a life long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the recommendations of the successive Pay Commissions, revision in the rates of dearness relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

ii) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

iii) Under the Employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will lose resources to that extent.

iv) In case the organisation is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

.......2

132

वित्त मंत्री
भारत
नई दिल्ली-110001
FINANCE MINISTER
INDIA
NEW DELHI-110001

सत्यमेव जयते

You will kindly appreciate that in case the proposal regarding introduction of pension scheme on GOI pattern for the employees of NVS is agreed to, there would be similar demands from other autonomous/ statutory bodies which are receiving grants-in-aid from the Government for introducing pension schemes for their employees. It may be difficult to resist such demands.

In the context of the present resource crunch and the effors of the Government to contain the fiscal deficit within the desired limits, it would be difficult to support the proposal to introduce a pension scheme on GOI pattern for the employees of the NVS. I would, therefore, once again suggest that the NVS may be advised to work out a suitable annuity scheme through the LIC based on voluntary contributions by the employees through a Fund outside the Body and without any liability on the Government. In the alternative, NVS employees may continue to be governed by the CPF Scheme or join the pension scheme for the Provident Fund subscribers introduced by the Ministry of Labour.

With regards.

Yours sincerely,

4/12

(YASHWANT SINHA)

Dr. Murli Manohar Joshi,
Minister of Human Resource Development,
Shastri Bhavan,
New Delhi.

Annexure 133

MINUTES OF THE MEETING HELD ON 9TH & 11th FEBRUARY, 2013 UNDER THE CHAIRPERSONSHIP OF MS. VRINDA SARUP, ADDL. SECRETARY, DEPTT. OF SCHOOL EDUCATION & LITERACY, M/HRD, SHASTRI BHAWAN, NEW DELHI WITH THE REPRESENTATIVES OF JOINT ACTION COMMITTEE (JAC) OF EMPLOYEES ASSOCIATION/FORUM OF NAVODAYA VIDYALAYA SAMITI

A meeting was held under the chairpersonship of Ms. Vrinda Sarup, Additional Secretary (SE), MHRD on 09.02.2013 at 12.00 noon in the conference hall in 'C' Wing, Shastri Bhawan, New Delhi, with the representative of Joint Action Committee of NavodayaVidyalayaSamiti Employees Associations, to discuss their demand. The following members attended the meeting:-

1. Shri V.L. Balasubramanian, Member CEC, JAC and ex-Principal, JNV, Kasargod
2. Shri M.S. Yadav, General-Secretary, NVSEWA (RO, Chandigarh)
3. Shri Bijay Kumar, President, JNVCA & MSWA (JNV, Supaul, Bihar)
4. Shri Yogendra Kumar Sharma, Vice-President, AINVSA (JNV, SawaiMadhopur, Rajasthan)
5. Shri Pankaj Kumar, General Secretary, JNVCA &MSWA (JNV, Samastipur, Bihar)
6. Shri A.K. Gaur, National Working President, AINVSA (JNV, Sonepat, Haryana)
7. Shri P.K. Gupta, National Organizing Secretary, AINVSA, (JNV, Bhopal, MP)
8. Shri Raj Kumar Raddi, Member, NAVSEWA (RO, Chandigarh)
9. Shri Shiv Narain, President, NAVSEWA(RO, Chandigarh).
10. Shri RPS Negi, Member, AINVSA(TGT, Maths, JNV, Solan(HP).
11. Shri Anil Sharma, President, NAVSEWA (RO, Jaipur).

In addition, the following officers from MHRD and NVS were also present:-

1. Dr. Nagesh Singh, Economic Advisor, M/HRD.
2. Sh. G.S. Bothyal, Commissioner, NVS.
3. Sh. Naresh Kumar, Joint Commissioner (Admn.), NVS.
4. Sh. M.S. Khanna, Joint Commissioner (Pers.), NVS.
5. Sh. P.K. Sharma, Deputy Commissioner (Admn.), NVS.
6. Sh.D.C. Verma, Asstt. Commissioner (Estt.), NVS.

The following decisions were taken on the demands of employees:-

S.No.	Demands	Decision	
1.	Govt. of India CCS Pension to all employees joined prior to 01.01.2004	NVS will re-submit a proposal with full justification and various options available for providing Pension to employees of the NVS who joined prior to 01.01.2004, along with Draft Cabinet note, within 15 days of the issue of the minutes.	NV + HRD
2.	10% Special allowance to non-teaching staff	The following committee is set up to look into this demand:- 1. JC (Admn.) 2. JC(Pers.) 3. Two Principal's	NV + HRD

		4. Shri Bijay Kumar, CA, JNV, Sapaul. 5. Shri M.S. Yadav, OS, JNV, Chandigarh NVS will submit a comprehensive proposal to the Ministry within one month giving full justification for grant of 10% Special Allowance to the non-teaching staff of JNVs indicating theduties and responsibilities of each category of post including available options for outsourcing the work wherever feasible. Commissioner may like to add more members in the Committee, if required.
3.	Defining working hours for all categories of employees	The following Committee is set up to look into their demand: 1. J.C. (Pers.) Chairman 2. Two Deputy Commissioners- Members 3. Four Principals (Two Male and Two Female) – Members 4. Eight Teachers (Four male and Four female) - Members. The Committee will ensure that functioning of the JNVs is not adversely affected while preparing duty roster. Commissioner may like to add any more members, if required. The Committee will submit its report to the Ministry within three months from the date of issue of the minutes.
4	MACP to teaching staff	As per 6th CPC, the MACP has been extended to only non-teaching staff. In the case of teaching faculty, they have been extended up-graded pay scale as per recommendations of 6th CPCand the benefit of MACP was not extended to them as it is not recommended by 6th CPC. They have been given two higher upgradations as was applicable to them in the 5th CPC. However, it was decided to examine the case of Principals cadre in respect of possibility of financial upgradation. JS (SE-II), MHRD, will look into this matter in consultation with Ministry of Finance CPC Unit and convey decision to the Samiti within a period of one month.
5.	Appointment of Warden and Matron on permanent basis.	The MHRD will look into the proposal submitted by the Samiti for creation of post of Warden for Boys' Hostel or outsourcing possibilities and will convey early decision in the matter.
6& 7	Discrimination with the Assistants/Audit Assistants/Legal Assistant/PAs and upgradation of Grade Pay of Section Officers.	Demand is not acceptable in view of clearly laid down position of CPC.
8.	Sanction of Post of Mess Staff	As decided against item No.2 (ibid)

NV

HRD

HRD

9.	Conducting the departmental promotion test yearly.	The test will be conducted every year. The test for promotion of TGTs to PGTs may be conducted in May, 2013 by Navodaya Vidyalaya Samiti positively.	NV
10.	Restoration of Earned Leave to teaching staff/ Vacation staff in addition to Half Pay leave.	Demand is not acceptable as facility of leave as per recommendations of the 6th CPC, has been provided.	X
11.	Timely promotion to all staff.	Samiti will expedite the matter and ensure that cases of promotions are finalized on priority.	NV
12.	Stepping up of pay of Seniors with that of their juniors.	A Committee has already been set up by the Samiti to examine cases of such anomalies in respect of each category which will be addressed on priority basis.	NV
13.	Enhancement of HM/AHM allowance	The matter is already under consideration with the Samiti. The updated guidelines including provision for this allowance will be submitted by the Samiti to the next FC/EC for decision.	NV
14.	Implementation of Nursing allowance to the Staff Nurses of JNVs.	The case has been referred by the Ministry to the Anomalies Committee of Ministry of Finance. Their decision is awaited.	HRD
15.	Up-gradation of Grade Pay of Catering Assistant in NVS.	The MHRD will examine the proposal submitted by the Samiti and with due consultation with Finance Department will convey its decision at the earliest.	
16.	Nomenclature of Post of UDC to Accountant.	Demand is not acceptable as it would require change of educational qualification.	X
17.	Providing free education to the children of expired staff.	The Samiti will examine the proposal and submit the same to the FC/EC for consideration and appropriate decision.	NV
18.	Admission of ward of Hqrs and Regional office staff under staff ward quota.	Demand not accepted.	X
19.	Timely compensation and entitlement to dependents on accidental expiry of any staff.	Samiti would act with promptness in such matters.	NV
20.	Timely benefit for retiring staff	Samiti would expedite such matters and they will be monitored by Commissioner on a regular basis.	
21.	MACP/Senior Scale to the Drivers in NVS	Demand not accepted as the Drivers are covered under separate ACP scheme.	X
22.	Creation of PGT posts in Modern Indian Languages.	The Ministry will examine the proposal submitted by the Samiti and convey its decision at the earliest.	
23.	Extension of the retirement age for the teachers.	Demand not accepted as the same is not within the ambit of Samiti / Ministry.	X

136

The Additional Secretary (Secondary Education) further desired that Samiti may evolve a mechanism to hold regular meetings with the representatives of the Associations to consider and address their demands in a timely manner. She also appealed to the members of the JAC to call of the strike and resume their duties and ensure that the Vidyalayas function smoothly and students do not suffer as their annual Board examinations are near at hand.

Since the above meeting was ~~not~~ attended by some of the members of JAC, they were given an opportunity on 11.2.2013 at 3.30 pm in the Ministry of HRD which was attended by the following:-

1) Shri L.B. Reddy, General Secretary, AINVSA, TGT (Hindi), JNV, Warangal, AP
2) Shri Jagdish Rai, President, AINVSA, PGT (Economics), JNV, Azamgarh, UP.
3) Shri J.K. Singh, General Secretary, AINVSA, PGT (Hindi), JNV, Purnea, Bihar.
4) Shri Rajesh Kumar, Member, AINVSA, TGT (English), JNV, Kasargod, Kerala.

During the meeting above members were apprised about the detailed deliberations held on 9.2.2013 and were handed over the draft minutes.

Meetings ended with a Vote of thanks to the Chair.

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जी. एस. बोथ्याल / G. S. Bothyal
आयुक्त / Commissioner
नवोदय विद्यालय समिति / Navodaya Vidyalaya Samiti
स्कूल शिक्षा और साक्षरता विभाग
Department of School Education & Literacy,
मानव संसाधन विकास मंत्रालय / Ministry of Human Resource Development
बी-15, सैक्टर-62, संस्थागत क्षेत्र / B-15, Sector-62, Institutional Area
नोएडा-201 309, (उ०प्र०) / Noida-201 309, (U. P.)

F.2-9/89-NVS(Estt.)

Dated: Sept. 5, 1989

CIRCULAR

Sub. : Permanent Absorption Rules of the Navodaya Vidyalaya Samiti.

Sir,

We are receiving a number of references from our Vidyalayas seeking clarifications on the provisions of the permanent absorption rules of the navodaya Vidyalaya Samiti notified vide Samiti's letter No. 1-22/89-NVS(Estt.) dated 26th July, 1989[1]. The clarifications sought by the Vidyalayas have been compiled point wise and the same are enclosed as an annex. to this letter.

As informed earlier vide D.O. letter No. 1-28/89-NVS(Estt.) dated 14th August, 1989, the Executive Committee of the Samiti has approved the adoption of Group Insurance Scheme, the decision of the Samiti to implement the same would be communicated to you shortly. Efforts are also being made to introduce pension scheme for the employees of the Navodaya Vidyalaya Samiti. We are sure that after adoption of Pension Scheme as well as Group Insurance Scheme, the maximum number of points raised by the vidyalayas will automatically be covered or clarified. I would also like to add that the person who are being absorbed at this stage shall not be placed under any disadvantageous position compared to those who are being appointed on direct recruitment basis.

Sd/- Narang

(DR. S.K. NARANG)
DEPUTY DIRECTOR(ADMN.)

Copy to :

1. All Principals of the Navodaya Vidyalaya Samiti
2. All Deputy Directors of the regional Offices
3. All Officers of the NVS Hqrs.
4. Finance & Accounts Wing, Admn. Wing., Works Wing
5. Sh. Mohd. Nayeem, Accounts Officer, NVS, RO Bhopal

1. For reference see page 173-177 of the Administration Section.

Annexure

CLARIFICATION SOUGHT BY THE VIDYALAYAS ABOUT THE PROVISIONS OF THE PERMANENT ABSORPTION RULES AND THE REPLIES TO THESE POINTS

1. Point : Definition of the resignation and the process for the submission of the resignation whether it is to be sent personally or to be sent by post.

   Reply : The resignation to be tendered by the deputationist will be a technical resignation till it is accepted by their parent organisation. The resignation as well as the willingness of the individual concerned for permanent absorption will be sent by the Samiti in the case of Principal and by the Regional Office in respect of teaching and non-teaching staff of Vidyalayas through Registered Post.

2. Point : Whether the person has to give three months notice or salary to his parent organisation for tendering the resignation.

   Reply : Three months notice is not applicable for tendering the technical resignation for permanent absorption.

3. Point : Pro-rata retirement benefits.

   Reply : At present, there is no pension scheme available to the employees of the Samiti. However, the same is under consideration and hopefully the pension scheme is going to be introduced in the Samiti in the near future. For the present, the persons to be absorbed on permanent absorption will have to settle their claims from their parent organisation for their pro rata retirement benefits in accordance with the relevant rules applicable to them in those department. On adoption of the pension scheme in the Samiti they will be given a chance to count their past services rendered by them in their parent organisation for pension purposes in accordance with the pension rules so framed by the Samiti at that time. In that case, pensionary benefits drawn from parent department together with interest thereon will have to be refunded to the Samiti.

4. Point : For the payment of gratuity the previous services in the parent department will be considered or not. (If the gratuity exists in the parent department also).

   Reply : No payment in respect of gratuity for the previous services rendered in the parent department will be made in the Samiti as the individual should have to get the gratuity payment from his parent organisation at the time of permanent absorption. Consequent upon extending pensionary benefits in the Samiti the person has to refund the gratuity amount for counting their previous services for pension purposes.

5. Point : Encashment of Earned Leave whether it may be paid by the Samiti in place of the parent department.

   Reply : No. The persons who are absorbed permanently in the Samiti, shall be entitled to encashment of leave from his parent department or organisation if so allowed by the relevant rules applicable to them in the department. In any circumstances the encashment of Earned Leave will not be paid by the Samiti.

6. Point : What about the half pay leave credit at the time of permanent absorption.

   Reply : The half pay leave at the credit of the deputationist to be absorbed permanently will stand forfeited and in any circumstances this kind of leave will not be carried forward.

7. Point : Effective date of absorption should be date of commencement of deputation in the Samiti and not from the date of absorption.

   Reply : It has been decided that the person who was on the strength of the Samiti on 4th July, 1989 (the date of adoption of the permanent absorption rules) and is going to complete his normal deputation period of two/three years by the end of this year (31.12.1989) will be considered for absorption with effect from Ist May, 1989 (the date prior to the date of direct appointment in the post of teaching staff). It may not be possible to consider the date of absorption from the date of joining in the Samiti on deputation basis.

8. Point : On absorption, the deputationists will become junior to the persons appointed on direct recruitment basis.

   Reply : The seniority of the deputationist will be fixed in accordance with the clause of the permanent absorption rules by giving date of absorption with effect from Ist May, 1989. No deputationist will be put on disadvantageous position. Further, the services rendered by the deputationists in their parent department/organisation will not be counted for seniority purposes. All deputationists will be considered at par for the purposes of fixation of seniority in the Navodaya Vidyalaya Samiti. However, the seniority of the absorbed persons will be fixed as discussed in Provision '5' of the Permanent Absorption Rules.

9. Point : There is nothing mentioned about the Group Insurance Scheme for the employees of the Samiti.

   Reply : The Samiti has already taken the decision to introduce the Group Insurance Scheme for the employees of the Samiti. The modalities are being worked out in consultation with Life Insurance Corporation of India.

10. Point : The Terminology 'Equivalent Grade' is not clear.

    Reply : The 'Equivalent Grade' defines that the person holding the post of the Samiti in terms of the duties and responsibilities as well as the scale of the pay attached to that post.

11. Point : The person who has opted to receive pension for his past service shall not be eligible to relief on pension during his services in the Samiti. Please clarify.

    Reply : The person who opts to receive pension for his past services shall not be eligible for relief on pension (i.e. D.A. on pension) as he will be eligible to draw full dearness allowance on the pay of the post hold by him in the Samiti. However, the person cannot opt for voluntary retirement from service from his parent department in order to get absorbed in Navodaya Vidyalaya Samiti.

Reinvestment Rate: 8.50%

Salary Increment: 5.00%

Fund Required 942.53

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	**49.29**	31.38	22.05	942.53	995.96	946.66	1315.80
2014	20.25	111.84	23.15		135.00	114.74	1430.55
2015	28.99	121.60	24.31		145.91	116.92	1547.47
2016	34.65	131.53	25.53		157.06	122.41	1669.88
2017	42.16	141.94	26.80		168.74	126.58	1796.46
2018	53.75	152.70	28.14		180.84	127.09	1923.55
2019	67.13	163.50	29.55		193.05	125.92	2049.47
2020	96.69	174.20	31.03		205.23	108.54	2158.01
2021	125.97	183.43	32.58		216.01	90.04	2248.05
2022	164.13	191.08	34.21		225.29	61.17	2309.21
2023	214.24	196.28	35.92		232.20	17.96	2327.17
2024	244.01	197.81	37.71		235.52	-8.48	2318.69
2025	291.81	197.09	39.60		236.69	-55.12	2263.57
2026	316.52	192.40			192.40	-124.12	2139.45
2027	318.33	181.85			181.85	-136.48	2002.98
2028	329.84	170.25			170.25	-159.59	1843.39
2029	336.04	156.69			156.69	-179.35	1664.04
2030	331.77	141.44			141.44	-190.33	1473.71
2031	300.42	125.27			125.27	-175.16	1298.55
2032	300.68	110.38			110.38	-190.30	1108.25
2033	299.01	94.20			94.20	-204.81	903.44
2034	256.23	76.79			76.79	-179.44	724.01
2035	223.65	61.54			61.54	-162.11	561.89
2036	209.67	47.76			47.76	-161.91	399.99
2037	177.55	34.00			34.00	-143.55	256.44
2038	96.50	21.80			21.80	-74.70	181.73
2039	90.34	15.45			15.45	-74.89	106.84
2040	52.17	9.08			9.08	-43.09	63.75
2041	34.00	5.42			5.42	-28.58	35.17
2042	17.57	2.99			2.99	-14.58	20.59
2043	5.02	1.75			1.75	-3.27	17.33
2044	4.95	1.47			1.47	-3.48	13.85
2045	0.87	1.18			1.18	0.31	14.15
2046	0.00	1.20			1.20	1.20	15.36
2047	1.28	1.31			1.31	0.02	15.38
2048	0.87	1.31			1.31	0.43	15.81
2049	0.57	1.34			1.34	0.78	16.59
2050	2.81	1.41			1.41	-1.40	15.19
2051	2.81	1.29			1.29	-1.52	13.67
2052	2.81	1.16			1.16	-1.65	12.02
2053	2.81	1.02			1.02	-1.79	10.22

All figures in Rs. Crore

Reinvestment Rate: 8.50%

Salary Increment: 5.00%

Fund Required 1020.39

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	**49.29**	31.38	22.05	**340.13**	393.56	344.26	713.40
2014	20.25	60.64	23.15	340.13	423.92	403.67	1117.07
2015	28.99	94.95	24.31	340.13	459.39	430.40	1547.48
2016	34.65	131.54	25.53		157.06	122.41	1669.89
2017	42.16	141.94	26.80		168.74	126.59	1796.47
2018	53.75	152.70	28.14		180.84	127.09	1923.56
2019	67.13	163.50	29.55		193.05	125.92	2049.48
2020	96.69	174.21	31.03		205.23	108.54	2158.02
2021	125.97	183.43	32.58		216.01	90.04	2248.07
2022	164.13	191.09	34.21		225.29	61.17	2309.23
2023	214.24	196.28	35.92		232.20	17.96	2327.19
2024	244.01	197.81	37.71		235.52	-8.48	2318.71
2025	291.81	197.09	39.60		236.69	-55.12	2263.59
2026	316.52	192.41			192.41	-124.11	2139.48
2027	318.33	181.86			181.86	-136.47	2003.00
2028	329.84	170.26			170.26	-159.58	1843.42
2029	336.04	156.69			156.69	-179.35	1664.07
2030	331.77	141.45			141.45	-190.33	1473.74
2031	300.42	125.27			125.27	-175.15	1298.59
2032	300.68	110.38			110.38	-190.30	1108.29
2033	299.01	94.20			94.20	-204.80	903.49
2034	256.23	76.80			76.80	-179.43	724.06
2035	223.65	61.54			61.54	-162.11	561.95
2036	209.67	47.77			47.77	-161.90	400.05
2037	177.55	34.00			34.00	-143.55	256.50
2038	96.50	21.80			21.80	-74.70	181.80
2039	90.34	15.45			15.45	-74.89	106.92
2040	52.17	9.09			9.09	-43.08	63.83
2041	34.00	5.43			5.43	-28.57	35.26
2042	17.57	3.00			3.00	-14.57	20.69
2043	5.02	1.76			1.76	-3.26	17.43
2044	4.95	1.48			1.48	-3.47	13.96
2045	0.87	1.19			1.19	0.32	14.28
2046	0.00	1.21			1.21	1.21	15.49
2047	1.28	1.32			1.32	0.03	15.52
2048	0.87	1.32			1.32	0.45	15.97
2049	0.57	1.36			1.36	0.79	16.76
2050	2.81	1.42			1.42	-1.39	15.37
2051	2.81	1.31			1.31	-1.51	13.87
2052	2.81	1.18			1.18	-1.63	12.23
2053	2.81	1.04			1.04	-1.77	10.46

All figures in Rs. Crore

Reinvestment Rate: 8.50%

Salary Increment: 5.00%

Fund Required 1102.25

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	49.29	31.38	22.05	220.45	273.88	224.58	593.72
2014	20.25	50.47	23.15	220.45	294.07	273.82	867.54
2015	28.99	73.74	24.31	220.45	318.50	289.51	1157.05
2016	34.65	98.35	25.53	220.45	344.33	309.68	1466.73
2017	42.16	124.67	26.80	220.45	371.92	329.77	1796.50
2018	53.75	152.70	28.14		180.84	127.09	1923.59
2019	67.13	163.50	29.55		193.05	125.92	2049.51
2020	96.69	174.21	31.03		205.23	108.54	2158.05
2021	125.97	183.43	32.58		216.01	90.05	2248.10
2022	164.13	191.09	34.21		225.30	61.17	2309.27
2023	214.24	196.29	35.92		232.20	17.96	2327.23
2024	244.01	197.81	37.71		235.53	-8.48	2318.75
2025	291.81	197.09	39.60		236.69	-55.11	2263.64
2026	316.52	192.41			192.41	-124.11	2139.53
2027	318.33	181.86			181.86	-136.47	2003.06
2028	329.84	170.26			170.26	-159.58	1843.48
2029	336.04	156.70			156.70	-179.34	1664.13
2030	331.77	141.45			141.45	-190.32	1473.81
2031	300.42	125.27			125.27	-175.15	1298.66
2032	300.68	110.39			110.39	-190.29	1108.37
2033	299.01	94.21			94.21	-204.80	903.57
2034	256.23	76.80			76.80	-179.42	724.15
2035	223.65	61.55			61.55	-162.10	562.05
2036	209.67	47.77			47.77	-161.89	400.15
2037	177.55	34.01			34.01	-143.54	256.62
2038	96.50	21.81			21.81	-74.69	181.93
2039	90.34	15.46			15.46	-74.88	107.05
2040	52.17	9.10			9.10	-43.07	63.98
2041	34.00	5.44			5.44	-28.56	35.42
2042	17.57	3.01			3.01	-14.56	20.86
2043	5.02	1.77			1.77	-3.24	17.62
2044	4.95	1.50			1.50	-3.45	14.17
2045	0.87	1.20			1.20	0.33	14.50
2046	0.00	1.23			1.23	1.23	15.73
2047	1.28	1.34			1.34	0.05	15.78
2048	0.87	1.34			1.34	0.47	16.25
2049	0.57	1.38			1.38	0.81	17.07
2050	2.81	1.45			1.45	-1.36	15.71
2051	2.81	1.33			1.33	-1.48	14.23
2052	2.81	1.21			1.21	-1.60	12.62
2053	2.81	1.07			1.07	-1.74	10.89

All figures in Rs. Crore

Reinvestment Rate: 8.50%

Salary Increment: 5.00%

Fund Required 1325.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	**49.29**	31.38	22.05	**132.50**	185.93	136.64	505.78
2014	20.25	42.99	23.15	132.50	198.64	178.39	684.17
2015	28.99	58.15	24.31	132.50	214.96	185.97	870.14
2016	34.65	73.96	25.53	132.50	231.99	197.34	1067.48
2017	42.16	90.74	26.80	132.50	250.04	207.89	1275.36
2018	53.75	108.41	28.14	132.50	269.05	215.30	1490.66
2019	67.13	126.71	29.55	132.50	288.76	221.63	1712.29
2020	96.69	145.54	31.03	132.50	309.07	212.37	1924.66
2021	125.97	163.6	32.58	132.50	328.68	202.71	2127.37
2022	164.13	180.83	34.21	**132.50**	347.54	183.41	2310.78
2023	214.24	196.42	35.92		232.34	18.09	2328.88
2024	244.01	197.95	37.71		235.66	-8.34	2320.53
2025	291.81	197.25	39.60		236.85	-54.96	2265.58
2026	316.52	192.57			192.57	-123.95	2141.63
2027	318.33	182.04			182.04	-136.29	2005.34
2028	329.84	170.45			170.45	-159.39	1845.95
2029	336.04	156.91			156.91	-179.13	1666.82
2030	331.77	141.68			141.68	-190.09	1476.72
2031	300.42	125.52			125.52	-174.90	1301.82
2032	300.68	110.65			110.65	-190.03	1111.79
2033	299.01	94.5			94.50	-204.51	907.28
2034	256.23	77.12			77.12	-179.11	728.18
2035	223.65	61.89			61.89	-161.76	566.41
2036	209.67	48.15			48.15	-161.52	404.90
2037	177.55	34.42			34.42	-143.13	261.77
2038	96.50	22.25			22.25	-74.25	187.52
2039	90.34	15.94			15.94	-74.40	113.12
2040	52.17	9.61			9.61	-42.56	70.56
2041	34.00	6			6.00	-28.00	42.56
2042	17.57	3.62			3.62	-13.95	28.61
2043	5.02	2.43			2.43	-2.59	26.02
2044	4.95	2.21			2.21	-2.74	23.28
2045	0.87	1.98			1.98	1.11	24.39
2046	0.00	2.07			2.07	2.07	26.46
2047	1.28	2.25			2.25	0.97	27.43
2048	0.87	2.33			2.33	1.46	28.88
2049	0.57	2.46			2.46	1.89	30.78
2050	2.81	2.62			2.62	-0.19	30.58
2051	2.81	2.6			2.60	-0.21	30.37
2052	2.81	2.58			2.58	-0.23	30.14
2053	2.81	2.56			2.56	-0.25	29.89

All figures in Rs. Crore

Reinvestment Rate: 8.50%
Salary Increment: 5.00%

Fund Required 1325.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	**49.29**	31.38	22.05	**132.50**	185.93	136.64	505.78
2014	20.25	42.99	23.15	132.50	198.64	178.39	684.17
2015	28.99	58.15	24.31	132.50	214.96	185.97	870.14
2016	34.65	73.96	25.53	132.50	231.99	197.34	1067.48
2017	42.16	90.74	26.80	132.50	250.04	207.89	1275.36
2018	53.75	108.41	28.14	132.50	269.05	215.30	1490.66
2019	67.13	126.71	29.55	132.50	288.76	221.63	1712.29
2020	96.69	145.54	31.03	132.50	309.07	212.37	1924.66
2021	125.97	163.6	32.58	132.50	328.68	202.71	2127.37
2022	164.13	180.83	34.21	**132.50**	347.54	183.41	2310.78
2023	214.24	196.42	35.92		232.34	18.09	2328.88
2024	244.01	197.95	37.71		235.66	-8.34	2320.53
2025	291.81	197.25	39.60		236.85	-54.96	2265.58
2026	316.52	192.57			192.57	-123.95	2141.63
2027	318.33	182.04			182.04	-136.29	2005.34
2028	329.84	170.45			170.45	-159.39	1845.95
2029	336.04	156.91			156.91	-179.13	1666.82
2030	331.77	141.68			141.68	-190.09	1476.72
2031	300.42	125.52			125.52	-174.90	1301.82
2032	300.68	110.65			110.65	-190.03	1111.79
2033	299.01	94.5			94.50	-204.51	907.28
2034	256.23	77.12			77.12	-179.11	728.18
2035	223.65	61.89			61.89	-161.76	566.41
2036	209.67	48.15			48.15	-161.52	404.90
2037	177.55	34.42			34.42	-143.13	261.77
2038	96.50	22.25			22.25	-74.25	187.52
2039	90.34	15.94			15.94	-74.40	113.12
2040	52.17	9.61			9.61	-42.56	70.56
2041	34.00	6			6.00	-28.00	42.56
2042	17.57	3.62			3.62	-13.95	28.61
2043	5.02	2.43			2.43	-2.59	26.02
2044	4.95	2.21			2.21	-2.74	23.28
2045	0.87	1.98			1.98	1.11	24.39
2046	0.00	2.07			2.07	2.07	26.46
2047	1.28	2.25			2.25	0.97	27.43
2048	0.87	2.33			2.33	1.46	28.88
2049	0.57	2.46			2.46	1.89	30.78
2050	2.81	2.62			2.62	-0.19	30.58
2051	2.81	2.6			2.60	-0.21	30.37
2052	2.81	2.58			2.58	-0.23	30.14
2053	2.81	2.56			2.56	-0.25	29.89

All figures in Rs. Crore

Reinvestment Rate: 8.50%

Salary Increment: 5.00%

Fund Required 1840.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	**49.29**	31.38	22.05	**92.00**	145.43	96.14	465.28
2014	20.25	39.55	23.15	92.00	154.70	134.45	599.73
2015	28.99	50.98	24.31	92.00	167.29	138.30	738.03
2016	34.65	62.73	25.53	92.00	180.26	145.61	883.64
2017	42.16	75.11	26.80	92.00	193.91	151.76	1035.39
2018	53.75	88.01	28.14	92.00	208.15	154.40	1189.79
2019	67.13	101.13	29.55	92.00	222.68	155.55	1345.34
2020	96.69	114.35	31.03	92.00	237.38	140.68	1486.02
2021	125.97	126.31	32.58	92.00	250.89	124.92	1610.94
2022	164.13	136.93	34.21	92.00	263.14	99.01	1709.95
2023	214.24	145.35	35.92	92.00	273.27	59.02	1768.98
2024	244.01	150.36	37.71	92.00	280.07	36.07	1805.04
2025	291.81	153.43	39.60	92.00	285.03	-6.78	1798.27
2026	316.52	152.85		92.00	244.85	-71.67	1726.60
2027	318.33	146.76		92.00	238.76	-79.57	1647.03
2028	329.84	140.00		92.00	232.00	-97.84	1549.19
2029	336.04	131.68		92.00	223.68	-112.36	1436.83
2030	331.77	122.13		92.00	214.13	-117.64	1319.18
2031	300.42	112.13		92.00	204.13	-96.29	1222.89
2032	300.68	103.95		92.00	195.95	-104.73	1118.16
2033	299.01	95.04			95.04	-203.97	914.19
2034	256.23	77.71			77.71	-178.52	735.68
2035	223.65	62.53			62.53	-161.12	574.55
2036	209.67	48.84			48.84	-160.83	413.73
2037	177.55	35.17			35.17	-142.38	271.35
2038	96.50	23.06			23.06	-73.44	197.91
2039	90.34	16.82			16.82	-73.52	124.39
2040	52.17	10.57			10.57	-41.60	82.79
2041	34.00	7.04			7.04	-26.96	55.83
2042	17.57	4.75			4.75	-12.82	43.01
2043	5.02	3.66			3.66	-1.36	41.65
2044	4.95	3.54			3.54	-1.41	40.24
2045	0.87	3.42			3.42	2.55	42.79
2046	0.00	3.64			3.64	3.64	46.43
2047	1.28	3.95			3.95	2.67	49.10
2048	0.87	4.17			4.17	3.30	52.39
2049	0.57	4.45			4.45	3.88	56.28
2050	2.81	4.78			4.78	1.97	58.24
2051	2.81	4.95			4.95	2.14	60.38
2052	2.81	5.13			5.13	2.32	62.70
2053	2.81	5.33			5.33	2.52	65.22

All figures in Rs. Crore

Reinvestment Rate: 8.50%

Salary Increment: 5.00%

Fund Required 3530.00

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	49.29	31.38	22.05		53.43	4.14	373.28
2014	20.25	31.73	23.15		54.88	34.63	407.91
2015	28.99	34.67	24.31		58.98	29.99	437.90
2016	34.65	37.22	25.53		62.75	28.10	466.00
2017	42.16	39.61	26.80		66.41	24.26	490.25
2018	53.75	41.67	28.14		69.81	16.06	506.31
2019	67.13	43.04	29.55		72.59	5.46	511.77
2020	96.69	43.50	31.03		74.53	-22.17	489.60
2021	125.97	41.62	32.58		74.20	-51.77	437.83
2022	164.13	37.22	34.21		71.43	-92.70	345.13
2023	214.24	29.34	35.92		65.26	-148.99	196.15
2024	244.01	16.67	37.71		54.38	-189.62	6.52
2025	291.81	0.55	39.60	353.00	393.15	101.34	107.87
2026	316.52	9.17		353.00	362.17	45.65	153.52
2027	318.33	13.05		353.00	366.05	47.72	201.24
2028	329.84	17.11		353.00	370.11	40.27	241.51
2029	336.04	20.53		353.00	373.53	37.49	279.00
2030	331.77	23.71		353.00	376.71	44.94	323.93
2031	300.42	27.53		353.00	380.53	80.11	404.04
2032	300.68	34.34		353.00	387.34	86.66	490.70
2033	299.01	41.71		353.00	394.71	95.70	586.40
2034	256.23	49.84		353.00	402.84	146.61	733.02
2035	223.65	62.31			62.31	-161.34	571.67
2036	209.67	48.59			48.59	-161.08	410.60
2037	177.55	34.90			34.90	-142.65	267.95
2038	96.50	22.78			22.78	-73.72	194.23
2039	90.34	16.51			16.51	-73.83	120.40
2040	52.17	10.23			10.23	-41.94	78.46
2041	34.00	6.67			6.67	-27.33	51.13
2042	17.57	4.35			4.35	-13.22	37.91
2043	5.02	3.22			3.22	-1.80	36.11
2044	4.95	3.07			3.07	-1.88	34.23
2045	0.87	2.91			2.91	2.04	36.27
2046	0.00	3.08			3.08	3.08	39.35
2047	1.28	3.34			3.34	2.06	41.41
2048	0.87	3.52			3.52	2.65	44.05
2049	0.57	3.74			3.74	3.17	47.23
2050	2.81	4.01			4.01	1.20	48.42
2051	2.81	4.12			4.12	1.31	49.73
2052	2.81	4.23			4.23	1.42	51.15
2053	2.81	4.35			4.35	1.54	52.69

All figures in Rs. Crore

FTS- 45460/2013

176

जी. एस. बोथ्याल
आयुक्त
G. S. Bothyal
Commissioner

नवोदय विद्यालय समिति
Navodaya Vidyalaya Samiti
मानव संसाधन विकास मंत्रालय
Ministry of Human Resource Development
(स्कूल शिक्षा और साक्षरता विभाग)
(Deptt. of School Education & Literacy)
भारत सरकार/Government of India

D.O.No.1-13/2013-NVS (Comm.)
April 16, 2013

Dear Shri Alam,

Kindly refer your discussion had with the undersigned on 12th April 2013 regarding Cabinet Note for Introduction of Pension Scheme for the employees of Navodaya Vidyalaya Samiti.

During the discussion, you had desired some additional information. As desired, additional information are given as under: -

1) Details and duration of Pension liability will be met out of accumulated CPF Corpus fund of Rs.369.14 Crores up to the year 2024 provided management contribution continues to be given as grant-in-aid. Details are given at Annexure-I.

2) Option where Pension liability will be met with lump-sum grant of Rs.942.53 Crores by the Government during 2013 provided normal contribution as Management share as a part of grant-in-aid is continued. Details are given at Annexure-II.

3) Option where Pension liability will be met with lump-sum grant of Rs.340.13 Crores by the Government during 2013, 2014 and 2015 provided normal contribution as Management share as a part of grant-in-aid continued. Details are given at Annexure-III.

4) Option where Pension liability will be met with lump-sum grant of Rs.220.45 Crores by the Government during 2013 to 2017 provided normal contribution as Management Share as a part of grant-in-aid is continued. Details are given at Annexure-IV.

5) Option where Pension liability will be met with lump-sum grant of Rs.132.50 crores by the Government during 2013 to 2022 provided normal contribution as Management Share as a part of grant-in-aid is continued. Details are given an Annexure-V.

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बी-15, इंस्टीट्यूशनल एरिया, सैक्टर-62, नोएडा, गौतम बुद्ध नगर, उत्तर प्रदेश - 201309
B-15, Institutional Area, Sector-62, NOIDA,Gautam Budh Nagar, Uttar Pradesh-201309
दूर./Tel. 0120-2405180, फैक्स/Fax : 0120-2405182, वैबसाईट/Website : www.navodaya.nic.in, navodaya.gov.in, ई-मेल/E-mail : commissionernvs@yahoo.com

6) Option where Pension liability will be met with lump-sum grant of Rs.92 Crores by the Government during 2013 to 2032 provided normal contribution as Management share as a part of grant-in-aid is continued. Details are given at Annexure-VI.

7) Further, year-wise number of employees retiring from the service is given at Annexure-VII.

With kind regards,

Yours sincerely,

[G.S. Bothyal]

Shri Jan-e-Alam,
Joint Secretary (SE-II),
Ministry of HRD,
Department of School Education & Literacy,
`C' Wing, Shastri Bhawan,
New Delhi

Annexure-I

Reinvestment Rate: **8.50%**

Salary Increment: **5.00%**

Fund Required **3530.00**

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						**369.14**
2013	**49.29**	31.38	22.05		53.43	4.14	373.28
2014	20.25	31.73	23.15		54.88	34.63	407.91
2015	28.99	34.67	24.31		58.98	29.99	437.90
2016	34.65	37.22	25.53		62.75	28.10	466.00
2017	42.16	39.61	26.80		66.41	24.26	490.25
2018	53.75	41.67	28.14		69.81	16.06	506.31
2019	67.13	43.04	29.55		72.59	5.46	511.77
2020	96.69	43.50	31.03		74.53	-22.17	489.60
2021	125.97	41.62	32.58		74.20	-51.77	437.83
2022	164.13	37.22	34.21		71.43	-92.70	345.13
2023	214.24	29.34	35.92		65.26	-148.99	196.15
2024	244.01	16.67	37.71		54.38	-189.62	6.52
2025	291.81	0.55	39.60	353.00	393.15	101.34	107.87
2026	316.52	9.17		353.00	362.17	45.65	153.52
2027	318.33	13.05		353.00	366.05	47.72	201.24
2028	329.84	17.11		353.00	370.11	40.27	241.51
2029	336.04	20.53		353.00	373.53	37.49	279.00
2030	331.77	23.71		353.00	376.71	44.94	323.93
2031	300.42	27.53		353.00	380.53	80.11	404.04
2032	300.68	34.34		353.00	387.34	86.66	490.70
2033	299.01	41.71		353.00	394.71	95.70	586.40
2034	256.23	49.84		353.00	402.84	146.61	733.02
2035	223.65	62.31			62.31	-161.34	571.67
2036	209.67	48.59			48.59	-161.08	410.60
2037	177.55	34.90			34.90	-142.65	267.95
2038	96.50	22.78			22.78	-73.72	194.23
2039	90.34	16.51			16.51	-73.83	120.40
2040	52.17	10.23			10.23	-41.94	78.46
2041	34.00	6.67			6.67	-27.33	51.13
2042	17.57	4.35			4.35	-13.22	37.91
2043	5.02	3.22			3.22	-1.80	36.11
2044	4.95	3.07			3.07	-1.88	34.23
2045	0.87	2.91			2.91	2.04	36.27
2046	0.00	3.08			3.08	3.08	39.35
2047	1.28	3.34			3.34	2.06	41.41
2048	0.87	3.52			3.52	2.65	44.05
2049	0.57	3.74			3.74	3.17	47.23
2050	2.81	4.01			4.01	1.20	48.42
2051	2.81	4.12			4.12	1.31	49.73
2052	2.81	4.23			4.23	1.42	51.15
2053	2.81	4.35			4.35	1.54	52.69

All figures in Rs. Crore

Annexure-II

Reinvestment Rate: **8.50%**

Salary Increment: **5.00%**

Fund Required **942.53**

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						**369.14**
2013	**49.29**	31.38	22.05	**942.53**	995.96	946.66	1315.80
2014	20.25	111.84	23.15		135.00	114.74	1430.55
2015	28.99	121.60	24.31		145.91	116.92	1547.47
2016	34.65	131.53	25.53		157.06	122.41	1669.88
2017	42.16	141.94	26.80		168.74	126.58	1796.46
2018	53.75	152.70	28.14		180.84	127.09	1923.55
2019	67.13	163.50	29.55		193.05	125.92	2049.47
2020	96.69	174.20	31.03		205.23	108.54	2158.01
2021	125.97	183.43	32.58		216.01	90.04	2248.05
2022	164.13	191.08	34.21		225.29	61.17	2309.21
2023	214.24	196.28	35.92		232.20	17.96	2327.17
2024	244.01	197.81	37.71		235.52	-8.48	2318.69
2025	291.81	197.09	39.60		236.69	-55.12	2263.57
2026	316.52	192.40			192.40	-124.12	2139.45
2027	318.33	181.85			181.85	-136.48	2002.98
2028	329.84	170.25			170.25	-159.59	1843.39
2029	336.04	156.69			156.69	-179.35	1664.04
2030	331.77	141.44			141.44	-190.33	1473.71
2031	300.42	125.27			125.27	-175.16	1298.55
2032	300.68	110.38			110.38	-190.30	1108.25
2033	299.01	94.20			94.20	-204.81	903.44
2034	256.23	76.79			76.79	-179.44	724.01
2035	223.65	61.54			61.54	-162.11	561.89
2036	209.67	47.76			47.76	-161.91	399.99
2037	177.55	34.00			34.00	-143.55	256.44
2038	96.50	21.80			21.80	-74.70	181.73
2039	90.34	15.45			15.45	-74.89	106.84
2040	52.17	9.08			9.08	-43.09	63.75
2041	34.00	5.42			5.42	-28.58	35.17
2042	17.57	2.99			2.99	-14.58	20.59
2043	5.02	1.75			1.75	-3.27	17.33
2044	4.95	1.47			1.47	-3.48	13.85
2045	0.87	1.18			1.18	0.31	14.15
2046	0.00	1.20			1.20	1.20	15.36
2047	1.28	1.31			1.31	0.02	15.38
2048	0.87	1.31			1.31	0.43	15.81
2049	0.57	1.34			1.34	0.78	16.59
2050	2.81	1.41			1.41	-1.40	15.19
2051	2.81	1.29			1.29	-1.52	13.67
2052	2.81	1.16			1.16	-1.65	12.02
2053	2.81	1.02			1.02	-1.79	10.22

All figures in Rs. Crore

Annexure-III

Reinvestment Rate: **8.50%**

Salary Increment: **5.00%**

Fund Required **1020.39**

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						369.14
2013	**49.29**	31.38	22.05	**340.13**	393.56	344.26	713.40
2014	20.25	60.64	23.15	340.13	423.92	403.67	1117.07
2015	28.99	94.95	24.31	340.13	459.39	430.40	1547.48
2016	34.65	131.54	25.53		157.06	122.41	1669.89
2017	42.16	141.94	26.80		168.74	126.59	1796.47
2018	53.75	152.70	28.14		180.84	127.09	1923.56
2019	67.13	163.50	29.55		193.05	125.92	2049.48
2020	96.69	174.21	31.03		205.23	108.54	2158.02
2021	125.97	183.43	32.58		216.01	90.04	2248.07
2022	164.13	191.09	34.21		225.29	61.17	2309.23
2023	214.24	196.28	35.92		232.20	17.96	2327.19
2024	244.01	197.81	37.71		235.52	-8.48	2318.71
2025	291.81	197.09	39.60		236.69	-55.12	2263.59
2026	316.52	192.41			192.41	-124.11	2139.48
2027	318.33	181.86			181.86	-136.47	2003.00
2028	329.84	170.26			170.26	-159.58	1843.42
2029	336.04	156.69			156.69	-179.35	1664.07
2030	331.77	141.45			141.45	-190.33	1473.74
2031	300.42	125.27			125.27	-175.15	1298.59
2032	300.68	110.38			110.38	-190.30	1108.29
2033	299.01	94.20			94.20	-204.80	903.49
2034	256.23	76.80			76.80	-179.43	724.06
2035	223.65	61.54			61.54	-162.11	561.95
2036	209.67	47.77			47.77	-161.90	400.05
2037	177.55	34.00			34.00	-143.55	256.50
2038	96.50	21.80			21.80	-74.70	181.80
2039	90.34	15.45			15.45	-74.89	106.92
2040	52.17	9.09			9.09	-43.08	63.83
2041	34.00	5.43			5.43	-28.57	35.26
2042	17.57	3.00			3.00	-14.57	20.69
2043	5.02	1.76			1.76	-3.26	17.43
2044	4.95	1.48			1.48	-3.47	13.96
2045	0.87	1.19			1.19	0.32	14.28
2046	0.00	1.21			1.21	1.21	15.49
2047	1.28	1.32			1.32	0.03	15.52
2048	0.87	1.32			1.32	0.45	15.97
2049	0.57	1.36			1.36	0.79	16.76
2050	2.81	1.42			1.42	-1.39	15.37
2051	2.81	1.31			1.31	-1.51	13.87
2052	2.81	1.18			1.18	-1.63	12.23
2053	2.81	1.04			1.04	-1.77	10.46

All figures in Rs. Crore

Annexure-IV

Reinvestment Rate: **8.50%**

Salary Increment: **5.00%**

Fund Required **1102.25**

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						**369.14**
2013	**49.29**	31.38	22.05	**220.45**	273.88	224.58	593.72
2014	20.25	50.47	23.15	220.45	294.07	273.82	867.54
2015	28.99	73.74	24.31	220.45	318.50	289.51	1157.05
2016	34.65	98.35	25.53	220.45	344.33	309.68	1466.73
2017	42.16	124.67	26.80	220.45	371.92	329.77	1796.50
2018	53.75	152.70	28.14		180.84	127.09	1923.59
2019	67.13	163.50	29.55		193.05	125.92	2049.51
2020	96.69	174.21	31.03		205.23	108.54	2158.05
2021	125.97	183.43	32.58		216.01	90.05	2248.10
2022	164.13	191.09	34.21		225.30	61.17	2309.27
2023	214.24	196.29	35.92		232.20	17.96	2327.23
2024	244.01	197.81	37.71		235.53	-8.48	2318.75
2025	291.81	197.09	39.60		236.69	-55.11	2263.64
2026	316.52	192.41			192.41	-124.11	2139.53
2027	318.33	181.86			181.86	-136.47	2003.06
2028	329.84	170.26			170.26	-159.58	1843.48
2029	336.04	156.70			156.70	-179.34	1664.13
2030	331.77	141.45			141.45	-190.32	1473.81
2031	300.42	125.27			125.27	-175.15	1298.66
2032	300.68	110.39			110.39	-190.29	1108.37
2033	299.01	94.21			94.21	-204.80	903.57
2034	256.23	76.80			76.80	-179.42	724.15
2035	223.65	61.55			61.55	-162.10	562.05
2036	209.67	47.77			47.77	-161.89	400.15
2037	177.55	34.01			34.01	-143.54	256.62
2038	96.50	21.81			21.81	-74.69	181.93
2039	90.34	15.46			15.46	-74.88	107.05
2040	52.17	9.10			9.10	-43.07	63.98
2041	34.00	5.44			5.44	-28.56	35.42
2042	17.57	3.01			3.01	-14.56	20.86
2043	5.02	1.77			1.77	-3.24	17.62
2044	4.95	1.50			1.50	-3.45	14.17
2045	0.87	1.20			1.20	0.33	14.50
2046	0.00	1.23			1.23	1.23	15.73
2047	1.28	1.34			1.34	0.05	15.78
2048	0.87	1.34			1.34	0.47	16.25
2049	0.57	1.38			1.38	0.81	17.07
2050	2.81	1.45			1.45	-1.36	15.71
2051	2.81	1.33			1.33	-1.48	14.23
2052	2.81	1.21			1.21	-1.60	12.62
2053	2.81	1.07			1.07	-1.74	10.89

All figures in Rs. Crore

Annexure-V

Reinvestment Rate: **8.50%**

Salary Increment: **5.00%**

Fund Required **1325.00**

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78			—			
2010	6.84						
2011	10.18						
2012	11.77						**369.14**
2013	**49.29**	31.38	22.05	**132.50**	185.93	136.64	505.78
2014	20.25	42.99	23.15	132.50	198.64	178.39	684.17
2015	28.99	58.15	24.31	132.50	214.96	185.97	870.14
2016	34.65	73.96	25.53	132.50	231.99	197.34	1067.48
2017	42.16	90.74	26.80	132.50	250.04	207.89	1275.36
2018	53.75	108.41	28.14	132.50	269.05	215.30	1490.66
2019	67.13	126.71	29.55	132.50	288.76	221.63	1712.29
2020	96.69	145.54	31.03	132.50	309.07	212.37	1924.66
2021	125.97	163.6	32.58	132.50	328.68	202.71	2127.37
2022	164.13	180.83	34.21	**132.50**	347.54	183.41	2310.78
2023	214.24	196.42	35.92		232.34	18.09	2328.88
2024	244.01	197.95	37.71	—	235.66	-8.34	2320.53
2025	291.81	197.25	39.60		236.85	-54.96	2265.58
2026	316.52	192.57			192.57	-123.95	2141.63
2027	318.33	182.04			182.04	-136.29	2005.34
2028	329.84	170.45			170.45	-159.39	1845.95
2029	336.04	156.91			156.91	-179.13	1666.82
2030	331.77	141.68			141.68	-190.09	1476.72
2031	300.42	125.52			125.52	-174.90	1301.82
2032	300.68	110.65			110.65	-190.03	1111.79
2033	299.01	94.5			94.50	-204.51	907.28
2034	256.23	77.12			77.12	-179.11	728.18
2035	223.65	61.89			61.89	-161.76	566.41
2036	209.67	48.15			48.15	-161.52	404.90
2037	177.55	34.42			34.42	-143.13	261.77
2038	96.50	22.25			22.25	-74.25	187.52
2039	90.34	15.94		—	15.94	-74.40	113.12
2040	52.17	9.61			9.61	-42.56	70.56
2041	34.00	6			6.00	-28.00	42.56
2042	17.57	3.62			3.62	-13.95	28.61
2043	5.02	2.43			2.43	-2.59	26.02
2044	4.95	2.21			2.21	-2.74	23.28
2045	0.87	1.98			1.98	1.11	24.39
2046	0.00	2.07			2.07	2.07	26.46
2047	1.28	2.25			2.25	0.97	27.43
2048	0.87	2.33			2.33	1.46	28.88
2049	0.57	2.46			2.46	1.89	30.78
2050	2.81	2.62			2.62	-0.19	30.58
2051	2.81	2.6			2.60	-0.21	30.37
2052	2.81	2.58			2.58	-0.23	30.14
2053	2.81	2.56			2.56	-0.25	29.89

All figures in Rs. Crore

Annexure-VI

Reinvestment Rate: **8.50%** —

Salary Increment: **5.00%**

Fund Required **1840.00**

Year	Outflow	Interest	Normal Cont.	Additional Cont.	Total Inflow	Net Flow	Closing Fund
2009	1.78						
2010	6.84						
2011	10.18						
2012	11.77						**369.14**
2013	**49.29**	31.38	22.05	**92.00**	145.43	96.14	465.28
2014	20.25	39.55	23.15	92.00	154.70	134.45	599.73
2015	28.99	50.98	24.31	92.00	167.29	138.30	738.03
2016	34.65	62.73	25.53	92.00	180.26	145.61	883.64
2017	42.16	75.11	26.80	92.00	193.91	151.76	1035.39
2018	53.75	88.01	28.14	92.00	208.15	154.40	1189.79
2019	67.13	101.13	29.55	92.00	222.68	155.55	1345.34
2020	96.69	114.35	31.03	92.00	237.38	140.68	1486.02
2021	125.97	126.31	32.58	92.00	250.89	124.92	1610.94
2022	164.13	136.93	34.21	92.00	263.14	99.01	1709.95
2023	214.24	145.35	35.92	92.00	273.27	59.02	1768.98
2024	244.01	150.36	37.71	92.00	280.07	36.07	1805.04
2025	291.81	153.43	39.60	92.00	285.03	-6.78	1798.27
2026	316.52	152.85		92.00	244.85	-71.67	1726.60
2027	318.33	146.76		92.00	238.76	-79.57	1647.03
2028	329.84	140.00		92.00	232.00	-97.84	1549.19
2029	336.04	131.68		92.00	223.68	-112.36	1436.83
2030	331.77	122.13		92.00	214.13	-117.64	1319.18
2031	300.42	112.13		92.00	204.13	-96.29	1222.89
2032	300.68	103.95		92.00	195.95	-104.73	1118.16
2033	299.01	95.04			95.04	-203.97	914.19
2034	256.23	77.71			77.71	-178.52	735.68
2035	223.65	62.53			62.53	-161.12	574.55
2036	209.67	48.84			48.84	-160.83	413.73
2037	177.55	35.17			35.17	-142.38	271.35
2038	96.50	23.06			23.06	-73.44	197.91
2039	90.34	16.82			16.82	-73.52	124.39
2040	52.17	10.57			10.57	-41.60	82.79
2041	34.00	7.04			7.04	-26.96	55.83
2042	17.57	4.75			4.75	-12.82	43.01
2043	5.02	3.66			3.66	-1.36	41.65
2044	4.95	3.54			3.54	-1.41	40.24
2045	0.87	3.42			3.42	2.55	42.79
2046	0.00	3.64			3.64	3.64	46.43
2047	1.28	3.95			3.95	2.67	49.10
2048	0.87	4.17			4.17	3.30	52.39
2049	0.57	4.45			4.45	3.88	56.28
2050	2.81	4.78			4.78	1.97	58.24
2051	2.81	4.95			4.95	2.14	60.38
2052	2.81	5.13			5.13	2.32	62.70
2053	2.81	5.33			5.33	2.52	65.22

All figures in Rs. Crore

Annexure-VII

Sl. No.	Year	No. of employees retiring
1	.=<2013	462
2	2014	117
3	2015	140
4	2016	154
5	2017	182
6	2018	226
7	2019	284
8	2020	329
9	2021	435
10	2022	526
11	2023	638
12	2024	710
13	2025	754
14	2026	736
15	2027	723
16	2028	733
17	2029	736
18	2030	660
19	2031	609
20	2032	584
21	2033	472
22	2034	420
23	2035	325
24	2036	306
25	2037	178
26	2038	130
27	2039	68
28	2040	64
29	2041	23
30	2042	6
31	2043	1
32	2044	1
33	2045	0
34	2046	0
35	2047	1
36	2048	0
37	2049	0
38	.>=2050	5
	TOTAL	11738

186

F.No. 17-44/2011-UT-3
Government of India
Ministry of Human Resources Development
Department of School Education & Literacy
****

Shastri Bhawan, New Delhi
The 15th May, 2013

To,

The Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Sector – 62
NOIDA, (U.P.)

Subject: Action Taken Report on the minutes of the meeting held on 9th and 11th February 2013 by Additional Secretary (SE) with Commissioner, NVS and Members of the Joint Action Committee (JAC) of employees association/Forum of NVS – Reg.

Sir,

I am directed to refer to this Ministry's letter of even number dated 12.02.2013 on the above mentioned subject. Action Taken Report on the minutes of the meeting taken by Additional Secretary (SE) on 9th and 11th February 2013 with Commissioner, NVS and Members of the Joint Action Committee (JAC) of employees association/Forum of NVS in connection with demands of the NVS employees associations is still awaited. You are requested to send the Action Taken Report/present status of all the demands latest by 16.05.2013 by email at gulabsingh.edu@nic.in for submitting the same to Secretary (SE&L) for perusal.

Yours faithfully,

15/5/13
(Gulab Singh)
Under Secretary to the Govt. of India

Sent by fax
15/5/13

Copy to:

PPS to JS (SE-II)

SO (UT-3): For submitting the status of items relating to UT-3 Section.

Tel:120-2405199
Fax: 120-2405182

NAVODAYA VIDYALAYA SAMITI
(AN AUTONOMOUS ORGANISATION OF MINISTRY OF HRD,
DEPARTMENT OF SCHOOL EDUCATION & LITERACY),
B-15, INSTITUTIONAL AREA, SECTOR-62,
NOIDA-201307, DISTT.G.B. NAGAR (UP)

F.No.24-01/2013-NVS (GA)/ **Dated:10.05.2013**

To

Shri J.Alam,
Joint Secretary(SE.II),
Ministry of Human Resource Development,
Department of School Education & Literacy,
Shastri Bhawan,
New Delhi-110001.

Subject: Draft Note for Cabinet Committee on Economic Affairs – Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti.

Sir,

In continuation of this office letter of even No. dated 8.3.2013 on the above mentioned subject, I am sending herewith the revised draft Note for Cabinet Committee on Economic Affairs regarding Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti, duly incorporating the financial implication based on the actuarial calculations, as per the report of Actuary placed at Annexure 'A'.

2. The report of the Actuary inter alia stipulates that the Samiti requires the total Pension Corpus of Rs.1241.96 crore (approx.) for meeting the Pension liability under CCS (Pension) Rules, 1972. However, the Samiti has already accumulated Rs.350.00 crore (approx.), as Management Share and Interest credited in the CPF accounts of those working employees who joined NVS prior to 1.01.2004 and are eligible for pension. In respect of eligible retired employees and family pensioners, if they opt to join the Pension scheme, they would require to refund the CPF Management Share already paid to them alongwith interest @ 12% per annum, which is anticipated to an extent of Rs.26.00 crore (approx.) as on 31.3.2012.

3. With a view to meet the Pension liability over a different time period, the Samiti has also worked out the amount thereof in three different options, as per details given below :

i) In case the Pension Corpus is provided in one installment, this would involve the fund requirement of Rs.651.00 crore (details placed at Annexure 'B').

481/13 UT-7
14/5

ii) In case the Pension Corpus is provided within five equal installments (i.e @ Rs.153.50 crore each), the requirement of funds thereof would be Rs.767.50 crore (details placed at Annexure 'C').

iii) In case the Pension Corpus is provided within ten equal installments (i.e @ Rs.93.25 crore each), this would involve the fund requirement of Rs.932.50 crore (details placed at Annexure 'D')

Besides, additional funds of Rs.164.97 crore (i.e Pension liability of Rs.190.97 crore minus Accumulated Corpus of Rs.26.00 crore approx.) would also be required to meet the proposed Pension liability in respect of 890 retired employees and 249 expired employees, if they opt to join the proposed Pension Scheme.

4. It is, therefore, requested to consider the above proposal of NVS for seeking approval of the Government at an early date.

Yours faithfully,

(G. S. Bothyal)
Commissioner

Encl : As above

Annexure - A 191

Navodaya Vidyalaya Samiti (NVS)

Proposed Pension Scheme

Actuarial Calculations as on 31st March, 2012

Place: Mumbai
Date :01/05/2013

192

SUMMARY OF THE RESULTS OF THE ACTUARIAL VALUATION

Valuation Date	31.03.2012
No. of Act Active Employee Members	12,337
No. of Employee Pensioners (Retired)	890
No. of Family Pensioners	249
Avg. Pensionable Salary (mly.)	`. 18,777
Avg. Age	46 yrs.
Avg. Past Service (PS)	18 yrs.
Avg. Mly. Pension –Retired Employees	`.7,550
Avg. Mly. Pension – Family. Pensioners	`.2,850
Results	**Rs.Crs**
Value of Accrued Liability	`. 691.87
Value Of Future Service Liability	`. 359.12
Value Of Total Service Liability	`.1050.99
Pensioners	
Value of Liability (Retired Employees) Value of Liability (Family)	`. 174.93 `. 16.04
Accumulated Value of Management Share in CPF	**`.350 .00**
Gross Liability (all Members)	`. 882.84
Net Liability (all Members)	`. 532.84

1241.96
350 w
891.91

INTRODUCTION

1.1 Navodaya Vidyalaya Samiti (NVS)("An Autonomous organization of Ministry of HRD, Department of School Education & Literacy") proposes to introduce a pension scheme on the pattern of the CCS (Pension)Rules 1972 with up to date amendments

1.2 The pension benefits are on the pattern of Central Government Employees' Pension Scheme.

1.3 The type of pension is Index Linked

1.4 It is proposed that the current employees and employees who have retired or expired on or before 01-01-2004 would be given an option either to join the pension scheme or continue with the CPF scheme.

1.5 There is neither creation of Trust (Pension) Fund nor segregation of Assets at present

1.6 If the option is exercised by the employee or his family then the CPF i.e. Management Share amount to their credit in respect of the employees would be transferred to the proposed Pension Trust

1.7 In respect of the retired / expired employees the CPF amount i.e. Management Share would be returned with 12% p.a. interest

1.8 The pensions payable on the date of retirement are based on the last drawn salary and the DA pensions are linked to the Cost of Living Index.

1.9 However, since the proposed scheme would be in lieu of the CPF scheme the amount of management share in the CPF account of such employees who opt for the scheme would be the starting Assets of the proposed scheme.

1.10 Though generally, the pension payments are made by purchase of annuities through LIC of India, the payouts in respect of retired members are proposed to be made by the NVS, out of the proposed pension fund.

PURPOSE OF THE VALUATION

The purpose of the valuation -

- To determine the Liability in respect of the services rendered by the members till the date of valuation, and the liability likely to accrue to the NVS in respect of the pension payments, in respect of the retired employees and their families.

VALUATION DATE

The valuation has been carried out as at 31st March, 2012 ("the valuation date")

VALUATION METHOD

2.1 Keeping the objective in view, it is considered appropriate to use the "Projected Unit Credit " Method of valuation.

2.2 Under this method, the benefits relating to the Past Service and Future Service are valued.

2.3 For past service, the value of all accrued benefits are calculated in respect of accrued service of active employees but basing the calculations on the Projected Salaries from the date of valuation to the assumed date of exit of the members.

Benefits Valued:

3.1 All the benefits paid to the members of the scheme and their families as provided under the rules (on the pattern of the central government employees pension scheme) of the Pension Scheme have been valued.

195

MEMBERSHIP DATA

The membership data used for the actuarial valuation is as below :

No. of Active Employee Members	12,337
No. of Employee Pensioners (Retired)	890
No. of Family Pensioners	249
Avg. Pensionable Salary (monthly.)	`. 18,777
Avg. Age	46 yrs.
Avg. Past Service (PS)	18 yrs.
Avg. Pension Employee Pensioners (Monthly)	`.7,550
Avg. Pension Family Pensioners (Monthly)	`.2,850
Avg. Age Employee Pensioners*	58 yrs.
Avg. Age Family Pensioners	49 yrs.

*Retired & Resigned

ASSUMPTIONS

The actuarial valuation is based on a number of assumptions as the amount of benefits payable depends upon a number of future events that are incorporated in the benefit formula.

The actuarial valuation in its process assumes a future trend relating to a number of factors such as rate of mortality, rate of resignation, discounting rate, salary growth rate, etc.

Of all these assumptions the most important ones relate to the financial aspects .

That is,

a) the rate of interest (discounting rate)
b) the rate of growth of pensionable salary
c) Inflation (Increase in DA of Pensioners)

The assumptions used for the purpose of the actuarial valuation is as specified in Annexure 2

RESULTS OF THE VALUATION:

The results of the past and future service liabilities based on the chosen set of assumptions are as follows:

Active Members	Rs.Crs
Accrued Liability	`.691.87
Liability Employee Pensioners	`. 174.93
Liability Fly Pensioners	`. 16.04
Value of Liability	`. 882.84
Accumulated Value of Management Share in CPF	`.350 .00
Net Liability (all Members)	`. 532.84
Value Of Future Service Liability	`. 359.12
Value Of Total Service Liability	`.1050.99

4. OBSERVATIONS

The accrued liability in respect of current employees and the liability likely to accrue in respect of the pensioners works out to `. 882.84 Crs

Also,the Future expected service liability of the current employees works out to `. 359.12

N.Seethakumari
Fellow Of The Institute Of Actuaries Of India
Place:Mumbai
Date:01/05/2013

১৯

Outline of Principal Plan Provisions

A. Eligibility	All Regular employees +Retired employees (Pensioners & Family Pensioners) (joined before 01-01-2004)
B. Pensionable Salary	Basic Pay + Grade Pay
C. Pension Accrual Rate	1/66
D. Pensionable Service	Completed years of service or part thereof in excess of 6 months.
E. Contribution	Member - CPF contribution (Management Share) ; Company – Balance Costs
F. Normal Retirement Age	60 yrs
G. Maximium Service	33yrs

Type of Benefit	Benefit Formula
Retirement on completion of qualifying service of 33 years	50% of Average Emoluments Minimum Pension – Rs.1275 p.m.
Retirement before completing qualifying service of 33 years but after completion of qualifying service of 10years	50% Average emoluments for 33 years of service reduced pro-rata for lesser year of maximum service Minimum Pension - Rs.1275 p.m.
Invalid Pension on permanent in capacity before reaching age 60	50% of Average emoluments Minimum Pension - Rs.1275 p.m.
Family Pension payable on	50% of Last Pay Drawn Minimum Pension – Rs.1275 p.m.
(i) Death in Service – when the member dies after rendering 7 years of continuous service	(i) In the event of death in service pension is payable from the date following the death for a period of 7 years or for a period upto the date on which the deceased Employee would have attained the age of 65 years had he survived whichever is less
(ii) Death after retirement	(ii) In the event of death after retirement Pension is payable for period of 7 years for a period upto the date on which the retired deceased Employee would have attained the age 65 years had he survived whichever is less .

Annexure

Summary of Actuarial Assumptions and Methods

A. Valuation Method — Projected Unit Credit Method

B. Economic Assumptions:

1. Discount Rate — 9% per annum
2. Salary Increases — 5 % per annum
3. Type of pension — Index Linked Pension

C. Other Assumptions:

	1.Mortality	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate
	2. Disability	None
	3. Turnover	1% p.a.
	4. Retirement	60 yrs

Other point considered in the calculation:

For retired & expired employees only the following data provided

- The last drawn salary and date of last working day

It is assumed for purposes of this calculation that 100% of eligible employees would opt to join the scheme after refunding their the amount collected at the time of separation with interest

The Active employees Liability projection for the next two years

31/03/2013 **Rs. Crs**

Value of Accrued Liability	`. 748.62
Value Of Total Service Liability	`.1089.22
Value Of Future Service LLiability	`.-340.60

20

31/03/2014 Rs. Crs

Value of Accrued Liability	`. 807.62
Value Of Total Service Liability	`.1128.52
Value Of Future Service LLiability	`. 320.90

N.Seethakumari
Fellow Of The Institute Of Actuaries Of India
Place:Mumbai
Date:01/05/2013

Annexure - 'B'

Option 1 Reinvestment Rate: **9.00%**

Year	Outflow	Interest	Additional Cont.	Total Inflow	Net Flow	Closing Fund
						350.00
2013	3.26	31.50	651.00	**1032.50**	1029.24	1029.24
2014	13.00	92.63		92.63	79.63	1108.87
2015	19.86	99.80		99.80	79.94	1188.81
2016	25.61	106.99		106.99	81.38	1270.19
2017	28.33	114.32		114.32	85.99	1356.18
2018	37.93	122.06		122.06	84.13	1440.31
2019	49.11	129.63		129.63	80.52	1520.82
2020	70.98	136.87		136.87	65.89	1586.72
2021	88.03	142.80		142.80	54.77	1641.49
2022	112.02	147.73		147.73	35.71	1677.21
2023	144.99	150.95		150.95	5.96	1683.17
2024	174.43	151.48		151.48	-22.95	1660.22
2025	209.33	149.42		149.42	-59.91	1600.31
2026	229.45	144.03		144.03	-85.42	1514.89
2027	224.15	136.34		136.34	-87.81	1427.08
2028	238.19	128.44		128.44	-109.75	1317.33
2029	242.67	118.56		118.56	-124.11	1193.22
2030	250.44	107.39		107.39	-143.05	1050.16
2031	208.00	94.51		94.51	-113.49	936.68
2032	229.96	84.30		84.30	-145.66	791.02
2033	214.51	71.19		71.19	-143.32	647.70
2034	190.41	58.29		58.29	-132.12	515.59
2035	165.40	46.40		46.40	-119.00	396.59
2036	142.44	35.69		35.69	-106.75	289.84
2037	130.04	26.09		26.09	-103.95	185.89
2038	82.42	16.73		16.73	-65.69	120.20
2039	60.27	10.82		10.82	-49.45	70.74
2040	33.00	6.37		6.37	-26.63	44.11
2041	26.18	3.97		3.97	-22.21	21.90
2042	8.98	1.97		1.97	-7.01	14.89
2043	5.28	1.34		1.34	-3.94	10.95
2044	1.02	0.99		0.99	-0.03	10.92
2045	0.33	0.98		0.98	0.65	11.57
2046	0.00	1.04		1.04	1.04	12.61
2047	0.00	1.14		1.14	1.14	13.75
2048	0.47	1.24		1.24	0.77	14.52
2049	0.00	1.31		1.31	1.31	15.82
2050	2.24	1.42		1.42	-0.82	15.01
2051	0.00	1.35		1.35	1.35	16.36
2052	4.79	1.47		1.47	-3.32	13.04
2053	7.41	1.17		1.17	-6.24	6.80
2054	0.00	0.61		0.61	0.61	7.41
2055	0.00	0.67		0.67	0.67	8.08

All figures in Rs. Crore

Annexure- 'C'

Option 2 Reinvestment Rate: 9.00%

Year	Outflow	Interest	Additional Cont.	Total Inflow	Net Flow	Closing Fund
						350.00
2013	3.26	31.50	153.50	**535.00**	531.74	531.74
2014	13.00	47.86	153.50	201.36	188.36	720.10
2015	19.86	64.81	153.50	218.31	198.45	918.55
2016	25.61	82.67	153.50	236.17	210.56	1129.10
2017	28.33	101.62	153.50	255.12	226.79	1355.89
2018	37.93	122.03		122.03	84.10	1439.99
2019	49.11	129.60		129.60	80.49	1520.48
2020	70.98	136.84		136.84	65.86	1586.35
2021	88.03	142.77		142.77	54.74	1641.09
2022	112.02	147.70		147.70	35.68	1676.77
2023	144.99	150.91		150.91	5.92	1682.69
2024	174.43	151.44		151.44	-22.99	1659.70
2025	209.33	149.37		149.37	-59.96	1599.74
2026	229.45	143.98		143.98	-85.47	1514.27
2027	224.15	136.28		136.28	-87.87	1426.40
2028	238.19	128.38		128.38	-109.81	1316.59
2029	242.67	118.49		118.49	-124.18	1192.41
2030	250.44	107.32		107.32	-143.12	1049.29
2031	208.00	94.44		94.44	-113.56	935.72
2032	229.96	84.21		84.21	-145.75	789.98
2033	214.51	71.10		71.10	-143.41	646.56
2034	190.41	58.19		58.19	-132.22	514.35
2035	165.40	46.29		46.29	-119.11	395.24
2036	142.44	35.57		35.57	-106.87	288.37
2037	130.04	25.95		25.95	-104.09	184.28
2038	82.42	16.59		16.59	-65.83	118.45
2039	60.27	10.66		10.66	-49.61	68.84
2040	33.00	6.20		6.20	-26.80	42.03
2041	26.18	3.78		3.78	-22.40	19.63
2042	8.98	1.77		1.77	-7.21	12.42
2043	5.28	1.12		1.12	-4.16	8.26
2044	1.02	0.74		0.74	-0.28	7.98
2045	0.33	0.72		0.72	0.39	8.37
2046	0.00	0.75		0.75	0.75	9.12
2047	0.00	0.82		0.82	0.82	9.95
2048	0.47	0.90		0.90	0.43	10.37
2049	0.00	0.93		0.93	0.93	11.30
2050	2.24	1.02		1.02	-1.22	10.08
2051	0.00	0.91		0.91	0.91	10.99
2052	4.79	0.99		0.99	-3.80	7.19
2053	7.41	0.65		0.65	-6.76	0.43
2054	0.00	0.04		0.04	0.04	0.46
2055	0.00	0.04		0.04	0.04	0.51

All figures in Rs. Crore

Annexure - 'D'

Option 3

Reinvestment Rate: **9.00%**

Year	Outflow	Interest	Additional Cont.	Total Inflow	Net Flow	Closing Fund
						350.00
2013	3.26	31.50	93.25	**474.75**	471.49	471.49
2014	13.00	42.43	93.25	135.68	122.68	594.17
2015	19.86	53.48	93.25	146.73	126.87	721.04
2016	25.61	64.89	93.25	158.14	132.53	853.57
2017	28.33	76.82	93.25	170.07	141.74	995.31
2018	37.93	89.58	93.25	182.83	144.90	1140.21
2019	49.11	102.62	93.25	195.87	146.76	1286.97
2020	70.98	115.83	93.25	209.08	138.10	1425.07
2021	88.03	128.26	93.25	221.51	133.48	1558.55
2022	112.02	140.27	93.25	233.52	121.50	1680.05
2023	144.99	151.20		151.20	6.21	1686.26
2024	174.43	151.76		151.76	-22.67	1663.59
2025	209.33	149.72		149.72	-59.61	1603.99
2026	229.45	144.36		144.36	-85.09	1518.90
2027	224.15	136.70		136.70	-87.45	1431.45
2028	238.19	128.83		128.83	-109.36	1322.09
2029	242.67	118.99		118.99	-123.68	1198.40
2030	250.44	107.86		107.86	-142.58	1055.82
2031	208.00	95.02		95.02	-112.98	942.84
2032	229.96	84.86		84.86	-145.10	797.74
2033	214.51	71.80		71.80	-142.71	655.03
2034	190.41	58.95		58.95	-131.46	523.57
2035	165.40	47.12		47.12	-118.28	405.29
2036	142.44	36.48		36.48	-105.96	299.33
2037	130.04	26.94		26.94	-103.10	196.22
2038	82.42	17.66		17.66	-64.76	131.47
2039	60.27	11.83		11.83	-48.44	83.03
2040	33.00	7.47		7.47	-25.53	57.50
2041	26.18	5.17		5.17	-21.01	36.49
2042	8.98	3.28		3.28	-5.70	30.80
2043	5.28	2.77		2.77	-2.51	28.29
2044	1.02	2.55		2.55	1.53	29.82
2045	0.33	2.68		2.68	2.35	32.17
2046	0.00	2.90		2.90	2.90	35.07
2047	0.00	3.16		3.16	3.16	38.22
2048	0.47	3.44		3.44	2.97	41.19
2049	0.00	3.71		3.71	3.71	44.90
2050	2.24	4.04		4.04	1.80	46.70
2051	0.00	4.20		4.20	4.20	50.90
2052	4.79	4.58		4.58	-0.21	50.69
2053	7.41	4.56		4.56	-2.85	47.85
2054	0.00	4.31		4.31	4.31	52.15
2055	0.00	4.69		4.69	4.69	56.85

All figures in Rs. Crore

204

GOVERNMENT OF INDIA

MINISTRY OF HUMAN RESOURCE DEVELOPMENT

DRAFT NOTE FOR CABINET COMMITTEE ON ECONOMIC AFFAIRS

Subject: Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for tbe employees of Navodaya Vidyalaya Samiti (NVS).

PROPOSAL

The proposal seeks approval of the Cabinet for introduction of GPF Pension Scheme under CCS (Pension) Rules, 1972 for the employees in Navodaya Vidyalaya Samiti, an autonomous organization, fully funded by the Government of India under the Ministry of Human Resource Development, Department of School Education & Literacy, who joined the service before 1.1.2004.

1. BACKGROUND

The scheme of Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 to give shape to the vision of the then Prime Minister Late Shri Rajiv Gandhi to have a residential school system for the talented children pre-dominantly from rural areas. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Department of Secondary and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. Navodaya Vidyalaya Samiti is a Central Sector Scheme which is 100% funded by the Government of India in the shape of grant-in-aid. JNVs are fully residential, co-educational institutions providing free education including boarding and lodging, text books, uniform, stationery, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is, thus, a part of the conscious efforts of the Government for spreading quality education in the country through Central Sector Schools. Navodaya Vidyalayas are addressing the needs of talented rural children, who are otherwise deprived of good quality education.

Initially, 02 Navodaya Vidyalayas were opened at District Amrawati (Maharashtra) and Jhajjhar (Haryana) during 1985-86. The appointment in these JNVs were initially made on deputation basis and thereafter direct recruitment/permanent absorption of employees have taken place from the year 1989 onwards. At that time, an assurance was given to all employees that pension scheme for employees of the Samiti is under consideration and likely to be introduced in the near future. It was also assured that on adoption of the pension scheme in the Samiti such employees would be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the extant rules. JNVs started functioning with 02 numbers in 1985 has now grown to 596 Nos. and aiming to establish JNVs in the remaining districts of the country as a part of the scheme.

2. SERVICE CONDITIONS OF THE EMPLOYEES OF NVS

The Government of India has approved extension of the pay structure to the teaching and non-teaching staff of Central Government employees. NVS has also adopted, mutatis-mutandis, the Government of India rules and regulations on service matters for its employees

The Ministry of Finance, Department of Expenditure, Govt, of India vide its Notification No. 491-E.V./90 (i) dated 11.11.1991 extended the

Contributory Provident Fund (CPF) Scheme to the employees of NVS retrospectively w.e.f. 1st April'1988 **(Annexure-I)**.

At present, employees of NVS are given the benefit of Leave Encashment, Gratuity and Contributory Provident Fund. The Government has approved introduction of New Pension Scheme to all regular NVS employees joining NVS after the date of Notification and also given option to other regular employees of NVS either to join the New Pension Scheme or to continue with the existing CPF scheme. The New Pension scheme has been introduced w.e.f. 1.4.2009. However, the employees who joined NVS before this date, have not accepted this scheme.

3. EFFORTS MADE TO INTRODUCE CCS PENSION SCHEME IN NVS

A proposal was moved for introduction of Pension / GPF Scheme in the Samiti in the light of decisions taken by the Government of India on the recommendations of Fourth Pay Commission and circulated vide O.M. No. 4/1/87-PIC-I dated 01.5.1987 **(Annexure–II)** issued by the Department of Pensions and Pensioners Welfare, wherein it was decided that all CPF beneficiaries in service should be given an option to convert to Pension Scheme. It was, however, not agreed to by the Ministry of Finance, Deptt. of Expenditure informing that the question of introduction of a Pension Scheme in public sector undertakings is under consideration of the Govt, and hence the department is not in a position to give concurrence for introduction of Pension Scheme in the Samiti. Subsequently, however, the option was not allowed to the employees of NVS on the ground that NVS has not come in existence on 01.01.1986.

The matter was again referred to the Department of Expenditure in Feb' 1990 and in reply the department informed that keeping in view the likely repercussions of the decision to bring employees of NVS under the pension scheme, the proposal may not be agreed on balance of convenience. The proposal was again submitted to the Department of Expenditure in 1992 and this was not supported on the ground that in the context of resource crunch and efforts of the Government to maintain the budgetary deficit within the desired limits, status quo should be maintained.

This proposal was again taken up by the then Hon'ble HRM and Chairman, NVS with the Hon'ble Minister of Finance in December, 1998. In response, the then Hon'ble Finance Minister has informed that the Ministry of Finance had not agreed to the proposal for introduction of pension scheme on GOI pattern for the employees of autonomous bodies for certain reasons and in case the proposal regarding introduction of pension scheme on GOI pattern for the employees of NVS is agreed to, there would be similar demands from other autonomous bodies receiving grants-in-aid from the Government which may be difficult to resist. The reasons given by the then Hon'ble Finance Minister in his letter dated 5.2.99 for rejecting the proposal are as under:-

a) The cost of introduction of pension scheme is much higher than the CPF Scheme. While CPF is an one-time settlement, pension is a life-long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the recommendations of the successive Pay Commissions and revision in the rates of dearness relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

b) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

208

c) Under the employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will loose resources to that extent.

d) In case the organization is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

4. JUSTIFICATION FOR THE INTRODUCTION OF PENSION SCHEME IN NVS

Following instructions/orders issued by the Govt, of India from time to time clearly reveal that the employees of NVS are the rightful claimants to the pensionary benefits under CCS (Pension) Rules, 1972

a) Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to

extend the retirement benefits to the teachers as available to the Central Government employees.

b) In the note for Cabinet, following statements have been made with regard to pay scales of teachers in Navodaya Vidtyalayas :

"The teaching and non-teaching staff that each school will require, has been worked out and, is at Annexure-III. The calculations in Annexure-IV are based on the salary structure in the Kendriya Vidyalaya Sangathan. A final decision on the pay scales to be made applicable to these schools would be taken after the reports of Expert Committees are received and the scales may be somewhat higher in view of the special nature of these schools."

In the same note, it was also proposed to provide a separate section in the Ministry of Education to look after the work relating to Navodaya Vidyalayas. It was proposed to have this section under the Officer of the rank of Director assisted by 01 Under Secretary, 01 Section Officer, 04 Assistants, 03 LDCs, 02 Stenographers and 02 Group 'D' employees.

Thus the requirement of teaching and non-teaching staff for a Navodaya Vidyalaya along with financial implications were included in the note for cabinet. These calculations were based on the salary structure in the Kendriya Vidyalaya Sangthan where the employees were getting pension at that time and are getting pension now also. Further, this note also provided for creation of one section under an officer of the rank of Director in the Ministry of Education to look after the work relating to Navodaya Vidyalayas.

The financial implications for creation of posts in the Ministry of Education and NVS, as included in the note for Cabinet, are identical. It is thus evident that -

i) While calculating the financial implications for creation of posts for Navodaya Vidyalayas, pension component was also taken into account; and

ii) The posts created in the Ministry of HRD for looking after the work relating to NVS are having pensionary benefits whereas in respect of the posts created for NVS under the same Cabinet note, this benefit is not given to NVS employees.

c) **Extracts from the IV Pay Commission Report**

"Para 9.8:

In so far as the CPF beneficiaries still in service on January 1, 1986 are concerned, we recommend that they should be deemed to have come over to the pension scheme on that date unless they specifically opt out to continue under the CPF scheme. The CPF beneficiaries who decide to continue to remain under that scheme should not be eligible on retirement for ex gratia payment recommended by us for the CPF retirees".

The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987, conveyed the acceptance of above recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to Pension scheme w.e.f. 1.1.1986.

It is relevant to point out that two Navodaya Vidyalayas were opened at Amrawati and Jhajjhar during 1985 - 86. The posts for these Vidyalayas were sanctioned by the Government on 28.10.1985 **(Annexure-III).** The first installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985 **(Annexure-IV).** Thus the posts for Navodaya Vidyalayas were existing prior to 01.01.1986. As such NVS is covered under the provisions of Department of Pension and Pensioner's Welfare OM No. 4/1/87-PIC-I dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

d) Extracts of General Financial Rules of Government of India

"Rule 149 (4) (iv) Annexure-VII:

(iv) ***All Autonomous Bodies or grantee institutions which receive more than 50% of their recurring expenditure in the form of grant-in-aid should formulate terms and conditions of service of their employees so that by and large they are broadly comparable to those applicable to similar categories of employees in Central Government".***

Since the Samiti is provided with 100% funds in the form of grant-in-aid by the Ministry of HRD, the employees of NVS are eligible for the pensionary benefits as available to employees of likely placed organizations i.e. KVS, CTSA, NCERT etc.

212

e) Benefits extended to other similarly placed organizations:

It is also submitted that the benefits of GPF Pension Scheme under the CCS(Pension) Rules, 1972 have been allowed to many other organizations namely Punjab University, National Institute of Open Schooling, University Grants Commission, Life Insurance Corporation, General Insurance of India, National Human Rights Commission, Indira Gandhi National Open University, Central Tibetan School Administration, NIIT, Nehru Yuva Kendra, Mizoram University and IIT, Roorkee, etc. though they were set up almost at the same time or after the establishment of NVS. Details of such organization are given at **Annexure-V.**

Some of the organisations where pension scheme has been extended are in a position to generate funds fully or partly to meet the pensionary liability. However, the policy regarding extension of pensionary benefits needs to be decided on the principles of equity and not on the basis of any organisation's capacity to generate funds which is determined by its mandate as decided by the Government itself. Any decision based only on organisation's capability to generate funds would tend to be discriminatory.

5. RECOMMENDATIONS OF VARIOUS COMMITTEES

The committee set up by the Ministry of HRD to review the management, structure and operating mechanism of NVS under the Chairmanship of Shri Y.N. Chaturvedi (Retd.) Additional Secretary, Ministry of Human Resource Development, has also strongly recommended the extension of pensionary benefits to the employees of NVS at par with Kendriya Vidyalaya Sangathan (KVS). The committee has observed the non-availability of this benefit to be one of the reasons for the teachers leaving the services of NVS.

213

Department related Parliamentary Standing Committee on HRD in its 154th Report on functioning of Navodaya Vidyalayas (NVs), has observed vide para 18.3 as under :

"The committee takes note of the reservations of the Ministry of Finance in providing Pensionary benefit to employees of NVS. The committee fails to comprehend the reasons for having different approach of mind for employees working in two organizations doing similar work under a similar set up and conditions. The committee would like to point out when employees of Kendriya Vidyalaya Sangathan can enjoy the pensionary benefits on their retirement, what deters the Government in providing similar facility for employees of Navodaya Vidyalaya Samiti, many of them away from their families serving in residential schools located in rural areas. **The committee, therefore, strongly feels that the position may be reviewed again and a decision acceptable to employees of JNVs may reach at the earliest."**

Further, the department related Parliamentary Standing Committee on HRD in its 184th report on the functioning of Navodaya Vidyalayas has observed as under:-

"The Committee reiterate its recommendations made in 154th report for provision of pensionary benefits to NVS employees on the same level as being given to KVS employees. The Committee strongly feels that NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees..

It is thus seen that the necessity of extending the provisions of CCS(Pension) Rules, 1972 to the employees of NVS has been appreciated and recommended at the highest levels..

6. CONCERN OF THE SAMITI

Navodaya Vidyalayas have emerged as leaders in the secondary school system in the country for the last so many years. These Vidyalayas have out performed other school system within a short span of their existence. It is very important to recruit and retain competent and qualified teachers willing to serve in interior rural areas so that the Vidyalayas can achieve the noble objectives of providing quality education to the talented children pre-dominantly from rural areas and serving as pace setting institutions in each district. The academic excellence of JNVs is better than other organized school systems.

Grant of pension benefits to employees of NVS can not be denied on account of financial crunch and organisation's inability to generate funds to meet this liability. Therefore, on the grounds of equity and parity with other similarly situated organisations, pensionary benefits may be extended to the staff of NVS who have joined before 1.1.2004, as pension is an important social security factor after retirement.

7. FINANCIAL IMPLICATION FOR IMPLEMENTATION OF PENSION SCHEME

At present, 596 Navodaya Vidyalayas(including 20 JNVs in districts having large concentration of SC& ST population) have been sanctioned with the ultimate target of one Navodaya Vidyalaya in each district of the country. As on date, the sanctioned strength of employees in NVS is approx. 23,000, which includes about 13,000 teaching and 10,000 non-teaching employees. The number of employees who joined NVS prior to 1.1.2004 and are still working is 12,337. Besides, the employees who have retired & expired after completing 10 years of regular service in NVS prior to 1.1.2004 and are thus eligible for pension is 1139. Thus, in case the Pension Scheme under CCS(Pension) Rules, 1972 is extended to NVS, this would be applicable to approx. 13,476 eligible employees, including retired & expired employees of NVS.

In respect of CPF Subscribers of NVS, an amount of Rs.350.00 crores (approx.) towards the CPF Contribution (i.e. Management Share alongwith interest has accumulated upto the year 2011-12 i.e. as on 31.3.2012. The committed liability towards CPF Management Share is met out of Grant-in-aid received from the Govt. and the interest liability thereof is borne out of the interest earned on investment of CPF Corpus available with the Samiti. In case the Pension Scheme under CCS(Pension) Rules, 1972 is introduced for the employees of NVS, the entire CPF liability towards Management Contribution alongwith interest in respect of the eligible working employees who joined prior to 1.1.2004 will be transferred to Pension Fund which will go on increasing every year. Eligible retired employees and family pensioners will be given an option to join the pension scheme on refund of the CPF Management Share already paid to them alongwith interest @ 12% p.a.

As per actuarial calculations got by NVS, the total pension liability for the eligible employees joined before 1.1.2004 will be approximately Rs.1241.96 crores (approx.). After adjusting Rs.350.00 crores (approx.) of accumulated CPF liability towards Management Contribution available till the end of 2011-12, the balance liability for providing pension benefits to employees of NVS will be about Rs.891.96 crore (approx.) which may be provided by the Government either in lump-sum or in installments as a part of grant-in-aid. The accretions to the Pension Fund can be invested as per the pattern laid down by the Government.

8. POINT ON WHICH CONSIDERATION OF THE CABINET IS SOLICITED

Approval of the Cabinet is solicited for the implementation of GPF Pension Scheme for the eligible NVS employees, who joined before 01.01.2004, on the pattern of Central Civil Services (Pension) Rules, 1972.

9. IMPLEMENTATION SCHEDULE

The proposed Pension Scheme will be given effect by adopting the CCS (Pension) Rules, 1972 during the year 2013-14.

10. APPROVAL BY HRM

The Minister of Human Resource Development has seen and approved this note.

****

Annexure -I

[PUBLISHED IN THE GAZETTE OF INDIA
PART II SECTION (3), SUB SECTION (ii)]

No.4(1)-E.V./90(A.I)
Government of India
Ministry of Finance
Department of Expenditure
*****

New Delhi, the 11th Nov., 1991.

NOTIFICATION

S.O. In exercise of the powers conferred by sub-section(3) of section 8 of the Provident Funds Act, 1925 (19 of 1925), the Central Government hereby adds to the Schedule to the said Act the name of the following public institutions, namely:-

Navodaya Vidyalaya Samiti; and

Energy Management Centre, Nagpur.

Sd.

(J.P. PATI)
DIRECTOR(E.G.)

The Manager,
Government of India Press,
Ring Road, New Delhi.

Copy forwarded to:

i) Ministry of Human Resource Development (Deptt. of Education)

ii) Deptt. of Pension & Pensioners' Welfare, Ministry of Personnel, Public Grievances and Pension with the request that the name of the above Organisation may be included in the list of organisations shown in the schedule to the Provident Funds Act.

iii) Department of Power

iv) Ministry of Law, Legislative Department.

(J.P. PATI)
DIRECTOR(E.G.)

219

Annexure - II

No.4/1/87-PIC-I
Government of India
Ministry of Personnel, Public Grievances and Pensions
Department of Pension and Pensioners' Welfare

144

New Delhi, the 1st May, 1987.

OFFICE MEMORANDUM

Subject:-*Change over of the Central Government employees from the Contributory Provident Fund Scheme to Pension Scheme - Implementation of the recommendations of the Fourth Central Pay Commission.*

The undersigned is directed to state that the Central Government employees who are governed by the Contributory Provident Fund Scheme (CPF Scheme) have been given repeated options in the past to come over to the Pension Scheme. The last such option was given in the Department of Personnel and Training O.M. No. F3(1)-Pension unit/85 dated the 6th June, 1985. However, some Central Government employees still continue under the CPF Scheme. The Fourth Central Pay Commission has now recommended that all CPF beneficiaries in service on January 1, 1986, should be deemed to have come over to the Pension Scheme on that date unless they specifically opt out to continue under the CPF Scheme.

2. After careful consideration the President is pleased to decide that the said recommendation shall be accepted and implemented in the manner hereinafter indicated.

3. All CPF beneficiaries, who were in service on 1.1.1986 and who are still in service on the date of issue of these orders will be deemed to have come over to the Pension Scheme.

3.2. The employees of the category mentioned above will, however, have an option to continue under the CPF Scheme, if they so desire. The option will have to be exercised and conveyed to the concerned Head of Office by 30.09.1987 in the form enclosed if the employees wish to continue under the CPF Scheme. If no option is received by the Head of Office by the above date the employees will be deemed to have come over to the Pension Scheme.

3.3. The CPF beneficiaries, who were in service on 1.1.1986, but have since retired and in whose case retirement benefits have also been paid under the CPF Scheme, will have an option to have their retirement benefits calculated under the Pension Scheme provided they refund to the Government, the Government contribution to the Contributory Provident Fund and the interest thereon, drawn by them at the time of settlement of the CPF Account. Such option shall be exercised latest by 30.09.1987.

3.4. In the case of CPF beneficiaries, who were in service on 1.1.1986 but have since retired, and in whose case the CPF Account has not already been paid, will be allowed retirement benefits as if they were borne on pensionable establishments unless they specifically opt by 30.09.1987 to have their retirement benefits settled under the CPF Scheme.

3.5 In the case of CPF beneficiaries, who were in service on 1.1.1986, but have since died, either before retirement or after retirement, the case will be settled in accordance with para 3.3 or 3.4 above as the case may be. Options in such cases will be exercised latest by 30.09.1987 by the widow/widower and in the absence of widow/widower by the eldest surviving member of the family who would have otherwise been eligible to family pension under the Family Pension Scheme if such scheme were applicable.

3.6 The option once exercised shall be final.

3.7 In the types of cases covered by paragraph 3.3 and 3.5 involving refund of Government's contribution to the contributory provident fund together with interest drawn at the time of retirement, the amount will have to be refunded latest by the 30th September, 1987. If the amount is not refunded by the said date, simple interest thereon will be payable at 10% per annum for period of delay beyond 30.9.1987.

4.1 In the case of employees who are deemed to come over or who opt to come over to the Pension Scheme in terms of paragraphs 3.3, 3.4 and 3.5, the retirement and death benefits will be regulated in the same manner as in case of temporary/quasi-permanent or permanent Government servants, as the case may be, borne on pensionable establishment.

4.2 In the case of employees referred to above, who come over or are deemed to come over to the Pension Scheme, the Government's contribution to the CPF together with the interest thereon credited to the CPF Account of the employee will be resumed by the Government. The employees contribution together with the interest thereon at his credit in the CPF Account will be transferred to the GPF Account to be allotted to him on his coming over to the Pension Scheme.

4.3 Action to discontinue subscriptions/contributions to CPF Account may be taken only after the last date specified for exercise of option, viz., 30.09.1987.

5. A proposal to grant exgratia payment to the CPF beneficiaries, who retired prior to 1.1.1986 and to the families of CPF beneficiaries who died prior to 1.1.1986, on the basis of the recommendations of the Fourth Central Pay Commission is separately under consideration of the Government. The said ex-gratia payment, if and when sanctioned, will not be admissible to the employees or their families who opt to continue under the CPF Scheme from 1.1.1986 onward.

6.1 These orders apply to all Civilian Central Government employees who are subscribing to the Contributory Provident Fund under the Contributory Provident Fund Rules (India), 1962. In the case of other contributory provident funds, such as Special Railway Provident Fund or Indian Ordnance Factory Workers Provident Fund or Indian Naval Dockyard Workers Provident Fund, etc., the necessary orders will be issued by the respective administrative authorities.

6.2 These orders do not apply to Central Government employees who, on re-employment, are allowed to subscribe to Contributory Provident Fund. These orders

220

also do not apply to Central Government employees appointed on contract basis where the contribution to the Contributory Provident Fund is regulated in accordance with the terms of contract.

6.3 These orders do not also apply to scientific and technical personnel of the Department of Atomic Energy, Department of Space, Department of Electronics and such other Scientific Departments as have adopted the system prevailing in the Department of Atomic Energy. Separate orders will be issued in their respect in due course.

7.1 Ministry of Agriculture etc., are requested to bring these orders to the notice of all CPF beneficiaries under them, including those who have retired since 1.1.1986 and to the families covered by paragraph 3.5 of these orders.

7.2 Administrative Ministries administering any of the Contributory Provident Fund Rules, other than Contributory Provident Fund Rules (India), 1962, are also advised to issue similar orders in respect of CPF beneficiaries covered by those rules in consultation with the Department of Pension and Pensioners' Welfare.

8. These orders issue with the concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No.2038/JS (Pers)/87 dated 13.4.1987.

9. In their application to the persons belonging to Indian Audit and Accounts Department, these orders issue after consultation with the Comptroller and Auditor General of India.

10. Hindi version of these orders follows.

(I.K. Rasgotra)
Additional Secretary to the Government of India

To

All Ministries/Departments of the Government of India.

Copy to :-
1. President's Secretariat
2. Vice President's Secretariat
3. Prime Minister's Office
4. Lok Sabha Secretariat
5. Rajya Sabha Secretariat
6. Cabinet Secretariat
7. Secretary, U.P.S.C., New Delhi
8. Supreme Court of India
9. Election Commission
10. Planning Commission
11. Comptroller and Auditor General of India
12. Accountants General of all States
13. Director of Audit, Central, Madhu Industrial Estate, P.B.Marg, Bombay
14. Director of Audit (Central), Calcutta
15. Director of Audit, Central Revenue, New Delhi

221

16. Director of Audit, Central, Bombay
17. Director of Audit, Scientific and Commercial Department, Bombay
18. Director of Audit Commerce, Works and Miscellaneous, New Delhi
19. Controller General of Accounts
20. Directorate of Accounts, P.A.I. Section, Panaji, Goa
21. Controller of Accounts, Delhi Administration, 'B' Block, Vikas Bhavan, Indraprastha Estate, N. Delhi
22. Controller General of Defence Accounts
23. Controller of Defence Accounts (Pension) Allahabad
24. Controller of Defence Accounts (Navy), Bombay
25. Controller of Defence Accounts (Air Force), N. Delhi
26. Deputy Controller of Defence Accounts,(Pension Disbursement),New Delhi
27. Finance Secretaries of All States and U. Ts.
28. Chief Secretaries of Governments of all States and Union Territories
29. All Attached and Subordinate Offices of the Department of Personnel & Training
30. All Officers and Sections in the Department of Personnel & Training/Department of Pension & Pensioners' Welfare
31. A.I.S. Division, Department of Personnel & Training (10 copies)
32. E.V.Section, Department of Expenditure (10 copies)
33. J.C.A. Section (With 100 spare copies for circulation among members of National Council (JCM)
34. Under Secretary (P), Deptt. of Pension & Pensioners' Welfare (with 30 spare copies for circulation among members of SCOVA)
35. Parliament Library (10 copies)
36. National Library.(10 copies)

M.R. Vaidya

(M.R.Vaidya)
Deputy Secretary to the Govt. of Inlda

Form of Option

I ______________________________, employed
(Name)

as ______________________________, in the Ministry/
(designation)

Department/Office of ______________________________
(name of the Ministry/Deptt./Office)

do hereby opt to continue under the Contributory Provident Fund Scheme in terms of the Department of Pension & Pensioners' Welfare OM NO.4/1/87-PIC-I dated 1.5.1987

Place ______________

Date ______________

(Signature of the Optee)

222

Annexure – III

No.F.[illegible]
Government of India
Ministry of Human Resource Development
(Deptt. of Education)

....

Shastri Bhavan, New Delhi-1,

October [illegible], 198[illegible].

The Secretary,
N.C.E.R.T., Sri Aurobindo Marg,
New Delhi – 110 016.

Sub:- Creation of posts for the two Model Schools being opened at Amravati and Jhajjar during 1985-86.

I am directed to convey the approval of the Government of India to the creation of the following posts for each of the Model Schools being opened at Amravati and Jhajjar. The posts will be created by N.C.E.R.T. on behalf of the Autonomous Body to be set up to manage and run the Model Schools:

Sl. No. Category	Number of posts	Pay Scale (in rupees)
1. Principal	1	1100 – 1600
2. Trained Graduate Teachers	4	~~425~~ 440 – 750
3. Physical Education Teacher	1	440 – 750
4. Art & Craft Teachers	1	440 – 750
5. Librarian	1	440 – 750
6. L.D.C.	1	[illegible]
7. Staff Nurse	1	[illegible]
8. Chowkidar	1	196 – 2[illegible]
Total	11 Posts	

2. The expenditure on the pay and allowances etc. of these posts will be met out of the grants released to N.C.E.R.T. specifically for this purpose.

3. The posts are created with the approval of IFD vide their Dy. No.11552-G/85-IFD dt.25.10.'85.

Yours faithfully,

o/c (RENUKA MISRA) (Mrs.)
UNDER SECRETARY

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- 33 -

Annexure - II

No.F.27-18/85-Sch.I
Government of India
Ministry of Human Resource Development
(Department of Education)

....

Shastri Bhavan, New Delhi-1.

October 28, 1985.

To

The Accounts Officer,
Pay & Accounts Office (Education),
New Delhi.

Sub:- Grant-in-aid to the National Council of Educational Research and Training during 1985-86 (Plan) for starting two Model Schools at Amravati and Jhajjar.

....

Sir,

I am directed to state that the Government of India has approved the setting up of one Model School in each District of the country during the Seventh Plan period. It has been decided to open two Model Schools in 1985-86 itself, one at Amravati (Maharashtra) and the other at Jhajjar (Haryana). Since the Autonomous Body to manage and run the Model Schools is yet to come into existence, the NCERT has been given the responsibility of starting and running the two schools this year. As soon as the Autonomous Body for the Model Schools is set up all work relating to Model Schools will be transferred to it. The funds released to NCERT will also be transferred to that Body.

2. I am directed to convey the sanction of the President of India to the payment of first instalment of grant of Rs.22.50 lakhs (Rupees twenty two lakhs and fifty thousand only) to the NCERT, New Delhi for starting and running the two model schools in 1985-86. The items of expenditure are given in the annexure (enclosed).

3. The expenditure involved would bet met out of Demand No.25-Education, Major Head 277-B, Education B-1 Secondary Education B1(1)(8) - Setting up of Model Schools (Plan) 1985-86.

4. This sanction is being issued in conformity with the rules and regulations and the pattern of assistance approved by the Ministry of Finance.

5. The accounts of this grant-in-aid shall be subject to audit by the Comptroller and Auditor General of India or his nominee in this behalf.

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6. The amount of grant will be drawn by the Drawing and Disbursing Officer (Grants) of this Ministry and paid by a crossed cheque to the grantee organisation. On receipt of this amount it should be deposited in the State Bank of India who are the Bankers of the Council as provided in its Memorandum a of Association.

7. The assets created out of this grant should not, without the prior approval of the Government of India, be disposed of, encumbered or utilised for purpose other than those for which the grant is sanctioned.

8. No part of this grant should be diverted to any institution or utilised for any purpose other than what it is mentioned in the Budget proposals of the Council as approved by the Government of India.

9. Separate accounts should be maintained in respect of Plan and Non-Plan items of expenditure.

10. The portion of the amount of the grant which is not utilised by 31.3.1986 should be intimated to the Government immediately thereafter. It will be adjusted in the grant for the next year.

11. A register of assets acquired wholly or substantially out of the grant should be maintained in theform already furnished, to the Council and a certified copy from the register in respect of the assets so acquired should be sent to this Ministry not later than the 30.4.1986. Such copies should continue to be furnished even if and after Government grants to the National council of Educational Research and Training have ceased. The information in the returns to be submitted to the Government should relates but to all previous assets too, created wholly or substantially out of Government grant upto the end of the period to which the return relates. For purpose of determining whether an asset has been created substantially out of Government grant should exceed 50 per cent.

12. The Council shall be bound to submit from time to time such reports, statement, etc. in respect of expenditure from this grant as might from time to time be required by the Government of India.

13. The grant is subject to the condition that House Rent Allowance travelling allowance, daily allowance and other similar allowances should be so regulated as not to exceed the corresponding allowances sanctioned to Government employees from time to time by Government.

14. The Council shall fully implement the Official Language Policy of the Union Government i.e. "the Council shall fully comply with the Official Language Act, 1963 and Official Languages (Use for the official purposes of the Union Rules, 1976 etc."

15. This sanction issues in exercise of delegated powers in consultation with Internal Finance Division vide their Dy.No. 8249-0/85-IF.I dated 28-10-1985.

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16. No funds out of this grant should be utilised for any new scheme for which prior approval of Government has not been obtained.

17. With reference to the requirements of the Ministry of Finance O.M. No. 14-IFA/64 dated the 23rd November, 1965, I am to add that the NCERT is exempted from the requirements of execution of Bond in terms of Ministry of Finance Memorandum of the same number dated 23.9.1964, read with their Memorandum dated 23.9.1965 because the NCERT was set up by the Government of India by Resolution and is registered under the Societies Registration Act.

Yours faithfully,

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Copy to :-

1. Secretary, NCERT, New Delhi.
2. Expenditure Control Unit of the Ministry of Human Resource Development, Department of Education.
3. Integrated Finance Division. 29-10-85
4. I.F.I Section with reference to their Dy.No.8249-O/85-IF.I dated 28-10-1985.
5. Drawing & Disbursing Officer (Grants), Ministry of Human Resource Development, Deptt. of Education, New Delhi with 2 fair signed copies for necessary action.
6. A.G.C.R. (Special Cell), New Delhi.
7. Sanction Folder.

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Encl: One Annexure.

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226

: 4 :

ANNEXURE to Letter No.27-18/85-Sch.I Dt.28th October, 1985.

ITEMS OF EXPENDITURE FOR MODEL SCHOOLS AT AMRAVATI AND JHAJJAR - 1985-86

Item	Amount (In Rs)
1. Boarding & Lodging and educational expenses of students.	1,40,000
2. Furniture for Schools for students.	30,000
3. Furniture and utensils for Hostel.	72,500
4. Lab-Equipment, Audio-Visual Aids, Sports, etc.	30,000
5. Library (Books and Furniture)	25,000
6. Furniture for Principal, Teachers and Common Room and furnishings.	30,000
7. Pay and Allowances & T.A./D.A. of Teachers and Staff.	1,50,000
8. Office and School Equipments.	25,000
9. Contingency	35,000
TOTAL	5,37,500
For Two Schools ..	5,37,500 x 2
	= 10,75,000

Plus Building repair:

For School at Jhajjar ..	Rs.5,90,000	
For School at Amravati .	5,85,000	11,75,000

Total amount to be released. ..	10,75,000 + 11,75,000
	22,50,000

(Rupees twenty two lakhs and fifty thousand only)

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Annexure-V

Details of organizations where benefits of GPF Pension Scheme under CCS (Pension) Rules, 1972 have been allowed which came into existence after the establishment of Navodaya Vidyalaya Samiti

Name of Organisation	Authority and date of implementation
1. IIT Kanpur	With the approval of Board of governess office order 10th June 1990
2. IIT Bombay	With the approval of Board of governess vide of 6th May 1998
3. IIT Karagpur	With the approval of Board of governess vide of 25th July 1997
4. IIT Roorkee	With the approval of Board of governess vide of 3rd April 1999
5. CSIR	With the approval of Board of governess vide of 25th January 1999

It may be seen that the above departments have adopted GPF cum pension scheme with the approval of Board of Governors without seeking approval from the Government of India.

There are many Central Government organizations which have introduced pension scheme after the existence of Navodaya Vidyalaya Samiti. Government has also allowed many organizations to switch over to Government of India pension scheme during the recent past. The details are given below.

Name of Organisation and approximate number of employees	Status	Effective Date and Authority
Life Insurance of India (1,25,000)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
General Insurance Corporation of India	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
National Insurance Company Limited (16/972)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The New India Assurance Company Limited (20,847)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The Oriental Insurance Company Limited	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The United India Insurance Company Limited (18,883)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995

The National Human Rights Commission (316)	Statutory Body under MHA	Pension Scheme introduced on the basis of DO letter written by the J.S., Ministry of Home Affairs to the Secretary, NHRC
Indian Institute of Public Administration	Registered Society under DOPT	GOI provided Rs. 400 lacs for a non-recurring pension corpus fund in 1997-98 & 98-99
National Open School	Registered Society under MHRD (established in the year 1989)	Pensionary benefits extended to the employees of NIOS from the date of registration as a society i.e. 23-11-89 on the ground that earlier this was started as project under CBSE/Department of Secondary Education and Higher Education
IGNOU	Central University (Set up in September 1985)	
Central Tibetan School Administration (816)	Registered Society under MHRD	Vide Circular no. F.22-31/86-CTSA dated 2nd March 1988 with the approval of GOI
Mizoram University	Central University under MHRD (Established in the year 2001)	
Maulana Azad National Urdu University, Hyderabad	Central University under MHRD (Established in the year 1998)	
IIT Roorkee		Notification dated 25th January 2002 issued on the basis of Government of India ordnance no. 6 of 2001 dated 21.09.01 while declaring the University of Roorkeas and IIT
Konkan Railway Corporation Ltd.	A Government of India undertaking . setup in 1998	With the approval of BOG-Meeting held on 27.01.2004

F.No.17-44/2011–UT-3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
UT-3 Section
***

Shastri Bhawan, New Delhi
10^{th} May. 2013

Meeting Notice

Subject: Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS).

JS(Pension), Department of Pension & Pensioners Welfare, will be taking a meeting at 3.00 PM on 13^{th} May, 2013 in Room no. 310, Lok Nayak Bhawan, 3^{rd} Floor, Khan Market, New Delhi. You are requested to accompany JS(SE-II) so that points of doubt, if any, raised by Department of Pension & Pensioners' Welfare and Department of Expenditure can be suitably clarified. A copy of the notice issued by Department of Pension & Pensioners' Welfare is enclosed.

2. JS(SE-II) will also be taking a preliminary meeting to discuss this issue at 04.30 PM today in his chambers, Room No. 107-A, B-Wing, Shastri Bhawan, New Delhi. You are requested to make it convenient to attend along with officers well conversant with the matter.

P.K.Mittal
Deputy Secretary (UT)

1. Commissioner, Navodaya Vidyalaya Samiti.
2. PPS to JS(SE-II).

23

Tel:120-2405199
Fax: 120-2405182

NAVODAYA VIDYALAYA SAMITI
(AN AUTONOMOUS ORGANISATION OF MINISTRY OF HRD, DEPARTMENT OF SCHOOL EDUCATION & LITERACY), B-15, INSTITUTIONAL AREA, SECTOR-62, NOIDA-201307, DISTT.G.B. NAGAR (UP)

F.No.24-01/2013-NVS (GA)/ **Dated:20.05.2013**

To

FTS-61537/2013

Shri J.Alam,
Joint Secretary(SE.II),
Ministry of Human Resource Development,
Department of School Education & Literacy,
Shastri Bhawan,
New Delhi-110001.

Subject: Draft Note for Cabinet Committee on Economic Affairs – Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti.

Sir,

In continuation of this office letter of even No. dated 8.3.2013 on the above mentioned subject, I am sending herewith the revised draft Note for Cabinet Committee on Economic Affairs regarding Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti, duly incorporating the financial implication based on the actuarial calculations, as per the report of Actuary placed at Annexure 'A'.

2. The report of the Actuary inter alia stipulates that the Samiti requires the total Pension Corpus of Rs.1092.01 crore (approx.) as on 31.3.2012 for meeting the Pension liability under CCS (Pension) Rules, 1972. However, the Samiti has already accumulated Rs.350.00 crore (approx.), as Management Share and Interest credited in the CPF accounts of those working employees who joined NVS prior to 1.01.2004 and are eligible for pension. In respect of eligible retired employees and family pensioners, if they opt to join the Pension scheme, they would require to refund the CPF Management Share already paid to them alongwith interest @ 12% per annum, which is anticipated to an extent of Rs.21.00 crore (approx.) as on 31.3.2012.

Pl PY. urgently 20/5/2013

3. With a view to meet the Pension liability over a different time period, the Samiti has also worked out the amount thereof in three different options, as per details given below :

i) In case the Pension Corpus is provided in one installment, this would involve the fund requirement of Rs.616.75 crore (details placed at Annexure 'B').

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ii) In case the Pension Corpus is provided within five equal installments (i.e @ Rs.145.45 crore each), the requirement of funds thereof would be Rs.727.25 crore (details placed at Annexure 'C').

iii) In case the Pension Corpus is provided within ten equal installments (i.e @ Rs.88.15 crore each), this would involve the fund requirement of Rs.881.50 crore (details placed at Annexure 'D')

Besides, additional funds of Rs.92.78 crore (i.e Pension liability of Rs.113.78 crore minus Accumulated Corpus of Rs.21.00 crore approx.) would also be required to meet the proposed Pension liability in respect of 660 retired employees and 129 expired employees, if they opt to join the proposed Pension Scheme.

4. It is, therefore, requested to consider the above proposal of NVS for seeking approval of the Government at an early date.

Yours faithfully,

(G. S. Bothyal)
Commissioner

Encl : As above

Annexure-'A' 234

Seeneei Consultancy Services

Navodaya Vidyalaya Samiti (NVS)

Proposed Pension Scheme

Actuarial Calculations as on 31st March, 2012

Place: Mumbai
Date :01/05/2013

SUMMARY OF THE RESULTS OF THE ACTUARIAL VALUATION

Valuation Date	31.03.2012
No. of Act Active Employee Members	11,904
No. of Employee Pensioners (Retired)	660
No. of Family Pensioners	129
Avg. Pensionable Salary (mly.)	`. 18,828
Avg. Age	45 yrs.
Avg. Past Service (PS)	17yrs.
Avg. Mly. Pension –Retired Employees	`.5,500
Avg. Mly. Pension – Family. Pensioners	`.2,996
Results	**Rs.Crs**
Value of Accrued Liability (A)	`. 611.27
Value Of Future Service Liability (B)	`. 366.96
Value Of Total Service Liability (A+B)	`.978.23
Pensioners	
Value of Liability (Retired Employees) (C) Value of Liability (Family) (D)	`. 103.50 `. 10.28
Accumulated Value of Management Share in CPF (E)	**`.350 .00**
Gross Liability (all Members) (A+C+D)	`. 725.05
Net Liability (all Members) (A+C+D)-(E)	`. 375.05

INTRODUCTION

Navodaya Vidyalaya Samiti
Actuarial Valuation Of Proposed Pension Liability
As At 31 March 2012

1.1 Navodaya Vidyalaya Samiti (NVS)("An Autonomous organization of Ministry of HRD, Department of School Education & Literacy") proposes to introduce a pension scheme on the pattern of the CCS (Pension)Rules 1972 with up to date amendments

1.2 The pension benefits are on the pattern of Central Government Employees' Pension Scheme.

1.3 The type of pension is Index Linked

1.4 It is proposed that the current employees and employees who have retired or expired on or before 01-01-2004 would be given an option either to join the pension scheme or continue with the CPF scheme.

1.5 There is neither creation of Trust (Pension) Fund nor segregation of Assets at present

1.6 If the option is exercised by the employee or his family then the CPF i.e. Management Share amount to their credit in respect of the employees would be transferred to the proposed Pension Trust

1.7 In respect of the retired / expired employees the CPF amount i.e. Management Share would be returned with 12% p.a. interest

1.8 The pensions payable on the date of retirement are based on the last drawn salary and the DA pensions are linked to the Cost of Living Index.

1.9 However, since the proposed scheme would be in lieu of the CPF scheme the amount of management share in the CPF account of such employees who opt for the scheme would be the starting Assets of the proposed scheme.

1.10 Though generally, the pension payments are made by purchase of annuities through LIC of India, the payouts in respect of retired members are proposed to be made by the NVS, out of the proposed pension fund.

PURPOSE OF THE VALUATION

The purpose of the valuation -

- To determine the Liability in respect of the services rendered by the members till the date of valuation, and the liability likely to accrue to the NVS in respect of the pension payments, in respect of the retired employees and their families.

VALUATION DATE

The valuation has been carried out as at 31st March, 2012 ("the valuation date")

VALUATION METHOD

2.1 Keeping the objective in view, it is considered appropriate to use the "Projected Unit Credit " Method of valuation.

2.2 Under this method, the benefits relating to the Past Service and Future Service are valued.

2.3 For past service, the value of all accrued benefits are calculated in respect of accrued service of active employees but basing the calculations on the Projected Salaries from the date of valuation to the assumed date of exit of the members.

Benefits Valued:

3.1 All the benefits paid to the members of the scheme and their families as provided under the rules (on the pattern of the central government employees pension scheme) of the Pension Scheme have been valued.

MEMBERSHIP DATA

The membership data used for the actuarial valuation is as below :

No. of Active Employee Members	11,904
No. of Employee Pensioners (Retired)	660
No. of Family Pensioners	129
Avg. Pensionable Salary (monthly.)	`. 18,828
Avg. Age	45 yrs.
Avg. Past Service (PS)	17 yrs.
Avg. Pension Employee Pensioners (Monthly)	`.5,500
Avg. Pension Family Pensioners (Monthly)	`.2,996
Avg. Age Employee Pensioners*	58 yrs.
Avg. Age Family Pensioners	49 yrs.

*Retired, Resigned and Expired

ASSUMPTIONS

The actuarial valuation is based on a number of assumptions as the amount of benefits payable depends upon a number of future events that are incorporated in the benefit formula.

The actuarial valuation in its process assumes a future trend relating to a number of factors such as rate of mortality, rate of resignation, discounting rate, salary growth rate, etc.

Of all these assumptions the most important ones relate to the financial aspects . That is,

a) the rate of interest (discounting rate)
b) the rate of growth of pensionable salary
c) Inflation (Increase in DA of Pensioners)

The assumptions used for the purpose of the actuarial valuation is as specified in Annexure 2

RESULTS OF THE VALUATION:

The results of the past and future service liabilities based on the chosen set of assumptions are as follows:

Active Members	Rs.Crs
Accrued Liability	`.611.27
Liability Employee Pensioners	`. 103.50
Liability Fly Pensioners	`. 10.28
Value of Liability	`. 725.05
Accumulated Value of Management Share in CPF	`.350 .00
Net Liability (all Members)	`. 375.05
Value Of Future Service Liability	`. 366.96
Value Of Total Service Liability	`.978.23

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4. OBSERVATIONS

The accrued liability in respect of current employees and the liability likely to accrue in respect of the pensioners works out to `. 725.05 Crs

Also, the Future expected service liability of the current employees works out to `. 366.96

N.Seethakumari
Fellow Of The Institute Of Actuaries Of India
Place:Mumbai
Date:01/05/2013

Outline of Principal Plan Provisions

A. Eligibility	All Regular-employees +Retired employees (Pensioners & Family Pensioners) (joined before 01-01-2004)
B. Pensionable Salary	Basic Pay + Grade Pay
C. Pension Accrual Rate	1/66
D. Pensionable Service	Completed years of service or part thereof in excess of 6 months.
E. Contribution	Member - CPF contribution (Management Share) ; Company – Balance Costs
F. Normal Retirement Age	60 yrs
G. Maximum Service	33yrs

Type of Benefit	Benefit Formula
Retirement on completion of qualifying service of 33 years	50% of Average Emoluments Minimum Pension – Rs.1275 p.m.
Retirement before completing qualifying service of 33 years but after completion of qualifying	50% Average emoluments for 33 years of service reduced pro-rata for lesser year of

service of 10years	maximum service Minimum Pension - Rs.1275 p.m.
Invalid Pension on permanent in capacity before reaching age 60	50% of Average emoluments Minimum Pension - Rs.1275 p.m.
Family Pension payable on	50% of Last Pay Drawn Minimum Pension – Rs.1275 p.m.
(i) Death in Service – when the member dies after rendering 7 years of continuous service	(i) In the event of death in service pension is payable from the date following the death for a period of 7 years or for a period upto the date on which the deceased Employee would have attained the age of 65 years had he survived whichever is less
(ii) Death after retirement	(ii) In the event of death after retirement Pension is payable for period of 7 years for a period upto the date on which the retired deceased Employee would have attained the age 65 years had he survived whichever is less.

Summary of Actuarial Assumptions and Methods

A. Valuation Method — Projected Unit Credit Method

B. Economic Assumptions:

1. Discount Rate — 9% per annum
2. Salary Increases — 5 % per annum
3. Type of pension — Index Linked Pension

C. Other Assumptions:

	1.Mortality	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate
	2. Disability	None
	3. Turnover	1% p.a.
	4. Retirement	60 yrs

Other point considered in the calculation:

For retired & expired employees only the following data provided

- The last drawn salary and date of last working day

It is assumed for purposes of this calculation that 100% of eligible employees would opt to join the scheme after refunding their the amount collected at the time of separation with interest

The Active employees Liability projection for the next two years

31/03/2013	**Rs. Crs**
Value of Accrued Liability	`. 663.49
Value Of Total Service Liability	`.1014.09
Value Of Future Service LLiability	`. 350.60

31/03/2014	**Rs. Crs**
Value of Accrued Liability	`. 718.22
Value Of Total Service Liability	`.1050.99
Value Of Future Service LLiability	`. 332.77

N.Seethakumari
Fellow Of The Institute Of Actuaries Of India
Place:Mumbai
Date:01/05/2013

Option 1

Reinvestment Rate: **9.00%**

Year	Outflow	Interest	Additional Cont.	Total Inflow	Net Flow	Closing Fund
						350.00
2013	3.26	31.50	616.75	**648.25**	644.99	994.99
2014	10.99	89.55		89.55	78.56	1073.55
2015	18.38	96.62		96.62	78.24	1151.79
2016	23.51	103.66		103.66	80.15	1231.94
2017	25.31	110.87		110.87	85.56	1317.50
2018	35.49	118.58		118.58	83.09	1400.59
2019	43.64	126.05		126.05	82.41	1483.00
2020	61.32	133.47		133.47	72.15	1555.15
2021	77.49	139.96		139.96	62.47	1617.63
2022	107.33	145.59		145.59	38.26	1655.88
2023	145.49	149.03		149.03	3.54	1659.42
2024	180.41	149.35		149.35	-31.06	1628.36
2025	215.83	146.55		146.55	-69.28	1559.08
2026	245.27	140.32		140.32	-104.95	1454.13
2027	238.27	130.87		130.87	-107.40	1346.73
2028	250.68	121.21		121.21	-129.47	1217.26
2029	218.39	109.55		109.55	-108.84	1108.42
2030	232.92	99.76		99.76	-133.16	975.26
2031	200.28	87.77		87.77	-112.51	862.75
2032	206.56	77.65		77.65	-128.91	733.84
2033	195.51	66.05		66.05	-129.46	604.38
2034	181.89	54.39		54.39	-127.50	476.88
2035	151.08	42.92		42.92	-108.16	368.72
2036	137.81	33.18		33.18	-104.63	264.09
2037	119.79	23.77		23.77	-96.02	168.07
2038	72.40	15.13		15.13	-57.27	110.80
2039	58.53	9.97		9.97	-48.56	62.24
2040	31.56	5.60		5.60	-25.96	36.28
2041	24.55	3.27		3.27	-21.28	15.00
2042	8.75	1.35		1.35	-7.40	7.60
2043	3.36	0.68		0.68	-2.68	4.92
2044	0.69	0.44		0.44	-0.25	4.67
2045	0.33	0.42		0.42	0.09	4.76
2046		0.43		0.43	0.43	5.19
2047		0.47		0.47	0.47	5.66
2048	0.47	0.51		0.51	0.04	5.70
2049		0.51		0.51	0.51	6.21
2050	1.10	0.56		0.56	-0.54	5.67
2051		0.51		0.51	0.51	6.18
2052	0.54	0.56		0.56	0.02	6.20
2053	1.33	0.56		0.56	-0.77	5.42
2054		0.49		0.49	0.49	5.91

All figures in Rs. Crore

Annexure - 'C'

Option 2

Reinvestment Rate: **9.00%**

Year	Outflow	Interest	Additional Cont.	Total Inflow	Net Flow	Closing Fund
						350.00
2013	3.26	31.50	145.45	**176.95**	173.69	523.69
2014	10.99	47.13	145.45	192.58	181.59	705.28
2015	18.38	63.48	145.45	208.93	190.55	895.83
2016	23.51	80.62	145.45	226.07	202.56	1098.39
2017	25.31	98.86	145.45	244.31	219.00	1317.39
2018	35.49	118.56		118.56	83.07	1400.46
2019	43.64	126.04		126.04	82.40	1482.86
2020	61.32	133.46		133.46	72.14	1555.00
2021	77.49	139.95		139.95	62.46	1617.46
2022	107.33	145.57		145.57	38.24	1655.70
2023	145.49	149.01		149.01	3.52	1659.23
2024	180.41	149.33		149.33	-31.08	1628.15
2025	215.83	146.53		146.53	-69.30	1558.85
2026	245.27	140.30		140.30	-104.97	1453.88
2027	238.27	130.85		130.85	-107.42	1346.46
2028	250.68	121.18		121.18	-129.50	1216.96
2029	218.39	109.53		109.53	-108.86	1108.09
2030	232.92	99.73		99.73	-133.19	974.90
2031	200.28	87.74		87.74	-112.54	862.36
2032	206.56	77.61		77.61	-128.95	733.41
2033	195.51	66.01		66.01	-129.50	603.91
2034	181.89	54.35		54.35	-127.54	476.37
2035	151.08	42.87		42.87	-108.21	368.17
2036	137.81	33.14		33.14	-104.67	263.49
2037	119.79	23.71		23.71	-96.08	167.42
2038	72.40	15.07		15.07	-57.33	110.08
2039	58.53	9.91		9.91	-48.62	61.46
2040	31.56	5.53		5.53	-26.03	35.43
2041	24.55	3.19		3.19	-21.36	14.07
2042	8.75	1.27		1.27	-7.48	6.59
2043	3.36	0.59		0.59	-2.77	3.82
2044	0.69	0.34		0.34	-0.35	3.48
2045	0.33	0.31		0.31	-0.02	3.46
2046		0.31		0.31	0.31	3.77
2047		0.34		0.34	0.34	4.11
2048	0.47	0.37		0.37	-0.10	4.01
2049		0.36		0.36	0.36	4.37
2050	1.10	0.39		0.39	-0.71	3.66
2051		0.33		0.33	0.33	3.99
2052	0.54	0.36		0.36	-0.18	3.81
2053	1.33	0.34		0.34	-0.99	2.82
2054		0.25		0.25	0.25	3.08

All figures in Rs. Crore

Annexure - 'D'

Option 3 Reinvestment Rate: 9.00%

Year	Outflow	Interest	Additional Cont.	Total Inflow	Net Flow	Closing Fund
						350.00
2013	3.26	31.50	88.15	119.65	116.39	466.39
2014	10.99	41.98	88.15	130.13	119.14	585.53
2015	18.38	52.70	88.15	140.85	122.47	707.99
2016	23.51	63.72	88.15	151.87	128.36	836.35
2017	25.31	75.27	88.15	163.42	138.11	974.46
2018	35.49	87.70	88.15	175.85	140.36	1114.83
2019	43.64	100.33	88.15	188.48	144.84	1259.67
2020	61.32	113.37	88.15	201.52	140.20	1399.87
2021	77.49	125.99	88.15	214.14	136.65	1536.52
2022	107.33	138.29	88.15	226.44	119.11	1655.62
2023	145.49	149.01		149.01	3.52	1659.14
2024	180.41	149.32		149.32	-31.09	1628.05
2025	215.83	146.52		146.52	-69.31	1558.75
2026	245.27	140.29		140.29	-104.98	1453.77
2027	238.27	130.84		130.84	-107.43	1346.33
2028	250.68	121.17		121.17	-129.51	1216.82
2029	218.39	109.51		109.51	-108.88	1107.95
2030	232.92	99.72		99.72	-133.20	974.74
2031	200.28	87.73		87.73	-112.55	862.19
2032	206.56	77.60		77.60	-128.96	733.23
2033	195.51	65.99		65.99	-129.52	603.71
2034	181.89	54.33		54.33	-127.56	476.15
2035	151.08	42.85		42.85	-108.23	367.93
2036	137.81	33.11		33.11	-104.70	263.23
2037	119.79	23.69		23.69	-96.10	167.13
2038	72.40	15.04		15.04	-57.36	109.77
2039	58.53	9.88		9.88	-48.65	61.12
2040	31.56	5.50		5.50	-26.06	35.06
2041	24.55	3.16		3.16	-21.39	13.67
2042	8.75	1.23		1.23	-7.52	6.15
2043	3.36	0.55		0.55	-2.81	3.34
2044	0.69	0.30		0.30	-0.39	2.95
2045	0.33	0.27		0.27	-0.06	2.89
2046		0.26		0.26	0.26	3.15
2047		0.28		0.28	0.28	3.43
2048	0.47	0.31		0.31	-0.16	3.27
2049		0.29		0.29	0.29	3.56
2050	1.10	0.32		0.32	-0.78	2.78
2051		0.25		0.25	0.25	3.03
2052	0.54	0.27		0.27	-0.27	2.77
2053	1.33	0.25		0.25	-1.08	1.69
2054		0.15		0.15	0.15	1.84

All figures in Rs. Crore

GOVERNMENT OF INDIA

MINISTRY OF HUMAN RESOURCE DEVELOPMENT

DRAFT NOTE FOR CABINET COMMITTEE ON ECONOMIC AFFAIRS

Subject: Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for tbe employees of Navodaya Vidyalaya Samiti (NVS).

PROPOSAL

The proposal seeks approval of the Cabinet for introduction of GPF Pension Scheme under CCS (Pension) Rules, 1972 for the employees in Navodaya Vidyalaya Samiti, an autonomous organization, fully funded by the Government of India under the Ministry of Human Resource Development, Department of School Education & Literacy, who joined the service before 1.1.2004.

1. BACKGROUND

The scheme of Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 to give shape to the vision of the then Prime Minister Late Shri Rajiv Gandhi to have a residential school system for the talented children pre-dominantly from rural areas. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Department of Secondary and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. Navodaya Vidyalaya Samiti is a Central Sector Scheme which is 100% funded by the Government of India in the shape of grant-in-aid. JNVs are fully residential, co-educational institutions providing free education including boarding and lodging, text books, uniform, stationery, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is, thus, a part of the conscious efforts of the Government for spreading quality education in the country through Central Sector Schools. Navodaya Vidyalayas are addressing the needs of talented rural children, who are otherwise deprived of good quality education.

Initially, 02 Navodaya Vidyalayas were opened at District Amrawati (Maharashtra) and Jhajjhar (Haryana) during 1985-86. The appointment in these JNVs were initially made on deputation basis and thereafter direct recruitment/permanent absorption of employees have taken place from the year 1989 onwards. At that time, an assurance was given to all employees that pension scheme for employees of the Samiti is under consideration and likely to be introduced in the near future. It was also assured that on adoption of the pension scheme in the Samiti such employees would be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the extant rules. JNVs started functioning with 02 numbers in 1985 has now grown to 596 Nos. and aiming to establish JNVs in the remaining districts of the country as a part of the scheme.

2. SERVICE CONDITIONS OF THE EMPLOYEES OF NVS

The Government of India has approved extension of the pay structure to the teaching and non-teaching staff of Central Government employees. NVS has also adopted, mutatis-mutandis, the Government of India rules and regulations on service matters for its employees

The Ministry of Finance, Department of Expenditure, Govt, of India vide its Notification No. 491-E.V./90 (i) dated 11.11.1991 extended the

Contributory Provident Fund (CPF) Scheme to the employees of NVS retrospectively w.e.f. 1st April'1988 **(Annexure-I)**.

At present, employees of NVS are given the benefit of Leave Encashment, Gratuity and Contributory Provident Fund. The Government has approved introduction of New Pension Scheme to all regular NVS employees joining NVS after the date of Notification and also given option to other regular employees of NVS either to join the New Pension Scheme or to continue with the existing CPF scheme. The New Pension scheme has been introduced w.e.f. 1.4.2009. However, the employees who joined NVS before this date, have not accepted this scheme.

3. EFFORTS MADE TO INTRODUCE CCS PENSION SCHEME IN NVS

A proposal was moved for introduction of Pension / GPF Scheme in the Samiti in the light of decisions taken by the Government of India on the recommendations of Fourth Pay Commission and circulated vide O.M. No. 4/1/87-PIC-I dated 01.5.1987 **(Annexure–II)** issued by the Department of Pensions and Pensioners Welfare, wherein it was decided that all CPF beneficiaries in service should be given an option to convert to Pension Scheme. It was, however, not agreed to by the Ministry of Finance, Deptt. of Expenditure informing that the question of introduction of a Pension Scheme in public sector undertakings is under consideration of the Govt, and hence the department is not in a position to give concurrence for introduction of Pension Scheme in the Samiti. Subsequently, however, the option was not allowed to the employees of NVS on the ground that NVS has not come in existence on 01.01.1986.

The matter was again referred to the Department of Expenditure in Feb' 1990 and in reply the department informed that keeping in view the likely repercussions of the decision to bring employees of NVS under the pension scheme, the proposal may not be agreed on balance of convenience. The proposal was again submitted to the Department of Expenditure in 1992 and this was not supported on the ground that in the context of resource crunch and efforts of the Government to maintain the budgetary deficit within the desired limits, status quo should be maintained.

This proposal was again taken up by the then Hon'ble HRM and Chairman, NVS with the Hon'ble Minister of Finance in December, 1998. In response, the then Hon'ble Finance Minister has informed that the Ministry of Finance had not agreed to the proposal for introduction of pension scheme on GOI pattern for the employees of autonomous bodies for certain reasons and in case the proposal regarding introduction of pension scheme on GOI pattern for the employees of NVS is agreed to, there would be similar demands from other autonomous bodies receiving grants-in-aid from the Government which may be difficult to resist. The reasons given by the then Hon'ble Finance Minister in his letter dated 5.2.99 for rejecting the proposal are as under:-

a) The cost of introduction of pension scheme is much higher than the CPF Scheme. While CPF is an one-time settlement, pension is a life-long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the recommendations of the successive Pay Commissions and revision in the rates of dearness relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

b) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

c) Under the employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will loose resources to that extent.

d) In case the organization is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

4. JUSTIFICATION FOR THE INTRODUCTION OF PENSION SCHEME IN NVS

Following instructions/orders issued by the Govt, of India from time to time clearly reveal that the employees of NVS are the rightful claimants to the pensionary benefits under CCS (Pension) Rules, 1972

a) Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to

251

extend the retirement benefits to the teachers as available to the Central Government employees.

b) In the note for Cabinet, following statements have been made with regard to pay scales of teachers in Navodaya Vidtyalayas :

"The teaching and non-teaching staff that each school will require, has been worked out and, is at Annexure-III. The calculations in Annexure-IV are based on the salary structure in the Kendriya Vidyalaya Sangathan. A final decision on the pay scales to be made applicable to these schools would be taken after the reports of Expert Committees are received and the scales may be somewhat higher in view of the special nature of these schools."

In the same note, it was also proposed to provide a separate section in the Ministry of Education to look after the work relating to Navodaya Vidyalayas. It was proposed to have this section under the Officer of the rank of Director assisted by 01 Under Secretary, 01 Section Officer, 04 Assistants, 03 LDCs, 02 Stenographers and 02 Group 'D' employees.

Thus the requirement of teaching and non-teaching staff for a Navodaya Vidyalaya along with financial implications were included in the note for cabinet. These calculations were based on the salary structure in the Kendriya Vidyalaya Sangthan where the employees were getting pension at that time and are getting pension now also. Further, this note also provided for creation of one section under an officer of the rank of Director in the Ministry of Education to look after the work relating to Navodaya Vidyalayas.

252

The financial implications for creation of posts in the Ministry of Education and NVS, as included in the note for Cabinet, are identical. It is thus evident that -

i) While calculating the financial implications for creation of posts for Navodaya Vidyalayas, pension component was also taken into account; and

ii) The posts created in the Ministry of HRD for looking after the work relating to NVS are having pensionary benefits whereas in respect of the posts created for NVS under the same Cabinet note, this benefit is not given to NVS employees.

c) **Extracts from the IV Pay Commission Report**

"Para 9.8:

In so far as the CPF beneficiaries still in service on January 1, 1986 are concerned, we recommend that they should be deemed to have come over to the pension scheme on that date unless they specifically opt out to continue under the CPF scheme. The CPF beneficiaries who decide to continue to remain under that scheme should not be eligible on retirement for ex gratia payment recommended by us for the CPF retirees".

The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987, conveyed the acceptance of above recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to Pension scheme w.e.f. 1.1.1986.

It is relevant to point out that two Navodaya Vidyalayas were opened at Amrawati and Jhajjhar during 1985 - 86. The posts for these Vidyalayas were sanctioned by the Government on 28.10.1985 **(Annexure-III).** The first installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985 **(Annexure-IV).** Thus the posts for Navodaya Vidyalayas were existing prior to 01.01.1986. As such NVS is covered under the provisions of Department of Pension and Pensioner's Welfare OM No. 4/1/87-PIC-I dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

d) Extracts of General Financial Rules of Government of India

"Rule 149 (4) (iv) Annexure-VII:

(iv) ***All Autonomous Bodies or grantee institutions which receive more than 50% of their recurring expenditure in the form of grant-in-aid should formulate terms and conditions of service of their employees so that by and large they are broadly comparable to those applicable to similar categories of employees in Central Government".***

Since the Samiti is provided with 100% funds in the form of grant-in-aid by the Ministry of HRD, the employees of NVS are eligible for the pensionary benefits as available to employees of likely placed organizations i.e. KVS, CTSA, NCERT etc.

e) Benefits extended to other similarly placed organizations:

It is also submitted that the benefits of GPF Pension Scheme under the CCS(Pension) Rules, 1972 have been allowed to many other organizations namely Punjab University, National Institute of Open Schooling, University Grants Commission, Life Insurance Corporation, General Insurance of India, National Human Rights Commission, Indira Gandhi National Open University, Central Tibetan School Administration, NIIT, Nehru Yuva Kendra, Mizoram University and IIT, Roorkee, etc. though they were set up almost at the same time or after the establishment of NVS. Details of such organization are given at **Annexure-V**.

Some of the organisations where pension scheme has been extended are in a position to generate funds fully or partly to meet the pensionary liability. However, the policy regarding extension of pensionary benefits needs to be decided on the principles of equity and not on the basis of any organisation's capacity to generate funds which is determined by its mandate as decided by the Government itself. Any decision based only on organisation's capability to generate funds would tend to be discriminatory.

(f) Other grounds to justify the Pension Scheme

- Most of the Jawahar Navodaya Vidyalayas are located in the remotest areas of the country which are quite inaccessible. The teachers of the JNVs are performing commendable services by producing best result in the CBSE board examinations ever since its inception. The Vidyalaya, especially those in the extreme north east and far flung areas deserve special attention in view of the remoteness of the location of the Vidyalayas and the extreme climatic conditions in which the employees are rendering yeomen's service round the clock by remaining away from their families and contributing their best for the Organisation for remaining No.1 in CBSE affiliated school systems in India continuously for the past many years.

- In Navodaya Vidyalaya Samiti, there is no provision to raise funds except under the Head Vidyalaya Vikas Nidhi, which permits collection of merager amount (Rs.200/-) per month per child from those belonging to specific categories. Had there been Governmental instructions to collect fees from the students, sufficient amount could have been generated by now. However, if it is felt that if the funds are to be generated internally, then NVS may be permitted to enhance this levy Rs.150/- per month per child as tuition fee exempting the students belonging to SC/ST, economically backward communities, handicapped and girl students.
- It is pertinent to mention here that the New Pension Scheme is the substitute of old GPF-cum-Pension Scheme. The employees of Samiti were extended the benefit of NPS in order to equate them with their counterparts in other Central Govt. Organisations. However, the employees who joined prior to 1.1.2004 were prevented from being equated with their counterparts in other central govt. organizations. Since Samiti did not have the old pension scheme prior to the advent of New Pension Scheme, the grant of New Pension Scheme to the employees of NVS obviously implies that the old pension scheme is to be made available to the Samiti going by the concept of NPS Scheme.
- The number of employees presently on the roll of the Samiti to get the benefit of the old pension scheme is decreasing day by day and likely to be exhausted completely by 2054. The financial liability liability to meet the requirement of pension cannot be so high as it is being perceived. Moreover, only few employees that retire from Samiti take high pensionary benefits and many of the employees are from lower rungs only.
- With the available fund of around Rs.350.00 crore with NVS together with the permission for generating funds internally in terms of

collecting tuition fee @ Rs.150/- per child per month. It would be possible to start the old pension scheme with immediate effect.

5. RECOMMENDATIONS OF VARIOUS COMMITTEES

The committee set up by the Ministry of HRD to review the management, structure and operating mechanism of NVS under the Chairmanship of Shri Y.N. Chaturvedi (Retd.) Additional Secretary, Ministry of Human Resource Development, has also strongly recommended the extension of pensionary benefits to the employees of NVS at par with Kendriya Vidyalaya Sangathan (KVS). The committee has observed the non-availability of this benefit to be one of the reasons for the teachers leaving the services of NVS.

Department related Parliamentary Standing Committee on HRD in its 154th Report on functioning of Navodaya Vidyalayas (NVs), has observed vide para 18.3 as under :

"The committee takes note of the reservations of the Ministry of Finance in providing Pensionary benefit to employees of NVS. The committee fails to comprehend the reasons for having different approach of mind for employees working in two organizations doing similar work under a similar set up and conditions. The committee would like to point out when employees of Kendriya Vidyalaya Sangathan can enjoy the pensionary benefits on their retirement, what deters the Government in providing similar facility for employees of Navodaya Vidyalaya Samiti, many of them away from their families serving in residential schools located in rural areas. **The committee, therefore, strongly feels that the position may be reviewed again**

256

and a decision acceptable to employees of JNVs may reach at the earliest."

Further, the department related Parliamentary Standing Committee on HRD in its 184th report on the functioning of Navodaya Vidyalayas has observed as under:-

"The Committee reiterate its recommendations made in 154th report for provision of pensionary benefits to NVS employees on the same level as being given to KVS employees. The Committee strongly feels that NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees..

It is thus seen that the necessity of extending the provisions of CCS(Pension) Rules, 1972 to the employees of NVS has been appreciated and recommended at the highest levels.

6. CONCERN OF THE SAMITI

Navodaya Vidyalayas have emerged as leaders in the secondary school system in the country for the last so many years. These Vidyalayas have out performed other school system within a short span of their existence. It is very important to recruit and retain competent and qualified teachers willing to serve in interior rural areas so that the Vidyalayas can achieve the noble objectives of providing quality education to the talented children pre-dominantly from rural areas and serving as pace setting institutions in each district. The academic excellence of JNVs is better than other organized school systems.

Grant of pension benefits to employees of NVS can not be denied on account of financial crunch and organisation's inability to generate funds to meet this liability. Therefore, on the grounds of equity and parity with other similarly situated organisations, pensionary benefits may be extended to the staff of NVS who have joined before 1.1.2004, as pension is an important social security factor after retirement.

7. FINANCIAL IMPLICATION FOR IMPLEMENTATION OF PENSION SCHEME

At present, 596 Navodaya Vidyalayas(including 20 JNVs in districts having large concentration of SC& ST population) have been sanctioned with the ultimate target of one Navodaya Vidyalaya in each district of the country. As on date, the sanctioned strength of employees in NVS is approx. 23000, which includes about 13000 teaching and 10000 non-teaching employees. The number of employees who joined NVS prior to 1.1.2004 and are still working is 11904. Besides, the employees who have retired & expired after completing 10 years of regular service in NVS prior to 1.1.2004 and are thus eligible for pension is 789. Thus, in case the Pension Scheme under CCS(Pension) Rules, 1972 is extended to NVS, this would be applicable to approx. 12693 eligible employees, including retired & expired employees of NVS.

In respect of CPF Subscribers of NVS, an amount of Rs.350.00 crores (approx.) towards the CPF Contribution (i.e. Management Share alongwith interest has accumulated upto the year 2011-12 i.e. as on 31.3.2012. The committed liability towards CPF Management Share is met out of Grant-in-aid received from the Govt. and the interest liability thereof is borne out of the interest earned on investment of CPF Corpus available with the Samiti. In case the Pension Scheme under CCS(Pension) Rules, 1972 is introduced for the employees of NVS, the entire CPF liability towards Management Contribution alongwith interest in respect of the eligible working employees who joined prior to 1.1.2004 will be transferred to Pension Fund which will go on increasing every year. Eligible retired employees and family pensioners will be given an option to join the pension scheme on refund of

259

the CPF Management Share already paid to them alongwith interest @ 12% p.a.

As per actuarial calculations got by NVS (i.e. as on 31.03.2012), the total pension liability for the eligible employees joined before 1.1.2004 will be approximately Rs.1092.01 crores. After adjusting Rs.350.00 crores (approx.) of accumulated CPF liability towards Management Contribution available till the end of 2011-12, the balance liability for providing pension benefits to employees of NVS will be about Rs.742.01 crore, which may be provided by the Government either in lump-sum or in installments as a part of grant-in-aid. The accretions to the Pension Fund can be invested as per the pattern laid down by the Government.

8. POINT ON WHICH CONSIDERATION OF THE CABINET IS SOLICITED

Approval of the Cabinet is solicited for the implementation of GPF Pension Scheme for the eligible NVS employees, who joined before 01.01.2004, on the pattern of Central Civil Services (Pension) Rules, 1972.

9. IMPLEMENTATION SCHEDULE

The proposed Pension Scheme will be given effect by adopting the CCS (Pension) Rules, 1972 during the year 2013-14.

10. APPROVAL BY HRM

The Minister of Human Resource Development has seen and approved this note.

Annexure -I

PUBLISHED IN THE GAZETTE OF INDIA
PART II SECTION (3), SUB SECTION (ii)

No.4(1)-E.V./90(.I)
Government of India
Ministry of Finance
Department of Expenditure
*****

New Delhi, the 11th Nov., 1991.

NOTIFICATION

S.O. In exercise of the powers conferred by sub-section(3) of section 8 of the Provident Funds Act, 1925 (19 of 1925), the Central Government hereby adds to the Schedule to the said Act the name of the following public institutions, namely:-

Navodaya Vidyalaya Samiti; and

Energy Management Centre, Nagpur.

Sd/-

(J.P. PATI)
DIRECTOR(E.G.)

The Manager,
Government of India Press,
Ring Road, New Delhi.

Copy forwarded to:

i) Ministry of Human Resource Development (Deptt. of Education)

ii) Deptt. of Pension & Pensioners' Welfare, Ministry of Personnel, Public Grievances and Pension with the request that the name of the above Organisation may be included in the list of organisations shown in the schedule to the Provident Funds Act.

iii) Department of Power

iv) Ministry of Law, Legislative Department.

(J.P. PATI)
DIRECTOR(E.G.)

261

Annexure - II

No.4/1/87-PIC-I
Government of India
Ministry of Personnel, Public Grievances and Pensions
Department of Pension and Pensioners' Welfare

New Delhi, the 1st May, 1987.

OFFICE MEMORANDUM

Subject:-*Change over of the Central Government employees from the Contributory Provident Fund Scheme to Pension Scheme - Implementation of the recommendations of the Fourth Central Pay Commission.*

The undersigned is directed to state that the Central Government employees who are governed by the Contributory Provident Fund Scheme (CPF Scheme) have been given repeated options in the past to come over to the Pension Scheme. The last such option was given in the Department of Personnel and Training O.M. No. F3(1)-Pension unit/85 dated the 6th June, 1985. However, some Central Government employees still continue under the CPF Scheme. The Fourth Central Pay Commission has now recommended that all CPF beneficiaries in service on January 1, 1986, should be deemed to have come over to the Pension Scheme on that date unless they specifically opt out to continue under the CPF Scheme.

2. After careful consideration the President is pleased to decide that the said recommendation shall be accepted and implemented in the manner hereinafter indicated.

3. All CPF beneficiaries, who were in service on 1.1.1986 and who are still in service on the date of issue of these orders will be deemed to have come over to the Pension Scheme.

3.2. The employees of the category mentioned above will, however, have an option to continue under the CPF Scheme, if they so desire. The option will have to be exercised and conveyed to the concerned Head of Office by 30.09.1987 in the form enclosed if the employees wish to continue under the CPF Scheme. If no option is received by the Head of Office by the above date the employees will be deemed to have come over to the Pension Scheme.

3.3. The CPF beneficiaries, who were in service on 1.1.1986, but have since retired and in whose case retirement benefits have also been paid under the CPF Scheme, will have an option to have their retirement benefits calculated under the Pension Scheme provided they refund to the Government, the Government contribution to the Contributory Provident Fund and the interest thereon, drawn by them at the time of settlement of the CPF Account. Such option shall be exercised latest by 30.09.1987.

3.4. In the case of CPF beneficiaries, who were in service on 1.1.1986 but have since retired, and in whose case the CPF Account has not already been paid, will be allowed retirement benefits as if they were borne on pensionable establishments unless they specifically opt by 30.09.1987 to have their retirement benefits settled under the CPF Scheme.

262

3.5 In the case of CPF beneficiaries, who were in service on 1.1.1986, but have since died, either before retirement or after retirement, the case will be settled in accordance with para 3.3 or 3.4 above as the case may be. Options in such cases will be exercised latest by 30.09.1987 by the widow/widower and in the absence of widow/widower by the eldest surviving member of the family who would have otherwise been eligible to family pension under the Family Pension Scheme if such scheme were applicable.

3.6 The option once exercised shall be final.

3.7 In the types of cases covered by paragraph 3.3 and 3.5 involving refund of Government's contribution to the contributory provident fund together with interest drawn at the time of retirement, the amount will have to be refunded latest by the 30th September, 1987. If the amount is not refunded by the said date, simple interest thereon will be payable at 10% per annum for period of delay beyond 30.9.1987.

4.1 In the case of employees who are deemed to come over or who opt to come over to the Pension Scheme in terms of paragraphs 3.3, 3.4 and 3.5, the retirement and death benefits will be regulated in the same manner as in case of temporary/quasi-permanent or permanent Government servants, as the case may be, borne on pensionable establishment.

4.2 In the case of employees referred to above, who come over or are deemed to come over to the Pension Scheme, the Government's contribution to the CPF together with the interest thereon credited to the CPF Account of the employee will be resumed by the Government. The employees contribution together with the interest thereon at his credit in the CPF Account will be transferred to the GPF Account to be allotted to him on his coming over to the Pension Scheme.

4.3 Action to discontinue subscriptions/contributions to CPF Account may be taken only after the last date specified for exercise of option, viz., 30.09.1987.

5. A proposal to grant exgratia payment to the CPF beneficiaries, who retired prior to 1.1.1986 and to the families of CPF beneficiaries who died prior to 1.1.1986, on the basis of the recommendations of the Fourth Central Pay Commission is separately under consideration of the Government. The said ex-gratia payment, if and when sanctioned, will not be admissible to the employees or their families who opt to continue under the CPF Scheme from 1.1.1986 onward.

6.1 These orders apply to all Civilian Central Government employees who are subscribing to the Contributory Provident Fund under the Contributory Provident Fund Rules (India), 1962. In the case of other contributory provident funds, such as Special Railway Provident Fund or Indian Ordnance Factory Workers Provident Fund or Indian Naval Dockyard Workers Provident Fund, etc., the necessary orders will be issued by the respective administrative authorities.

6.2 These orders do not apply to Central Government employees who, on re-employment, are allowed to subscribe to Contributory Provident Fund. These orders

also do not apply to Central Government employees appointed on contract basis where the contribution to the Contributory Provident Fund is regulated in accordance with the terms of contract.

6.3 These orders do not also apply to scientific and technical personnel of the Department of Atomic Energy, Department of Space, Department of Electronics and such other Scientific Departments as have adopted the system prevailing in the Department of Atomic Energy. Separate orders will be issued in their respect in due course.

7.1 Ministry of Agriculture etc., are requested to bring these orders to the notice of all CPF beneficiaries under them, including those who have retired since 1.1.1986 and to the families covered by paragraph 3.5 of these orders.

7.2 Administrative Ministries administering any of the Contributory Provident Fund Rules, other than Contributory Provident Fund Rules (India), 1962, are also advised to issue similar orders in respect of CPF beneficiaries covered by those rules in consultation with the Department of Pension and Pensioners' Welfare.

8. These orders issue with the concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No.2038/JS (Pers)/87 dated 13.4.1987.

9. In their application to the persons belonging to Indian Audit and Accounts Department, these orders issue after consultation with the Comptroller and Auditor General of India.

10. Hindi version of these orders follows.

(I.K. Rasgotra)
Additional Secretary to the Government of India

To

All Ministries/Departments of the Government of India.

Copy to :-

1. President's Secretariat
2. Vice President's Secretariat
3. Prime Minister's Office
4. Lok Sabha Secretariat
5. Rajya Sabha Secretariat
6. Cabinet Secretariat
7. Secretary, U.P.S.C., New Delhi
8. Supreme Court of India
9. Election Commission
10. Planning Commission
11. Comptroller and Auditor General of India
12. Accountants General of all States
13. Director of Audit, Central, Madhu Industrial Estate, P.B.Marg, Bombay
14. Director of Audit (Central), Calcutta
15. Director of Audit, Central Revenue, New Delhi

16. Director of Audit, Central, Bombay
17. Director of Audit, Scientific and Commercial Department, Bombay
18. Director of Audit Commerce, Works and Miscellaneous, New Delhi
19. Controller General of Accounts
20. Directorate of Accounts, P.A.I. Section, Panaji, Goa
21. Controller of Accounts, Delhi Administration, 'B' Block, Vikas Bhavan, Indraprastha Estate, N. Delhi
22. Controller General of Defence Accounts
23. Controller of Defence Accounts (Pension) Allahabad
24. Controller of Defence Accounts (Navy), Bombay
25. Controller of Defence Accounts (Air Force), N. Delhi
26. Deputy Controller of Defence Accounts,(Pension Disbursement),New Delhi
27. Finance Secretaries of All States and U. Ts.
28. Chief Secretaries of Governments of all States and Union Territories
29. All Attached and Subordinate Offices of the Department of Personnel & Training
30. All Officers and Sections in the Department of Personnel & Training/Department of Pension & Pensioners' Welfare
31. A.I.S. Division, Department of Personnel & Training (10 copies)
32. E.V.Section, Department of Expenditure (10 copies)
33. J.C.A. Section (With 100 spare copies for circulation among members of National Council (JCM)
34. Under Secretary (P), Deptt. of Pension & Pensioners' Welfare (with 30 spare copies for circulation among members of SCOVA)
35. Parliament Library (10 copies)
36. National Library.(10 copies)

Mvaidya

(M.R.Vaidya)
Deputy Secretary to the Govt. of Inida

Form of Option

I ______________________________, employed
(Name)

as ______________________________, in the Ministry/
(designation)

Department/Office of ______________________________
(name of the Ministry/Deptt./Office)

do hereby opt to continue under the Contributory Provident Fund Scheme in terms of the Department of Pension & Pensioners' Welfare OM NO.4/1/87-PIC-I dated 1.5.1987

Place______________

Date______________

(Signature of the Optee)

Annexure – III 265

No. [illegible]
Government of India
Ministry of Human Resources Development
(Deptt. of Education)
****

Shastri Bhavan, New Delhi-[illegible].

October [illegible], 1985.

To

The Secretary,
N.C.E.R.T., Sri Aurobindo Marg,
New Delhi – 110 016.

Sub:- Creation of posts for the two Model Schools being opened at Amravati and Jhajjar during 1985-86.

\-\-\-\-\-

Sir,

I am directed to convey the approval of the Government of India to the creation of the following posts for each of the Model Schools being opened at Amravati and Jhajjar. The posts will be created by N.C.E.R.T. on behalf of the Autonomous Body to be set up to manage and run the Model Schools:

Sl. No.	Category	Number of posts	Pay Scale (in rupees)
1.	Principal	1	1100 – 1600
2.	Trained Graduate Teachers	4	~~400~~ 440 – 750
3.	Physical Education Teacher	1	440 – 750
4.	Art & Craft Teachers	1	440 – 750
5.	Librarian	1	440 – [illegible]
6.	U.D.C.	1	[illegible]
7.	Staff Nurse	1	[illegible]
8.	Chowkidar	1	[illegible]
	Total	11 Posts	

2. The expenditure on the pay and allowances etc. of these posts will be met out of the grants released to N.C.E.R.T. specifically for this purpose.

3. The posts are created with the approval of IFD vide their No. [illegible]/85-IFD dt. 25.10.'85.

Yours faithfully,

o/c (RENUKA MISRA) (MRS.)
UNDER SECRETARY

....../2

ANNEXURE to Letter No.27-18/85-Sch.I Dt.28th October, 1985.

ITEMS OF EXPENDITURE FOR MODEL SCHOOLS AT AMRAVATI AND JHAJJAR - 1985-86

Item	Amount (In Rs)
1. Boarding & Lodging and educational expenses of students.	1,40,000
2. Furniture for Schools for students.	30,000
3. Furniture and utensils for Hostel.	72,500
4. Lab-Equipment, Audio-Visual Aids, Sports, etc.	30,000
5. Library (Books and Furniture)	25,000
6. Furniture for Principal, Teachers and Common Room and furnishings.	30,000
7. Pay and Allowances & T.A./D.A. of Teachers and Staff.	1,50,000
8. Office and School Equipments.	25,000
9. Contingency	35,000
TOTAL	5,37,500
For Two Schools ..	5,37,500 x 2
=	10,75,000

Plus Building repair:

For School at Jhajjar .. Rs.5,90,000
For School at Amravati . 5,85,000 — 11,75,000

Total amount to be released. .. 10,75,000 + 11,75,000

22,50,000

(Rupees twenty two lakhs and fifty thousand only)

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- 23 -

26

Annexure - IV

No.F.27-18/85-Sch.I
Government of India
Ministry of Human Resource Development
(Department of Education)

....

Shastri Bhavan, New Delhi-1.

October 28, 1985.

To

The Accounts Officer,
Pay & Accounts Office (Education),
New Delhi.

Sub:- Grant-in-aid to the National Council of Educational Research and Training during 1985-86 (Plan) for starting two Model Schools at Amravati and Jhajjar.

....

Sir,

I am directed to state that the Government of India has approved the setting up of one Model School in each District of the country during the Seventh Plan period. It has been decided to open two Model Schools in 1985-86 itself, one at Amravati (Maharashtra) and the other at Jhajjar (Haryana). Since the Autonomous Body to manage and run the Model Schools is yet to come into existence, the NCERT has been given the responsibility of starting and running the two schools this year. As soon as the Autonomous Body for the Model Schools is set up, all work relating to Model Schools will be transferred to it. The funds released to NCERT will also be transferred to that Body.

2. I am directed to convey the sanction of the President of India to the payment of first instalment of grant of Rs.22.50 lakhs (Rupees twenty two lakhs and fifty thousand only) to the NCERT, New Delhi for starting and running the two model schools in 1985-86. The items of expenditure are given in the annexure (enclosed).

3. The expenditure involved would bet met out of Demand No.25-Education, Major Head 277-B, Education B-1 Secondary Education B1(1)(8) - Setting up of Model Schools (Plan) 1985-86.

4. This sanction is being issued in conformity with the rules and regulations and the pattern of assistance approved by the Ministry of Finance.

5. The accounts of this grant-in-aid shall be subject to audit by the Comptroller and Auditor General of India or his nominee in this behalf.

.../2

6. The amount of grant will be drawn by the Drawing and Disbursing Officer (Grants) of this Ministry and paid by a crossed cheque to the grantee organisation. On receipt of this amount it should be deposited in the State Bank of India who are the Bankers of the Council as provided in its Memorandum a of Association.

7. The assets created out of this grant should not, without the prior approval of the Government of India, be disposed of, encumbered or utilised for purpose other than those for which the grant is sanctioned.

8. No part of this grant should be diverted to any institution or utilised for any purpose other than what it is mentioned in the Budget proposals of the Council as approved by the Government of India.

9. Separate accounts should be maintained in respect of Plan and Non-Plan items of expenditure.

10. The portion of the amount of the grant which is not utilised by 31.3.1986 should be intimated to the Government immediately thereafter. It will be adjusted in the grant for the next year.

11. A register of assets acquired wholly or substantially out of the grant should be maintained in theform already furnished to the Council and a certified copy from the register in respect of the assets so acquired should be sent to this Ministry not later than the 30.4.1986. Such copies should continue to be furnished even if and after Government grants to the National council of Educational Research and Training have ceased. The information in the returns to be submitted to the Government should relates but to all previous assets too, created wholly or substantially out of Government grant upto the end of the period to which the return relates. For purpose of determining whether an asset has been created substantially out of Government grant should exceed 50 per cent.

12. The Council shall be bound to submit from time to time such reports, statement, etc. in respect of expenditure from this grant as might from time to time be required by the Government of India.

13. The grant is subject to the condition that House Rent Allowance travelling allowance, daily allowance and other similar allowances should be so regulated as not to exceed the corresponding allowances sanctioned to Government employees from time to time by Government.

14. The Council shall fully implement the Official Language Policy of the Union Government i.e. "the Council shall fully comply with the Official Language Act, 1963 and Official Languages (Use for the official purposes of the Union Rules, 1976 etc."

15. This sanction issues in exercise of delegated powers in consultation with Internal Finance Division vide their Dy.No. 8249-0/85-IF.I dated 28-10-1985.

.../3

16. No funds out of this grant should be utilised for any new scheme for which prior approval of Government has not been obtained.

17. With reference to the requirements of the Ministry of Finance O.M.No.14-IFA/64 dated the 23rd November, 1965, I am to add that the NCERT is exempted from the requirements of execution of Bond in terms of Ministry of Finance Memorandum of the same number dated 23.9.1964, read with their Memorandum dated 23.6.1965 because the NCERT was set up by the Government of India by Resolution and is registered under the Societies Registration Act.

Yours faithfully,

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Copy to :-

1. Secretary, NCERT, New Delhi.
2. Expenditure Control Unit of the Ministry of Human Resource Development, Department of Education.
3. Integrated Finance Division.
4. I.F.I Section with reference to their Dy.No.8249-0/85-IF.I dated 28-10-1985.
5. Drawing & Disbursing Officer (Grants), Ministry of Human Resource Development, Deptt. of Education, New Delhi with 2 fair signed copies for necessary action.
6. A.G.C.R. (Special Cell), New Delhi.
7. Sanction Folder.

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Encl: One Annexure.

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Annexure-V

Details of organizations where benefits of GPF Pension Scheme under CCS (Pension) Rules, 1972 have been allowed which came into existence after the establishment of Navodaya Vidyalaya Samiti

Name of Organisation	Authority and date of implementation
1. IIT Kanpur	With the approval of Board of governess office order 10th June 1990
2. IIT Bombay	With the approval of Board of governess vide of 6th May 1998
3. IIT Karagpur	With the approval of Board of governess vide of 25th July 1997
4. IIT Roorkee	With the approval of Board of governess vide of 3rd April 1999
5. CSIR	With the approval of Board of governess vide of 25th January 1999

It may be seen that the above departments have adopted GPF cum pension scheme with the approval of Board of Governors without seeking approval from the Government of India.

There are many Central Government organizations which have introduced pension scheme after the existence of Navodaya Vidyalaya Samiti. Government has also allowed many organizations to switch over to Government of India pension scheme during the recent past. The details are given below.

Name of Organisation and approximate number of employees	Status	Effective Date and Authority
Life Insurance of India (1,25,000)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
General Insurance Corporation of India	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
National Insurance Company Limited (16/972)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The New India Assurance Company Limited (20,847)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The Oriental Insurance Company Limited	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995
The United India Insurance Company Limited (18,883)	Statutory Insurance Corporation	1-1-1993 (Vide Gazette notification S.O. No. 585 (E) dated 28.06.1995

271

The National Human Rights Commission (316)	Statutory Body under MHA	Pension Scheme introduced on the basis of DO letter written by the J.S., Ministry of Home Affairs to the Secretary, NHRC
Indian Institute of Public Administration	Registered Society under DOPT	GOI provided Rs. 400 lacs for a non-recurring pension corpus fund in 1997-98 & 98-99
National Open School	Registered Society under MHRD (established in the year 1989)	Pensionary benefits extended to the employees of NIOS from the date of registration as a society i.e. 23-11-89 on the ground that earlier this was started as project under CBSE/Department of Secondary Education and Higher Education
IGNOU	Central University (Set up in September 1985)	
Central Tibetan School Administration (816)	Registered Society under MHRD	Vide Circular no. F.22-31/86-CTSA dated 2nd March 1988 with the approval of GOI
Mizoram University	Central University under MHRD (Established in the year 2001)	
Maulana Azad National Urdu University, Hyderabad	Central University under MHRD (Established in the year 1998)	
IIT Roorkee		Notification dated 25th January 2002 issued on the basis of Government of India ordnance no. 6 of 2001 dated 21.09.01 while declaring the University of Roorkeas and IIT
Konkan Railway Corporation Ltd.	A Government of India undertaking setup in 1998	With the approval of BOG-Meeting held on 27.01.2004

FTS - 70024

272

NAVODAYA VIDYALAYA SAMITI
(An Autonomous Organization under
Ministry of Human Resource Development,
Department of School Education & Literacy),
Government of India
B-15, Sector-62, Institutional Area, Noida-201309(U.P.)
Phone no. 0120-2405927 Fax No. 0120-2405182
Email : Navodaya@ren02.nic.in
: Navodaya@nda.vsnl.net.in
Website: Navodaya.nic.in

F.No. 24-01/2013-NVS (GA) / 378 By Hand Dated: 06/06/2013

To

Shri J. Alam,
Joint Secretary (SE-II)
Ministry of Human Resource Development
Department of School Education & Literacy,
Shastri Bhawan,
New Delhi-110001

Sub: Draft Note for Cabinet Committee on Economic Affairs – Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti – - reg.

Sir,

In continuation of this office letters of even number dated 8.3.2013 and 20.05.2013 on the above mentioned subject, I am sending herewith the revised draft Note for Cabinet Committee on Economic Affairs regarding introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti, duly incorporating the financial implication based on the actuarial calculations, as per the report of Actuary placed at **Annexure "A"**.

2. The report of the Actuary inter-alia stipulates that the Samiti requires the total Pension Corpus of Rs.1257.83 crore (approx.) as on 31.3.2012 for meeting the Pension liability under CCS (Pension) Rules, 1972. However, the Samiti has already accumulated Rs.375.50 crore (approx.), as Management Share and Interest credited in the CPF accounts of those working employees who joined NVS prior to 01.01.2004 and are eligible for pension. In respect of eligible retired employees and family pensioners, if they opt to join the Pension Scheme, they would require to refund the CPF Management Share already paid to them alongwith interest @12% per annum, which is anticipated to an extent of Rs.25.50 crore (approx.) as on 31.3.2012.

Contd....2/-

11/6

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273

3. With a view to meet the Pension liability over a different time period, the Samiti has also worked out the amount thereof in three different options, as per details given below:-

i) In case the Pension Corpus is provided in one instalment, this would involve the fund requirement of Rs.824.77 crore (details placed at **Annexure 'VII'**).

ii) In case the Pension Corpus is provided within five equal instalments (i.e. @Rs.167.52 crore each), the requirement of funds thereof would be Rs.952.17 crore (details placed at **Annexure-"VIII"**).

iii) In case the Pension corpus is provided within ten equal instalments (i.e. @Rs.101.53 crore each), this would involve the funds requirement of Rs.1129.87 crore (details placed at **Annexure 'IX'**).

Besides, additional funds of Rs.101.00 crore (i.e. Pension liability of Rs.126.50 crore minus anticipated Corpus of Rs.25.50 crore approx.) would also be required to meet the proposed Pension liability in respect of 660 retired employees and 129 expired employees, if they opt to join the proposed Pension Scheme.

4. A comparative statement showing the changes made in Para-6 of the Draft Cabinet Note for Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS), with reference to the earlier proposal submitted during March, 2013 is enclosed at **Annexure-B.**

5. It is, therefore, requested to consider the above proposal of NVS for seeking approval of the Government at an early date.

Yours faithfully,

(G.S Bothyal)
Commissioner

Encl: As above

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

Shastri Bhawan, New Delhi
Dated the________________

NOTE FOR CABINET COMMITTEE ON ECONOMIC AFFAIRS

Subject: Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS).

1. PROPOSAL

1.1 The proposal seeks approval of the Cabinet for introduction of GPF Pension Scheme under CCS (Pension) Rules, 1972 for the employees in Navodaya Vidyalaya Samiti, an autonomous organization, fully funded by the Government of India under the Ministry of Human Resource Development, Department of School Education & Literacy, who joined the service before 1.1.2004.

2. BACKGROUND

2.1 The scheme of Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 as a Central Sector Scheme which is 100% funded by the Government of India. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Department of Secondary and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. Navodaya Vidyalaya Samiti is a Central Sector Scheme which is 100% funded by the Government of India in the shape of grant-in-aid. JNVs are fully residential, co-educational institutions providing free education including

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

boarding and lodging, text books, uniform, stationery, etc. upto senior secondary stage.

2.2 Establishment of Navodaya Vidyalayas is, thus, a part of the conscious efforts of the Government for spreading quality education in the country through Central Sector Schools. Navodaya Vidyalayas provide an opportunity to talented rural children to avail of good quality education.

2.3 Initially, 02 Navodaya Vidyalayas were opened at District Amrawati (Maharashtra) and Jhajjhar (Haryana) during 1985-86 (28th October, 1985). The appointment of employees in these JNVs were initially made on deputation basis and thereafter direct recruitment/permanent absorption of employees has taken place from the year 1989 onwards. The NVS was registered as a society on 28th February, 1986. At that time, an assurance was given to all employees that pension scheme for employees of the Samiti was under consideration and likely to be introduced. It was also assured that on adoption of the pension scheme in the Samiti, such employees would be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the extant rules. JNVs started functioning with 02 Nos. in 1985 have now grown to 596 Nos. and aiming to establish JNVs in the remaining districts of the country as a part of the scheme.

3. SERVICE CONDITIONS OF THE EMPLOYEES OF NVS

3.1 The Government of India has approved extension of the pay structure to the teaching and non-teaching staff of Central Government employees.

– SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

NVS has also adopted, mutatis-mutandis, the Government of India rules and regulations on service matters for its employees

3.2 The Ministry of Finance, Department of Expenditure, Govt, of India vide its Notification No. 4(1)-E.V./90 (i) dated 11.11.1991 extended the Contributory Provident Fund (CPF) Scheme to the employees of NVS retrospectively w.e.f. 1st April'1988 (**Annexure-I** at page______).

3.3 At present, employees of NVS are given the benefit of Leave Encashment, Gratuity and Contributory Provident Fund. The Government has approved introduction of New Pension Scheme to all regular NVS employees w.e.f. 1.4.2009 (**Annexure-II** at pages _______).

3.4 The New Pension Scheme has been introduced for the regular Central Government employees who joined their services w.e.f. 01.01.2004 or thereafter. All the Central Government employees in service before the cut-off date of 01.01.2004 are eligible for pension under CCS(Pension) Rules, 1972.

3.5 The NVS employees who have been in service before 01.01.2004 have been representing for the grant of pension under CCS(Pension) Rules, 1972 as applicable to Central Government employees.

2.77

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

4. EFFORTS MADE TO INTRODUCE CCS PENSION SCHEME IN NVS

4.1 The Government has considered the demand on a number of occasions previously. But this has not been agreed to by the Ministry of Finance, Department of Expenditure.

4.2 The first consideration was at the time of implementation of the Fourth Pay Commission Recommendations. A proposal was made for implementation of Pension cum GPF Scheme in the light of OM No.4/1/87-PIC-I dated 01.5.1987 **(Annexure–III at** pages ______) issued by the Department of Pension and Pensioners' Welfare, wherein it was decided that all CPF beneficiaries in service should be given an option to convert to Pension Scheme. It was, however, not agreed to on the grounds that NVS was not in existence on 1.1.1986. The matter was again referred to the Deptt. Of Expenditure in February, 1990 and 1992. It was not supported by Department of Expenditure (**Annexure-IV** at page_____) and (**Annexure-V** at page________) in the context of resource crunch.

4.3 A renewed effort was made in December 1998 when the issue was taken up with the Hon'ble Minister of Finance. But the proposal was again turned down vide letter dated 5.2.1999 on the following grounds:-

a) The cost of introduction of Pension Scheme is much higher than the CPF Scheme. While CPF is an one-time settlement, pension is a life-long commitment not only in respect of the pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay/pensionary benefits on the basis of the

278

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

recommendations of the successive Pay Commissions and revision in the rates of dearness relief. As most of the autonomous bodies are fully funded through grants-in-aid received from the Government, Government's liability will increase to that extent if pension scheme is introduced.

b) For servicing a pension scheme, a pension fund is required to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

c) Under the employees' Provident Fund Act, the accretions to the Provident Fund are to be invested as per the pattern of investment laid down by the Government. With the formation of a Pension Fund, if accretions are invested elsewhere, the Government will loose resources to that extent.

d) In case the organization is wound up for one reason or the other, the Government may have to take over the entire liability for pension.

5. AGITATION BY THE EMPLOYEES OF JNVs

The employees of JNVs had proceeded on indefinite strike w.e.f. 6.2.2013 for fulfillment of various demands. One of the major demands related to the implementation of CCS(Pension) Rules, 1972. The employees of JNVs were assured that their demands would be sympathetically considered in a time bound manner after which the strike was withdrawn on 15.2.2013.

279

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

6. FINANCIAL IMPLICATIONS

6.1 As on date, the sanctioned strength of employees in NVS is approx. 23,000. The number of employees who joined NVS prior to 1.1.2004 and are still working is 11904. Besides, the employees who have retired after completing 10 years of regular service in NVS prior to 1.1.2004 and are thus eligible for pension is 789 including 129 expired employees. Thus, in case the Pension Scheme under CCS(Pension) Rules, 1972 is extended to NVS, this would be applicable to approx. 12693 eligible employees, including retired & expired employees of NVS.

6.2 In respect of existing CPF Subscribers who joined NVS prior to 1.1.2004, the CPF Contribution (i.e. Management Share and interest) of Rs.350 crore has been accumulated upto the year 2011-12. The committed liability towards CPF Management Share is met out of Grant-in-aid received from the Govt. and the interest liability thereof is borne out of the interest earned on investment of CPF Corpus available with the Samiti. In case the Pension Scheme under CCS(Pension) Rules, 1972 is introduced for the employees of NVS, the entire CPF liability towards Management Contribution alongwith interest in respect of the eligible working employees who joined prior to 1.1.2004 will be transferred to Pension Fund which will go on increasing every year. Eligible retired employees and family pensioners will be given an option to join the pension scheme on refund of the CPF Management Share already paid to them alongwith interest @ 12% p.a.

280

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

6.3 As per actuarial calculations got by NVS (i.e. as on 31.3.2012), the total pension liability for the eligible employees joined before 1.1.2004 will be approximately Rs.1257.83 crore. After adjusting the amount of CPF contribution of Rs.375.50 crore (including Rs.25.50 crore anticipated from the retired employees and family pensioners if they opt for the same) with the total pension liability of Rs.1257.83 crore, the balance liability for providing pension benefits to the employees of NVS will be about Rs.882.33 crore, which may be provided by the Government either in lump-sum or in installments as a part of grant-in-aid. The accretions to the Pension Fund can be invested as per the pattern laid down by the Government.

Following options can be considered for the funding of Pension Scheme:

(i) Existing CPF corpus of Rs.350.00 crore alongwith interest accrued thereon will be sufficient to meet the pension liability of serving as well as retired employees & family pensioners upto the year 2021. Thereafter, the Pension Corpus may be provided from the year 2022 onwards by the Government alongwith annual grant-in-aid, as per the year-wise details of outflow required to meet the Pension liability. (**Annexure-VI** at page_______)

(ii) In case the Pension Corpus is provided in one installment (lump-sum), this would involve the funds requirement of Rs.824.77 crore (**Annexure-VII** at page___________).

SECRET
No.F.~~17~~-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

(iii)In case the Pension Corpus is provided within five equal instalments (i.e. @ Rs.167.52 crore each), the requirement of funds thereof would be Rs.952.17 crore (**Annexure-VIII at page_____**).

(iv)In case the Pension Corpus is provided within ten equal installment (i.e @ Rs.101.53 crore each), this would involve the funds requirement of Rs.1129.87 crore (**Annexure-~~I~~X at page______)**

7. **JUSTIFICATION**

7.1 The grant of Pension under CCS(Pension) Rules, 1972 needs to be considered sympathetically on the following grounds:-

a) Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to

extend the retirement benefits to the teachers as available to the Central Government employees.

7.2 The service conditions of the teaching and non-teaching staff of JNVs, at the time of inception, were proposed to be at par with those of Kendirya Vidyalayas. The employees of Kendriya Vidyalaya Sangathan who joined before 01.01.2004 are in receipt of pension under CCS(Pension) Rules, 1972.

7.1.3. **Conceptualization of JNVs before 01.01.1986**

In terms of the recommendations of the 4th Pay Commission, all the CPF beneficiaries in service as on 1st, January 1986 had the option to switch over to the Pension Scheme unless they specifically opted out to continue under the CPF scheme. The employees of JNVs have been denied this option only on the technical ground because NVS is a society under the Societies Registration Act, 1860. But, in fact, two Navodaya Vidyalayas were opened at Amrawati and Jhajjhar during 1985-86. the posts for these Vidyalayas were sanctioned by the Government on 28.10.1985 (**Annexure-X** at page _______). The first installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985 (**Annexure-XI** at page ________). Thus the posts for Navodaya Vidyalayas existed prior to 01.01.1986. As such NVS should be deemed to be covered under the provisions of Department of Pension and Pensioner's Welfare OM No.4/1/87-PIC-1 dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

283

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

7.1.4. **Benefits extended to other similarly placed organizations:**

GPF Pension Scheme under the CCS(Pension) Rules, 1972 have been allowed to many other organizations namely IIT, Kanpur, IIT Bombay, IIT Kharagpur, IIT Roorkee, CSIR, Life Insurance Corporation, General Insurance of India, IIPA, National Human Rights Commission, Indira Gandhi National Open University, NIOS, Nehru Yuva Kendra, Mizoram University, Konkan Railway Corporation Ltd. etc. though they were set up almost at the same time or after the establishment of NVS. Some of the organizations where pension scheme has been extended are in a position to generate funds fully or partly to meet the pensionary liability. However, the policy regarding extension of pensionary benefits needs to be decided on the principles of equity and not on the basis of any organisation's capacity to generate funds which is determined by its mandate as decided by the Government itself. NVS cannot have the capacity to generate funds as its conceptualization is as an organization which is to provide free quality education including boarding, lodging, textbooks, uniform, stationery, etc. to the talented children. The generation of funds by NVS to support the pension scheme will be in conflict with the organization goal. As such, on account of the organizational objectives, the employees of NVS should not be denied the legitimate expectation for pension as available to other employees of the similar autonomous organizations under the Ministry of HRD.

284

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

7.1.5. **Recommendations of various committees:**

The committee set up by the Ministry of HRD to review the management, structure and operating mechanism of NVS under the Chairmanship of Shri Y.N. Chaturvedi (Retd.) Additional Secretary, Ministry of Human Resource Development, has also strongly recommended the extension of pensionary benefits to the employees of NVS at par with Kendriya Vidyalaya Sangathan (KVS). The committee has observed the non-availability of this benefit to be one of the reasons for the teachers leaving the services of NVS.

Department related Parliamentary Standing Committee on HRD in its 154^{th} Report on functioning of Navodaya Vidyalayas (NVs), has recommended that the provision of pensionary benefits be granted to NVS employees on the same level as being given to KVS employees as NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees.

7.1.6 Most of the Jawahar Navodaya Vidyalayas are located in the remotest areas of the country which are quite inaccessible. The teachers of the JNVs are performing commendable services by producing best result in the CBSE board examinations ever since its inception. The Vidyalaya, especially those in the extreme north east and far flung areas deserve special attention in view of the remoteness of the location of the vidyalayas and the extreme climatic conditions in which the employees are rendering yeomen's service round the clock by remaining away from their families and

SECRET
No:F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

contributing their best for the organization for remaining No.1 in CBSE affiliated school systems in India continuously for the past many years. The number of employees presently on the roll of the Samiti to get the benefit of the CCS (Pension) Scheme is decreasing day by day and likely to be exhausted completely by 2054.

8. **INTER-MINISTERIAL CONSULTATIONS**

8.1 Comments of Department of Expenditure, Department of Economic Affairs, Department of Pension & Pensioners' Welfare, Department of Personnel & Training and Ministry of Labour & Employment will be obtained by circulating the draft Cabinet Note.

(to be added)

9. **APPROVAL SOUGHT**

Approval of the Cabinet is solicited for the implementation of GPF Pension Scheme for the eligible NVS employees, who joined before 01.01.2004, on the pattern of Central Civil Services (Pension) Rules, 1972.

10. The statement of implementation schedule is at **Appendix-1** (page ____ of _____) to the Note.

11. The statement of equity, innovation and public accountability is at **Appendix-II** (page ____ of _____) to the Note.

286

SECRET
No.F.17-44/2011-UT.3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

12. The Note has been seen and approved by the Minister of Human Resource Development.

Joint Secretary (SE-II)

Ph:__________

APPENDIX-1

STATEMENT OF IMPLEMENTATION SCHEDULE

Subject: **Introduction of Pension Scheme under CCS(Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS)**

Gist of decision required	Projected benefits/ results	Time-frame and manner of implementation of decision
To implement GPF cum Pension Scheme for the eligible NVS employees, who joined before 01.01.2004, on the pattern of Central Civil Services (Pension) Rules, 1972	Not applicable	The proposed Pension Scheme will be given effect by adoipting the CCS (Pension) Rules, 1972 during the year 2013-14.

Joint Secretary (SE-II)

Ph:___________

APPENDIX-1I

STATEMENT OF EQUITY, INNOVATION AND PUBLIC ACCOUNTABILITY

'Subject: **Introduction of Pension Scheme under CCS(Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS)**

Sl. No.	The required goal	How does the proposal advance this goal
1.	Equity or inclusiveness	
2.	Innovation	
3.	Public accountability	

Joint Secretary (SE-II)

Ph:2338

Annexure - I
(Para 3.2 page 2 of 26)

PUBLISHED IN THE GAZETTE OF INDIA
PART II SECTION (3), SUB SECTION (ii)

No.4(1)-E.V./90(.I)
Government of India
Ministry of Finance
Department of Expenditure
*****

New Delhi, the 11th Nov - 1991.

NOTIFICATION

S.O. In exercise of the powers conferred by sub-section(3) of section 8 of the Provident Funds Act, 1925 (19 of 1925), the Central Government hereby adds to the Schedule to the said Act the name of the following public institutions, namely:-

Navodaya Vidyalaya Samiti; and

Energy Management Centre, Nagpur.

Sd/-
(J.P. PATI)
DIRECTOR(E.G.)

The Manager,
Government of India Press,
Ring Road, New Delhi.

Copy forwarded to:

i) Ministry of Human Resource Development (Deptt. of Education)

ii) Deptt. of Pension & Pensioners' Welfare, Ministry of Personnel, Public Grievances and Pension with the request that the name of the above Organisation may be included in the list of organisations shown in the schedule to the Provident Funds Act.

iii) Department of Power

iv) Ministry of Law, Legislative Department.

(J.P. PATI)
DIRECTOR(E.G.)

240

Annexure - II
(Para 3.3 page 3 of 26)

नवोदय विद्यालय समिति
मानव संसाधन विकास मंत्रालय, स्कूल
शिक्षा और साक्षरता का एक स्वायत्त संस्थान),
भारत सरकार

ए - 28, कैलाश कॉलोनी,
नई दिल्ली - 110 048

NAVODAYA VIDYALAYA SAMITI
(An Autonomous Organization under
Ministry of Human Resource Development,
Department of School Education & Literacy),
Government of India
A-28, Kailash Colony
NEW DELHI - 110 048

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F.No. 18-1/2008-NVS (Admn.) Dated: 04.08.2009

NOTIFICATION

The Ministry of Human Resource Development, Department of School Education & Literacy, vide letter No. F. 5-7/98-UT-1 dated 14th August 2008, has conveyed the approval of the Union Cabinet for introduction of the New Pension Scheme of Govt. of India to all regular Navodaya Vidyalaya Samiti (NVS) employees joining NVS after its notification by the Samiti and giving an option to the regular employees of NVS as on the date of notification to continue with the existing CPF Scheme or to join the New Pension Scheme. In the latter case, the amount accumulated in the CPF Account of the employee will be transferred to the pension fund under the New Pension Scheme.

Accordingly, it is hereby notified that the New Pension Scheme shall be applicable to all the regular employees of NVS and will come into force w.e.f. 01.04.2009. All regular employees of NVS joining on or after 1.4.09 shall become members of NPS. However (those employees who had joined NVS on regular basis before 1.4.09 shall have the option either to continue with the existing CPF Scheme or to join the New Pension Scheme. In case of opting for the New Pension Scheme, the amount accumulated as on 1.4.2009, in the CPF Account of the employees, will be transferred to the pension fund under the New Pension Scheme.) This option can be exercised within three months from the date of issue of this notification in the prescribed format (i.e. form of option) appended herewith.

New Pension Scheme notified by Department of Economic Affairs, Ministry of Finance on 22.12.2003 and introduced vide D/O Expenditure O.M.

No. 1(7)(2)/2003 dated 7.1.2004, and as amended from time to time, will apply mutates mutendis in the NVS.

Some of the salient features of the New Pension Scheme are as under.

(1) (a) The New Pension Scheme will have two tiers – Tier-I and II.
(b) Contribution to Tier-I is mandatory, whereas contribution to Tier-II will be optional and at the discretion of employees.

(2) (i) In Tier-I, employees will have to make contribution of 10% of their basic pay plus Dearness Pay plus DA (Plus NPA, if any), in the pre-revised pay scales and / or Revised Pay plus Grade Pay plus DA admissible in the revised pay scales, which will be deducted from his salary bill every month by the PAO concerned. The Samiti will make an equal matching contribution.
(ii) The contributions payable by the employees and those paid by the Samiti shall be rounded off to the nearest rupee.
(iii) Any recovery in the subsequent date after 1.4.2009, on account of short receipt / deductions of the employees and Samiti's contribution, etc. shall form part of the pension fund, under the New Pension Scheme. The outstanding CPF advances recovered after 1.4.2009 shall also form part of the pension fund.

(3) Recovery will commence from the month following the month of joining the service in NVS.

(4) No withdrawal is permissible from Tier-I account.

(5) (i) Tier-I contributions (and the investment returns) will be kept in a non-withdrawal Pension Tier-I Account.
(ii) Tier-II contributions will be kept in a separate account that will be withdrawable at the option of the employee.
(iii) The Samiti will not make any contribution to Tier-II account.

(6) Tire II is not operational as on date.

(7) A separate Cell will be set up at NVS (Hqrs.) to monitor and regulate the pension fund. This Cell will function as Central Record Keeping Agency for maintenance of the record, accounts etc. and also to undertake the works regarding implementation of New Pension Scheme in NVS.

(8) (i) Exit from the scheme will be normally on attaining the age of 60 years or after the age of 60 years from the Tier-I of the scheme.
(ii) At normal exit, it would be mandatory for the employees to invest 40 percent of pension wealth in an annuity (from an IRDA. Regulated Life Insurance Company) which will provide for pension for the lifetime of the Employees and their dependent parents / spouse.
(iii) In the case of employees who leave the scheme before attaining the age of 60 years, the mandatory annutization would be 80% of the pension wealth.

(9) The existing provisions of leave encashment will continue to be applicable to employees who join service in NVS on or after 1.4.2009, as

292

the benefit of encashment of leave salary is not a part of retireme. benefits admissible under the extent rules.

(10) Individuals will get an Annual statement containing the details : opening balance, monthly contributions, Samiti's matching contributio and interest earned.

(11) Accumulations at the credit of subscribers to the New Pension Schem for all the regular employees of NVS shall carry interest at the rate to b notified by the competent authority from time to time.

(12) As the New Pension Scheme is based on defined contribution, the lengt of qualifying service is not relevant. Thus, no credit of casual servic shall be allowed to casual workers on their regularization against Grour 'D' posts on or after 1.4.2009.

(13) It is further clarified that: -

(i) With effect from 1st June, 2008 National Securities Depository Ltd. (NSDL) has started functioning as the Central Record keeping Agency (CRA) for the NPS and it is they who shall be allotting the permanent Retirement Account Number (PRAN) and maintaining the accounts of individual NPS subscribers.

(ii) Once the pension corpus is transferred to the PFRDA regulated NPS architecture and invested therein, there would be no interest payable on the corpus so transferred. Returns thereon would, thereafter, be market determined. Further, investment of NPS contributions of subscribers shall take place in accordance with the investment guidelines of the Ministry of Finance for non-Government Provident Funds and Superannuation Funds. Ministry of Human Resource Development may, however, decide as regards the interest payable on the accumulated pension corpus (and to the underlying subscribers) prior to its actual transfer to the NPS architecture.

(Alok Verma)
Joint Commissioner (Admn.)

1. All Jawahar Navodaya Vidyalayas
2. All Regional Offices of NVS.
3. All Navodaya Leadership Institutes.
4. All Officers at NVS (Hqrs.)

Copy to: -

1. PS to Hon'ble HRM & Chairman, NVS, Shastri Bhawan, New Delhi
2. Joint Secretary (SE), Ministry of HRD, Department of School Education & Literacy, Shastri Bhawan, New Delhi.

Joint Commissioner (Admn.)

Annexure – III
(Para 4.2 page 3 of 38)

No.4/1/87-PIC-I
Government of India
Ministry of Personnel, Public Grievances and Pensions
Department of Pension and Pensioners' Welfare

144

New Delhi, the 1st May, 1987.

OFFICE MEMORANDUM

Subject:-*Change over of the Central Government employees from the Contributory Provident Fund Scheme to Pension Scheme - Implementation of the recommendations of the Fourth Central Pay Commission.*

The undersigned is directed to state that the Central Government employees who are governed by the Contributory Provident Fund Scheme (CPF Scheme) have been given repeated options in the past to come over to the Pension Scheme. The last such option was given in the Department of Personnel and Training O.M. No. F3(1)-Pension unit/85 dated the 6th June, 1985. However, some Central Government employees still continue under the CPF Scheme. The Fourth Central Pay Commission has now recommended that all CPF beneficiaries in service on January 1, 1986, should be deemed to have come over to the Pension Scheme on that date unless they specifically opt out to continue under the CPF Scheme.

2. After careful consideration the President is pleased to decide that the said recommendation shall be accepted and implemented in the manner hereinafter indicated.

3. All CPF beneficiaries, who were in service on 1.1.1986 and who are still in service on the date of issue of these orders will be deemed to have come over to the Pension Scheme.

3.2. The employees of the category mentioned above will, however, have an option to continue under the CPF Scheme, if they so desire. The option will have to be exercised and conveyed to the concerned Head of Office by 30.09.1987 in the form enclosed if the employees wish to continue under the CPF Scheme. If no option is received by the Head of Office by the above date the employees will be deemed to have come over to the Pension Scheme.

3.3. The CPF beneficiaries, who were in service on 1.1.1986, but have since retired and in whose case retirement benefits have also been paid under the CPF Scheme, will have an option to have their retirement benefits calculated under the Pension Scheme provided they refund to the Government, the Government contribution to the Contributory Provident Fund and the interest thereon, drawn by them at the time of settlement of the CPF Account. Such option shall be exercised latest by 30.09.1987.

3.4. In the case of CPF beneficiaries, who were in service on 1.1.1986 but have since retired, and in whose case the CPF Account has not already been paid, will be allowed retirement benefits as if they were borne on pensionable establishments unless they specifically opt by 30.09.1987 to have their retirement benefits settled under the CPF Scheme.

3.5 In the case of CPF beneficiaries, who were in service on 1.1.1986, but have since died, either before retirement or after retirement, the case will be settled in accordance with para 3.3 or 3.4 above as the case may be. Options in such cases will be exercised latest by 30.09.1987 by the widow/widower and in the absence of widow/widower by the eldest surviving member of the family who would have otherwise been eligible to family pension under the Family Pension Scheme if such scheme were applicable.

3.6 The option once exercised shall be final.

3.7 In the types of cases covered by paragraph 3.3 and 3.5 involving refund of Government's contribution to the contributory provident fund together with interest drawn at the time of retirement, the amount will have to be refunded latest by the 30th September, 1987. If the amount is not refunded by the said date, simple interest thereon will be payable at 10% per annum for period of delay beyond 30.9.1987.

4.1 In the case of employees who are deemed to come over or who opt to come over to the Pension Scheme in terms of paragraphs 3.3, 3.4 and 3.5, the retirement and death benefits will be regulated in the same manner as in case of temporary/quasi-permanent or permanent Government servants, as the case may be, borne on pensionable establishment.

4.2 In the case of employees referred to above, who come over or are deemed to come over to the Pension Scheme, the Government's contribution to the CPF together with the interest thereon credited to the CPF Account of the employee will be resumed by the Government. The employees contribution together with the interest thereon at his credit in the CPF Account will be transferred to the GPF Account to be allotted to him on his coming over to the Pension Scheme.

4.3 Action to discontinue subscriptions/contributions to CPF Account may be taken only after the last date specified for exercise of option, viz., 30.09.1987.

5. A proposal to grant exgratia payment to the CPF beneficiaries, who retired prior to 1.1.1986 and to the families of CPF beneficiaries who died prior to 1.1.1986, on the basis of the recommendations of the Fourth Central Pay Commission is separately under consideration of the Government. The said ex-gratia payment, if and when sanctioned, will not be admissible to the employees or their families who opt to continue under the CPF Scheme from 1.1.1986 onward.

6.1 These orders apply to all Civilian Central Government employees who are subscribing to the Contributory Provident Fund under the Contributory Provident Fund Rules (India), 1962. In the case of other contributory provident funds, such as Special Railway Provident Fund or Indian Ordnance Factory Workers Provident Fund or Indian Naval Dockyard Workers Provident Fund, etc., the necessary orders will be issued by the respective administrative authorities.

6.2 These orders do not apply to Central Government employees who, on re-employment, are allowed to subscribe to Contributory Provident Fund. These orders

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also do not apply to Central Government employees appointed on contract basis where the contribution to the Contributory Provident Fund is regulated in accordance with the terms of contract.

6.3 These orders do not also apply to scientific and technical personnel of the Department of Atomic Energy, Department of Space, Department of Electronics and such other Scientific Departments as have adopted the system prevailing in the Department of Atomic Energy. Separate orders will be issued in their respect in due course.

7.1 Ministry of Agriculture etc., are requested to bring these orders to the notice of all CPF beneficiaries under them, including those who have retired since 1.1.1986 and to the families covered by paragraph 3.5 of these orders.

7.2 Administrative Ministries administering any of the Contributory Provident Fund Rules, other than Contributory Provident Fund Rules (India), 1962, are also advised to issue similar orders in respect of CPF beneficiaries covered by those rules in consultation with the Department of Pension and Pensioners' Welfare.

8. These orders issue with the concurrence of the Ministry of Finance Department of Expenditure vide their U.O. No.2038/JS (Pers)/87 dated 13.4.1987.

9. In their application to the persons belonging to Indian Audit and Accounts Department, these orders issue after consultation with the Comptroller and Auditor General of India.

10. Hindi version of these orders follows.

(I.K. Rasgotra)
Additional Secretary to the Government of India

To

All Ministries/Departments of the Government of India.

Copy to :-
1. President's Secretariat
2. Vice President's Secretariat
3. Prime Minister's Office
4. Lok Sabha Secretariat
5. Rajya Sabha Secretariat
6. Cabinet Secretariat
7. Secretary, U.P.S.C., New Delhi
8. Supreme Court of India
9. Election Commission
10. Planning Commission
11. Comptroller and Auditor General of India
12. Accountants General of all States
13. Director of Audit, Central, Madhu Industrial Estate, P.B.Marg, Bombay
14. Director of Audit (Central), Calcutta
15. Director of Audit, Central Revenue, New Delhi

77
Page 18 of 25

296

16. Director of Audit, Central, Bombay
17. Director of Audit, Scientific and Commercial Department, Bombay
18. Director of Audit Commerce, Works and Miscellaneous, New Delhi
19. Controller General of Accounts
20. Directorate of Accounts, P.A.I. Section, Panaji, Goa
21. Controller of Accounts, Delhi Administration, 'B' Block, Vikas Bhavan, Indraprastha Estate, N. Delhi
22. Controller General of Defence Accounts
23. Controller of Defence Accounts (Pension) Allahabad
24. Controller of Defence Accounts (Navy), Bombay
25. Controller of Defence Accounts (Air Force), N. Delhi
26. Deputy Controller of Defence Accounts,(Pension Disbursement),New Delhi
27. Finance Secretaries of All States and U. Ts.
28. Chief Secretaries of Governments of all States and Union Territories
29. All Attached and Subordinate Offices of the Department of Personnel & Training
30. All Officers and Sections in the Department of Personnel & Training/Department of Pension & Pensioners' Welfare
31. A.I.S. Division, Department of Personnel & Training (10 copies)
32. E.V.Section, Department of Expenditure (10 copies)
33. J.C.A. Section (With 100 spare copies for circulation among members of National Council (JCM)
34. Under Secretary (P), Deptt. of Pension & Pensioners' Welfare (with 30 spare copies for circulation among members of SCOVA)
35. Parliament Library (10 copies)
36. National Library.(10 copies)

M Vaidya

(M.R.Vaidya)
Deputy Secretary to the Govt. of Inida

Form of Option

I ____, employed
(Name)

as ____, in the Ministry/
(designation)

Department/Office of ____________________________________
(name of the Ministry/Deptt./Office)

do hereby opt to continue under the Contributory Provident Fund Scheme in terms of the Department of Pension & Pensioners' Welfare OM NO.4/1/87-PIC-I dated 1.5.1987

Place________________

(Signature of the Optee)

Date________________

Page 23 of 26

Annexure -IV
(para 4.2 page 3 of 26)

Ministry of Finance
Department of Expenditure [redacted]
(E.V. Branch)

The proposal for introducing a pension scheme for the employees of Navodaya Vidyalaya Samiti has been reconsidered in this Ministry. The decision on the general question regarding introduction of a pension scheme in Central Public Sector Undertakings/ Autonomous bodies is still pending. Keeping in view the likely repercussions of the decision to bring the employees of Navodaya Vidyalaya Samiti under the pension scheme, it is felt that on balance of considerations, we may have to reiterate our earlier stand in the matter.

2. Secretary(E) has approved.

(Rumera Ahmad) [redacted]
Deputy Secretary

Director (Shri K.S. Sarma),
Navodaya Vidyalaya Samiti.

MOF(EXP) U.O. No. 1937/EV/89 dt 6/2/90

AD (Adm)

His way be over as desired

293

Annexure V
(Para 4.2 page 9)

Ministry of Finance
Department of Expenditure
E.V. Branch

The proposal regarding introduction of pension-cum-GPF-gratuity scheme for the employees of the Punjab University has been examined and it is noted that Punjab University is in receipt of 60% of grants from Union Territory of Chandigarh, besides a small amount of loan from Department of Education. As Punjab University is in receipt of more than 50% grants from the Central Government, it can be termed as an autonomous body, though not directly under the Central Government.

2. For the reasons given below, Ministry of Finance is not in favour of introduction of pension scheme for the employees in autonomous bodies under various Ministries/Departments :-

i) The cost of introduction of pension scheme is much higher than the CPF scheme. While CPF is one-time settlement, pension is a lifelong commitment not only in respect of pensioner but his family also. The liability on account of pension keeps on increasing with every increase/revision in pay and dearness relief. Most of the autonomous bodies are funded by grants-in-aid received from Government. In case pension scheme is introduced, Government's liability will also increase to that extent.

ii) For servicing a pension fund, a pension fund has to be set up to be managed by a Trust. Difficulties may be experienced in judicious administration of the fund.

iii) Under the Employees' Provident Fund Act, the accretions of the provident fund are invested by the Provident Fund Commissioner in Government Securities. 85% of the contributions goes to special deposit scheme under the Ministry of Finance and the remaining 15% in Government Securities. Withdrawal of this fund from these securities for a Pension Fund would have a serious impact on the resources of the Government.

iv) The moment pension scheme is introduced, the right of the employees to receive pension becomes absolute. In case the autonomous body is not in a position to fulfil its commitment, Government will have to bear additional liability.

3. In view of the above and also in the context of the present resources crunch and the efforts of Government to maintain the budgetary deficit within the desired limits, the suggested course is to maintain the status quo and to continue with the CPF scheme without any pension scheme. In case Punjab University so desires, they can work out a suitable annuity scheme through the Life Insurance Corporation which has the necessary expertise, based on voluntary contributions by employees through a fund outside the body and without any liability on Government.

(G. JOSEPH)
Director.

Ministry of Human Resource Development - FA(HRD)
M/o Finance(Exp.) U.O.No.612/EV/92 dated 26.6.92.

Annexure - VI

Option 1 9.00%

Year	Outflow	Interest	Total Inflow	Net Flow	Closing Fund
					235.43
2013	11.56	21.19	21.19	9.63	245.06
2014	21.05	22.06	22.06	1.01	246.06
2015	26.34	22.15	22.15	-4.19	241.87
2016	31.85	21.77	21.77	-10.08	231.79
2017	32.55	20.86	20.86	-11.69	220.10
2018	43.78	19.81	19.81	-23.97	196.13
2019	52.09	17.65	17.65	-34.44	161.69
2020	70.99	14.55	14.55	-56.44	105.25
2021	87.71	9.47	9.47	-78.24	27.01
2022	117.87	2.43	2.43	-115.44	-88.42
2023	157.35				
2024	191.80				
2025	227.43				
2026	255.85				
2027	247.03				
2028	261.98				
2029	228.05				
2030	240.58				
2031	207.23				
2032	213.38				
2033	201.29				
2034	186.36				
2035	153.67				
2036	138.99				
2037	120.03				
2038	72.75				
2039	58.66				
2040	31.56				
2041	24.55				
2042	8.75				
2043	3.36				
2044	0.68				
2045	0.33				
2046	0.00				
2047	0.00				
2048	0.47				
2049	0.00				
2050	1.10				
2051	0.00				
2052	0.53				
2053	1.38				
2054	0.00				

All figures in Rs. Crore

(i)	**CPF Corpus available**	**350.00**
(ii)	**Refund of CPF management Contribution from Retired/expired employees**	**25.50**
(iii)	**Funds Required for Retired/expired Employees:**	**140.07**
(iv)	**Net funds available (350+25.50-140.07)**	**235.43**

Annexure - VII

Option 2 Reinvestment Rate: **9.00%**

Year	Outflow	Interest	Additional Cont	Total Inflow	Net Flow	Closing Fund
						350.00
2013	11.56	31.50	710.20	**741.70**	730.14	1080.14
2014	21.05	97.21		97.21	76.16	1156.30
2015	26.34	104.07		104.07	77.73	1234.03
2016	31.85	111.06		111.06	79.21	1313.24
2017	32.55	118.19		118.19	85.64	1398.88
2018	43.78	125.90		125.90	82.12	1481.00
2019	52.09	133.29		133.29	81.20	1562.20
2020	70.99	140.60		140.60	69.61	1631.81
2021	87.71	146.86		146.86	59.15	1690.97
2022	117.87	152.19		152.19	34.32	1725.28
2023	157.35	155.28		155.28	-2.07	1723.21
2024	191.80	155.09		155.09	-36.71	1686.50
2025	227.43	151.78		151.78	-75.65	1610.85
2026	255.85	144.98		144.98	-110.87	1499.98
2027	247.03	135.00		135.00	-112.03	1387.95
2028	261.98	124.92		124.92	-137.06	1250.88
2029	228.05	112.58		112.58	-115.47	1135.41
2030	240.58	102.19		102.19	-138.39	997.02
2031	207.23	89.73		89.73	-117.50	879.52
2032	213.38	79.16		79.16	-134.22	745.30
2033	201.29	67.08		67.08	-134.21	611.08
2034	186.36	55.00		55.00	-131.36	479.72
2035	153.67	43.17		43.17	-110.50	369.23
2036	138.99	33.23		33.23	-105.76	263.47
2037	120.03	23.71		23.71	-96.32	167.15
2038	72.75	15.04		15.04	-57.71	109.44
2039	58.66	9.85		9.85	-48.81	60.63
2040	31.56	5.46		5.46	-26.10	34.53
2041	24.55	3.11		3.11	-21.44	13.08
2042	8.75	1.18		1.18	-7.57	5.51
2043	3.36	0.50		0.50	-2.86	2.65
2044	0.68	0.24		0.24	-0.44	2.21
2045	0.33	0.20		0.20	-0.13	2.07
2046	0.00	0.19		0.19	0.19	2.26
2047	0.00	0.20		0.20	0.20	2.47
2048	0.47	0.22		0.22	-0.25	2.22
2049	0.00	0.20		0.20	0.20	2.42
2050	1.10	0.22		0.22	-0.88	1.53
2051	0.00	0.14		0.14	0.14	1.67
2052	0.53	0.15		0.15	-0.38	1.29
2053	1.38	0.12		0.12	-1.26	0.03
2054	0.00	0.00		0.00	0.00	0.03

All figures in Rs. Crore

(i)	**Total Funds Required**	**850.27**	**-25.5**	**824.77**
(ii)	**Funds Required for Working Employee:**	**710.20**		
(iii)	**Funds Required for Retired Employee:**	126.50		
(iv)	**Funds Required for Expired Employee:**	13.57		

Annexure - VIII

Option 3

Reinvestment Rate: 9.00%

Year	Outflow	Interest	Additional Cont	Total Inflow	Net Flow	Closing Fund
						350.00
2013	11.56	31.50	167.52	**199.02**	187.46	537.46
2014	21.05	48.37	167.52	215.89	194.84	732.30
2015	26.34	65.91	167.52	233.43	207.09	939.39
2016	31.85	84.54	167.52	252.06	220.21	1159.60
2017	32.55	104.36	167.52	271.88	239.33	1398.94
2018	43.78	125.90		125.90	82.12	1481.06
2019	52.09	133.30		133.30	81.21	1562.27
2020	70.99	140.60		140.60	69.61	1631.88
2021	87.71	146.87		146.87	59.16	1691.04
2022	117.87	152.19		152.19	34.32	1725.36
2023	157.35	155.28		155.28	-2.07	1723.30
2024	191.80	155.10		155.10	-36.70	1686.59
2025	227.43	151.79		151.79	-75.64	1610.96
2026	255.85	144.99		144.99	-110.86	1500.09
2027	247.03	135.01		135.01	-112.02	1388.07
2028	261.98	124.93		124.93	-137.05	1251.02
2029	228.05	112.59		112.59	-115.46	1135.56
2030	240.58	102.20		102.20	-138.38	997.18
2031	207.23	89.75		89.75	-117.48	879.70
2032	213.38	79.17		79.17	-134.21	745.49
2033	201.29	67.09		67.09	-134.20	611.30
2034	186.36	55.02		55.02	-131.34	479.95
2035	153.67	43.20		43.20	-110.47	369.48
2036	138.99	33.25		33.25	-105.74	263.74
2037	120.03	23.74		23.74	-96.29	167.45
2038	72.75	15.07		15.07	-57.68	109.77
2039	58.66	9.88		9.88	-48.78	60.99
2040	31.56	5.49		5.49	-26.07	34.91
2041	24.55	3.14		3.14	-21.41	13.51
2042	8.75	1.22		1.22	-7.53	5.97
2043	3.36	0.54		0.54	-2.82	3.15
2044	0.68	0.28		0.28	-0.40	2.75
2045	0.33	0.25		0.25	-0.08	2.67
2046	0.00	0.24		0.24	0.24	2.91
2047	0.00	0.26		0.26	0.26	3.17
2048	0.47	0.29		0.29	-0.18	2.99
2049	0.00	0.27		0.27	0.27	3.26
2050	1.10	0.29		0.29	-0.81	2.45
2051	0.00	0.22		0.22	0.22	2.67
2052	0.53	0.24		0.24	-0.29	2.38
2053	1.38	0.21		0.21	-1.17	1.22
2054	0.00	0.11		0.11	0.11	1.33

All figures in Rs. Crore

(i)	**Total Funds Required**	**977.67**	**-25.5**	**952.17**
(ii)	**Funds Required for Working Employee:**	837.60		
(iii)	**Funds Required for Retired Employee:**	126.50		
(iv)	**Funds Required for Expired Employee:**	13.57		

Annexure - IX

Option 4 Reinvestment Rate: **9.00%**

Year	Outflow	Interest	Additional Cont	Total Inflow	Net Flow	Closing Fund
						350.00
2013	11.56	31.50	101.53	133.03	121.47	471.47
2014	21.05	42.43	101.53	143.96	122.91	594.38
2015	26.34	53.49	101.53	155.02	128.68	723.07
2016	31.85	65.08	101.53	166.61	134.76	857.82
2017	32.55	77.20	101.53	178.73	146.18	1004.01
2018	43.78	90.36	101.53	191.89	148.11	1152.12
2019	52.09	103.69	101.53	205.22	153.13	1305.25
2020	70.99	117.47	101.53	219.00	148.01	1453.26
2021	87.71	130.79	101.53	232.32	144.61	1597.87
2022	117.87	143.81	101.53	245.34	127.47	1725.34
2023	157.35	155.28		155.28	-2.07	1723.27
2024	191.80	155.09		155.09	-36.71	1686.57
2025	227.43	151.79		151.79	-75.64	1610.93
2026	255.85	144.98		144.98	-110.87	1500.06
2027	247.03	135.01		135.01	-112.02	1388.04
2028	261.98	124.92		124.92	-137.06	1250.98
2029	228.05	112.59		112.59	-115.46	1135.52
2030	240.58	102.20		102.20	-138.38	997.14
2031	207.23	89.74		89.74	-117.49	879.65
2032	213.38	79.17		79.17	-134.21	745.44
2033	201.29	67.09		67.09	-134.20	611.24
2034	186.36	55.01		55.01	-131.35	479.89
2035	153.67	43.19		43.19	-110.48	369.41
2036	138.99	33.25		33.25	-105.74	263.66
2037	120.03	23.73		23.73	-96.30	167.36
2038	72.75	15.06		15.06	-57.69	109.68
2039	58.66	9.87		9.87	-48.79	60.89
2040	31.56	5.48		5.48	-26.08	34.81
2041	24.55	3.13		3.13	-21.42	13.39
2042	8.75	1.21		1.21	-7.54	5.85
2043	3.36	0.53		0.53	-2.83	3.01
2044	0.68	0.27		0.27	-0.41	2.60
2045	0.33	0.23		0.23	-0.10	2.51
2046	0.00	0.23		0.23	0.23	2.73
2047	0.00	0.25		0.25	0.25	2.98
2048	0.47	0.27		0.27	-0.20	2.78
2049	0.00	0.25		0.25	0.25	3.03
2050	1.10	0.27		0.27	-0.83	2.20
2051	0.00	0.20		0.20	0.20	2.40
2052	0.53	0.22		0.22	-0.31	2.08
2053	1.38	0.19		0.19	-1.19	0.89
2054	0.00	0.08		0.08	0.08	0.97

All figures in Rs. Crore

(i)	**Total Funds Required**	**1155.37**	**-25.5**	**1129.87**
(ii)	**Funds Required for Working Employee:**	**1015.30**		
(iii)	**Funds Required for Retired Employee:**	126.50		
(iv)	**Funds Required for Expired Employee:**	13.57		

Annexure-V-A
(Para 5.1.3 - page 28)
303

No.F.[illegible]
Government of India
Ministry of Human Resource Development
(Deptt. of Education)

Shastri Bhavan, New Delhi, the
October [illegible], 1985.

The Secretary,
N.C.E.R.T., Sri Aurobindo Marg,
New Delhi - 110 016.

Sub: Creation of posts for the two Model Schools being opened at Amravati and Jhajjar during 1985-86.

I am directed to convey the approval of the Government of India to the creation of the following posts for each of the Model Schools being opened at Amravati and Jhajjar. The posts will be created by N.C.E.R.T. on behalf of the Autonomous Body to be set up to manage and run the Model Schools:

Sl. No. Category	Number of posts	Pay Scale (Rs.)
1. Principal	1	[illegible]
2. Trained Graduate Teachers	4	440 [illegible] - 750
3. Physical Education Teacher	1	440 - 750
4. Art & Craft Teachers	1	440 - 750
5. Librarian	1	440 - 750
6. U.D.C.	1	[illegible]
7. Staff Nurse	1	[illegible]
8. Chowkidar	1	[illegible]
Total	11 Posts	

2. The expenditure on the pay and allowances etc. of these posts will be met out of the grants released to N.C.E.R.T. specifically for this purpose.

3. The posts are created with the approval of IFD vide their U.O. No.11552-C/85-IFD dt.25.10.'85.

Yours faithfully,

o/c (RENUKA MISHRA) (MRS.)
UNDER SECRETARY

....2

Page 2 - 28

301

Annexure [illegible]

[Para 7.1.3 page 7 of 25]

No.F.27-18/85-Sch.I
Government of India
Ministry of Human Resource Development
(Department of Education)

...

Shastri Bhavan, New Delhi-1.

October 28, 1985.

To

The Accounts Officer,
Pay & Accounts Office (Education),
New Delhi.

Sub:- Grant-in-aid to the National Council of Educational Research and Training during 1985-86 (Plan) for starting two Model Schools at Amravati and Jhajjar.

Sir,

I am directed to state that the Government of India has approved the setting up of one Model School in each District of the country during the Seventh Plan period. It has been decided to open two Model Schools in 1985-86 itself, one at Amravati (Maharashtra) and the other at Jhajjar (Haryana). Since the Autonomous Body to manage and run the Model Schools is yet to come into existence, the NCERT has been given the responsibility of starting and running the two schools this year. As soon as the Autonomous Body for the Model Schools is set up all work relating to Model Schools will be transferred to it. The funds released to NCERT will also be transferred to that Body.

2. I am directed to convey the sanction of the President of India to the payment of first instalment of grant of Rs.22.50 lakhs (Rupees twenty two lakhs and fifty thousand only) to the NCERT, New Delhi for starting and running the two model schools in 1985-86. The items of expenditure are given in the annexure (enclosed).

3. The expenditure involved would be met out of Demand No.25-Education, Major Head 277-B, Education B-1 Secondary Education B1(1)(8) - Setting up of Model Schools (Plan) 1985-86.

4. This sanction is being issued in conformity with the rules and regulations and the pattern of assistance approved by the Ministry of Finance.

5. The accounts of this grant-in-aid shall be subject to audit by the Comptroller and Auditor General of India or his nominee in this behalf.

.../2

Page 23 of 26

6. The amount of grant will be drawn by the Drawing and Disbursing Officer (Grants) of this Ministry and paid by a crossed cheque to the grantee organisation. On recipt of this amount it should be deposited in the State Bank of India who are the Bankers of the Council as provided in its Memorandum a of Association.

7. The assets created out of this grant should not, without the prior approval of the Government of India, be disposed of, encumbered or utilised for purpose other than those for which the grant is sanctioned.

8. No part of this grant should be diverted to any institution or utilised for any purpose other than what it is mentioned in the Budget proposals of the Council as approved by the Government of India.

9. Separate accounts should be maintained in respect of Plan and Non-Plan items of expenditure.

10. The portion of the amount of the grant which is not utilised by 31.3.1986 should be intimated to the Government immediately thereafter. It will be adjusted in the grant for the next year.

11. A register of assets acquired wholly or substantially out of the grant should be maintained in theform already furnished to the Council and a certified copy from the register in respect of the assets so acquired should be sent to this Ministry not later than the 30.4.1986. Such copies should continue to be furnished even if and after Government grants to the National council of Educational Research and Training have ceased. The information in the returns to be submitted to the Government should relates but to all previous assets too, created wholly or substantially out of Government grant upto the end of the period to which the return relates. For purpose of determining whether an asset has been created substantially out of Government grant should exceed 50 per cent.

12. The Council shall be bound to submit from time to time such reports, statement, etc. in respect of expenditure from this grant as might from time to time be required by the Government of India.

13. The grant is subject to the condition that House Rent Allowance travelling allowance, daily allowance and other similar allowances should be so regulated as not to exceed the corresponding allowances sanctioned to Government employees from time to time by Government.

14. The Council shall fully implement the Official Language Policy of the Union Government i.e. "the Council shall fully comply with the Official Language Act, 1963 and Official Languages (Use for the official purposes of the Union Rules, 1976 etc."

15. This sanction issues in exercise of delegated powers in consultation with Internal Finance Division vide their Dy.No. 8249-0/85-IF.I dated 28-10-1985.

..../3

16. No funds out of this grant should be utilised for any new scheme for which prior approval of Government has not been obtained.

17. With reference to the requirements of the Ministry of Finance O.M.No.14-IFA/64 dated the 23rd November, 1965, I am to add that the NCERT is exempted from the requirements of execution of Bond in terms of Ministry of Finance Memorandum of the same number dated 23.9.1964, read with their Memorandum dated 23.6.1965 because the NCERT was set up by the Government of India by Resolution and is registered under the Societies Registration Act.

Yours faithfully,

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Copy to :-

1. Secretary, NCERT, New Delhi.
2. Expenditure Control Unit of the Ministry of Human Resource Development, Department of Education.
3. Integrated Finance Division. 29-10-85
4. I.F.I Section with reference to their Dy.No.8249-0/85-IF.I dated 28-10-1985.
5. Drawing & Disbursing Officer (Grants) Ministry of Human Resource Development, Deptt. of Education, New Delhi with 2 fair signed copies for necessary action.
6. A.G.C.R. (Special Cell), New Delhi.
7. Sanction Folder.

o/c (RENUKA MEHRA) (MRS.)
UNDER SECRETARY TO THE GOVERNMENT OF INDIA

Encl: One
Annexure.

...../4

ANNEXURE to Letter No. 27-18/85-Sch.I Dt. 28th October, 1985.

ITEMS OF EXPENDITURE FOR MODEL SCHOOLS AT AMRAVATI AND JHAJJAR - 1985-86

Item	Amount (In Rs)
1. Boarding & Lodging and educational expenses of students.	1,40,000
2. Furniture for Schools for students.	30,000
3. Furniture and utensils for Hostel.	72,500
4. Lab-Equipment, Audio-Visual Aids, Sports, etc.	30,000
5. Library (Books and Furniture)	25,000
6. Furniture for Principal, Teachers and Common Room and furnishings.	30,000
7. Pay and Allowances & T.A./D.A. of Teachers and Staff.	1,50,000
8. Office and School Equipments.	25,000
9. Contingency	35,000
TOTAL	5,37,500
For Two Schools ..	5,37,500 x 2
=	10,75,000

Plus Building repair:

For School at Jhajjar ..	Rs.5,90,000	
For School at Amravati .	5,85,000	11,75,000

Total amount to be released. ..	10,75,000 + 11,75,000
	22,50,000

(Rupees twenty two lakhs and fifty thousand only)

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ANNEXE A 308

Seeneel Consultancy Services

Navodaya Vidyalaya Samiti (NVS)

Proposed Pension Scheme

Actuarial Calculations as on 31st March, 2012

Place: Mumbai
Date :01/05/2013

SUMMARY OF THE RESULTS OF THE ACTUARIAL VALUATION

Valuation Date	31.03.2012
No. of Act Active Employee Members	11,904
No. of Employee Pensioners (Retired)	660
No. of Family Pensioners	129
Avg. Pensionable Salary (mly.)	`. 18,828
Avg. Age	45 yrs.
Avg. Past Service (PS)	17yrs.
Avg. Mly. Pension –Retired Employees	`.5,500
Avg. Mly. Pension – Family. Pensioners	`.2,996
Results	**Rs.Crs**
Value of Accrued Liability (A)	`. 717.24
Value Of Future Service Liability (B)	`. 400.52
Value Of Total Service Liability (A+B)	`.1117.76
Pensioners	
Value of Liability (Retired Employees) (C)	`. 126.50
Value of Liability (Family) (D)	`. 13.57
Accumulated Value of Management Share in CPF (E)	**`.350 .00**
Gross Liability (all Members) (A+C+D)	`. 857.31
Net Liability (all Members) (A+C+D)-(E)	`. 507.31

INTRODUCTION

1.1 Navodaya Vidyalaya Samiti (NVS)("An Autonomous organization of Ministry of HRD, Department of School Education & Literacy") proposes to introduce a pension scheme on the pattern of the CCS (Pension)Rules 1972 with up to date amendments

1.2 The pension benefits are on the pattern of Central Government Employees' Pension Scheme.

1.3 The type of pension is Index Linked

1.4 It is proposed that the current employees and employees who have retired or expired on or before 01-01-2004 would be given an option either to join the pension scheme or continue with the CPF scheme.

1.5 There is neither creation of Trust (Pension) Fund nor segregation of Assets at present

1.6 If the option is exercised by the employee or his family then the CPF i.e. Management Share amount to their credit in respect of the employees would be transferred to the proposed Pension Trust

1.7 In respect of the retired / expired employees the CPF amount i.e. Management Share would be returned with 12% p.a. interest

1.8 The pensions payable on the date of retirement are based on the last drawn salary and the DA pensions are linked to the Cost of Living Index.

1.9 However, since the proposed scheme would be in lieu of the CPF scheme the amount of management share in the CPF account of such employees who opt for the scheme would be the starting Assets of the proposed scheme.

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1.10 Though generally, the pension payments are made by purchase of annuities through LIC of India, the payouts in respect of retired members are proposed to be made by the NVS, out of the proposed pension fund.

PURPOSE OF THE VALUATION

The purpose of the valuation -

- To determine the Liability in respect of the services rendered by the members till the date of valuation, and the liability likely to accrue to the NVS in respect of the pension payments, in respect of the retired employees and their families.

VALUATION DATE

The valuation has been carried out as at 31st March, 2012 ("the valuation date")

VALUATION METHOD

2.1 Keeping the objective in view, it is considered appropriate to use the "Projected Unit Credit " Method of valuation.

2.2 Under this method, the benefits relating to the Past Service and Future Service are valued.

2.3 For past service, the value of all accrued benefits are calculated in respect of accrued service of active employees but basing the calculations on the Projected Salaries from the date of valuation to the assumed date of exit of the members.

Benefits Valued:

3.1 All the benefits paid to the members of the scheme and their families as provided under the rules (on the pattern of the central government employees pension scheme) of the Pension Scheme have been valued.

MEMBERSHIP DATA

The membership data used for the actuarial valuation is as below :

No. of Active Employee Members	11,904
No. of Employee Pensioners (Retired)	660
No. of Family Pensioners	129
Avg. Pensionable Salary (monthly.)	`. 18,828
Avg. Age	45 yrs.
Avg. Past Service (PS)	17 yrs.
Avg. Pension Employee Pensioners (Monthly)	`.5,500
Avg. Pension Family Pensioners (Monthly)	`.2,996
Avg. Age Employee Pensioners*	58 yrs.
Avg. Age Family Pensioners	49 yrs.

*Retired, Resigned and Expired

ASSUMPTIONS

The actuarial valuation is based on a number of assumptions as the amount of benefits payable depends upon a number of future events that are incorporated in the benefit formula.

The actuarial valuation in its process assumes a future trend relating to a number of factors such as rate of mortality, rate of resignation, discounting rate, salary growth rate, etc.

Of all these assumptions the most important ones relate to the financial aspects .

That is,

a) the rate of interest (discounting rate)
b) the rate of growth of pensionable salary
c) Inflation (Increase in DA of Pensioners)

The assumptions used for the purpose of the actuarial valuation is as specified in Annexure 2 .

RESULTS OF THE VALUATION:

The results of the past and future service liabilities based on the chosen set of assumptions are as follows:

Active Members	**Rs.Crs**
Accrued Liability	`.717.24
Liability Employee Pensioners	`. 126.50
Liability Fly Pensioners	`. 13.57
Value of Liability	`. 857.31
Accumulated Value of Management Share in CPF	`.350 .00
Net Liability (all Members)	`. 507.31
Value Of Future Service Liability	`. 400.52
Value Of Total Service Liability	`.1117.76

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4. OBSERVATIONS

The accrued liability in respect of current employees and the liability likely to accrue in respect of the pensioners works out to `. 857.31 Crs

Also, the Future expected service liability of the current employees works out to

`. 400.52

N.Seethakumari
Fellow Of The Institute Of Actuaries Of India
Place:Mumbai
Date:01/05/2013

Outline of Principal Plan Provisions

A. Eligibility	All Regular employees +Retired employees (Pensioners & Family Pensioners) (joined before 01-01-2004)
B. Pensionable Salary	Basic Pay + Grade Pay
C. Pension Accrual Rate	1/66
D. Pensionable Service	Completed years of service or part thereof in excess of 6 months.
E. Contribution	Member - CPF contribution (Management Share) ; Company – Balance Costs
F. Normal Retirement Age	60 yrs
G. Maximum Service	33yrs

315

Type of Benefit	Benefit Formula
Retirement on completion of qualifying service of 20 years	50% of Average Emoluments* Minimum Pension – Rs.3500 p.m.
Retirement before completing qualifying service of 20 years but after completion of qualifying service of 10 years	50% Average emoluments Minimum Pension – Rs.3500 p.m.
Invalid Pension on permanent in capacity before reaching age 60	50% of Average emoluments Minimum Pension – Rs.3500 p.m.
Family Pension payable on (i) Death in Service – when the member dies after rendering_7 years of continuous service (ii) Death after retirement	50% of Last Pay Drawn Minimum Pension – Rs.3500 p.m. (i) In the event of death in service pension is payable from the date following the death for a period of 7 years or for a period upto the date on which the deceased Employee would have attained the age of 65 years had he survived whichever is less (ii) In the event of death after retirement Pension is payable for period of 7 years for a period upto the date on which the retired deceased Employee would have attained the age 65 years had he survived whichever is less .

*Or average emoluments received in the last 10 months whichever is more beneficial

Pension Increase For Old Pensioners

From 85 vears to less than 90 vears	30% of basic oension
From 90 years to less than 95 years	40% of basic pension
From 95 vears to less than 100 vears	50% of basic oension
100 years or more	100% of basic pension

Summary of Actuarial Assumptions and Methods

A. Valuation Method — Projected Unit Credit Method

B. Economic Assumptions:

1. Discount Rate — 9% per annum
2. Salary Increases — 5 % per annum
3. Type of pension — Index Linked Pension

C. Other Assumptions:

316

	1.Mortality	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate
	2. Disability	None
	3. Turnover	1% p.a.
	4. Retirement	60 yrs

Other point considered in the calculation:

For retired & expired employees only the following data provided

- The last drawn salary and date of last working day

It is assumed for purposes of this calculation that 100% of eligible employees would opt to join the scheme after refunding their the amount collected at the time of separation with interest

The Active employees Liability projection for the next two years

31/03/2013 **Rs. Crs**

Value of Accrued Liability	`. 837.06
Value Of Total Service Liability	`.1249.20
Value Of Future Service LLiability	`. 412.14

31/03/2014 **Rs. Crs**

Value of Accrued Liability	`. 964.00
Value Of Total Service Liability	`.1380.30
Value Of Future Service LLiability	`. 416.30

N.Seethakumari
Fellow Of The Institute Of Actuaries Of India
Place:Mumbai
Date:01/05/2013

Navodaya Vidyalaya Samiti
Actuarial Valuation Of Proposed Pension Liability
As At 31 March 2012

Annexure-B

Changes made in Para-6 of the Draft Cabinet Note for Introduction of Pension Scheme under CCS (Pension) Rules, 1972 for the employees of Navodaya Vidyalaya Samiti (NVS)

Sl. No.	Particulars	Earlier Proposal of March, 2013	Present Proposal	Justification for difference
1	No. of working employees	12300	11904	In the earlier proposal, the number of working/ retired/ expired employees who joined Navodaya Vidyalaya Samiti prior to 1.1.2004 and existed as on 31.3.2009 were considered. In the present proposal, data has been updated upto 31.3.2012.
2	No. of retired/ expired employees	450	789	
3	Total No. of employees eligible for pension/ family pension	12750	12693	
4	Total Pension liability	Rs.1358.15 crore	1257.83 crore	The earlier proposal was submitted on the basis of actuarial calculations as on 31.3.2009 with an year-wise increase @ 5% p.a. as on 31.3.2013. Present proposal is based on actuarial calculations done in June, 2013 on the basis of data as on 31.3.2012.
5	Accumulated CPF Corpus towards Management Share and Interest	Rs.369.14 crore	Rs.375.50 crore	The CPF corpus of Rs.369.14 crore has been taken in the earlier proposal as on 31.3.2013 in respect of eligible employees including those who joined the Samiti between 1.1.2004 to 31.3.2009. In the present proposal, the CPF corpus of Rs.350.00 crore is taken which is based on actuarial calculations done in June, 2013 in respect of working employees eligible for pension as on 31.3.2012 and an additional amount of Rs.25.50 crore is also anticipated as refund from retired employees/family pensioners.
6	Net liability	Rs.989.01 crore	Rs.882.33 crore	Net liability has been reduced by Rs.106.68 crore because in the present calculations, the discount rate @ 9% p.a. on CPF accumulated funds has been taken as against @ 7% p.a. in earlier calculations.

FTS - 7470/2014

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Tel:120-2405199
Fax: 120-2405182

NAVODAYA VIDYALAYA SAMITI
(AN AUTONOMOUS ORGANISATION OF MINISTRY OF HRD,
DEPARTMENT OF SCHOOL EDUCATION & LITERACY),
B-15, INSTITUTIONAL AREA, SECTOR-62,
NOIDA-201307, DISTT.G.B. NAGAR (UP)

F.No.24-01/2013-NVS (F&A) **Dated:20.01.2014**

To

Shri P.K. Mittal,
Deputy Secretary(U.T),
Ministry of Human Resource Development,
Department of School Education & Literacy,
(UT-3 Section), Shastri Bhawan,
New Delhi-110001.

Subject: Introduction of Pension Scheme under CCS(Pension) Rules,1972 for the employees of Navodaya Vidyalaya Samiti-regarding.

Sir,

Please refer to the discussions held in a meeting taken by the Ministry of Finance which was also attended by the representative of LIC, Deptt. of School Education & Literacy and NVS. During the meeting, Ministry of Finance advised LIC to prepare a Pension scheme for the employees of NVS. Subsequently, JS(SE-II), Ministry of HRD also held a meeting with the officials of NVS and LIC. During the meeting, it was decided that LIC may prepare the Pension scheme for the employees of NVS which should be at par with the scheme available under CCS (Pension) Rules, 1972,

2. Accordingly, the LIC of India, vide its letter No.Ref.DDO-1/P&GS/GSCA dated 20.1.2014 (Annexure-I) has submitted a proposal for pension scheme for the employees of NVS alongwith actuarial calculations as on 31.3.2013 (Annexure-II), which inter alia contains the total accrued liability for pension amounting to Rs.1739.43 crore in respect of 11818 serving employees of NVS as on 31.3.2013. This does not include the pension liability for the retired employees and family pensioners.

3. The comparison in parameters adopted in calculating the pension liability as incorporated in the draft Cabinet Note and the amount thereof worked out by LIC of India is mentioned in the Statement placed at Annexure-III.

4. In respect of 11818 serving employees of NVS as on 31.3.2013, the Samiti has a CPF Corpus of Rs.412.73 crore(approx.) being their Management Contribution and Interest thereon accumulated as on 31.3.2013.

Yours faithfully,

(G. S. Bothyal)
Commissioner

Pl P.Y. urgently

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21\1\14

Encl : As above

21/1/2014

DS(UT)

27/1
UT-3

Annexure - I

518

LIC

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Ref:DDO-I/P&GS/GSCA/

Date:20th January,2014

Sh. G.S.Bothyal,
Commissioner,
Navodaya Vidyalaya Samiti,
Noida.

Respected Sir,

Re: Proposal for Pension Scheme for the Employees of Navodaya Vidyalaya Samiti

With reference to our discussion on the Proposed Pension Scheme for the Employees, we hereby submit our Proposal vis a vis Pension under CCS Rules to provide Pension to the Employees of Navodaya Vidyalaya Samiti as under:

CCS Pension Rules

1. 50% of Basic and Grade Pay at the time of Retirement will form the Basic Pension Pay
2. 40% of this Basic Pension may be commuted
3. 60% of this Basic Pension along with D.A on full Basic Pension will be provided as Annuity with increase of D.A Periodically.
4. In case of Death of the Annuitant, 50% of Annuity will be provided to the Spouse.
5. Commuted portion will be restored after 15 years if the Annuitant survives.

LIC's Proposal

- **Actuarial Valuation is a dynamic process to access the future liabilities, which gets changed according to the future developments.**
- As per the Valuation, the One time liability as on 31.03.2013 is as under-

Results	
Value of Accrued Liability for Pension	Rs. 713.43 Crore
Value of Accrued Service Liability for Commutation value	Rs. 169.88 crore
Value of Accrued Service Liability for D.A I.e 80% as on 31.03.2013	Rs. 856.12 crore
Total Liabilty as on 31.03.2013	Rs. 1739.43 crore

मण्डल कार्यालय-1, पेन्शन तथा ग्रुप स्कीमूस यूनिट, "जीवन प्रकाश", 6वीं एवम् 7वीं मंजिल, 25, कस्तूरबा गांधी मार्ग, नई दिल्ली-110001
दूरभाष : 23354037, 23736795, 23350678, 23766053, 23354985, 23730717, फैक्स : 23350832, ई-मेल : bo_g103@licindia.com

Divisional Office-1, Pension & Group Schemes Unit, "Jeevan Prakash" 6th & 7th Floor, 25, Kasturba Gandhi Marg, New Delhi-110001

LIC
भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

- Actuarial Valuation in this case has been done to find out:
  - (a) To know the the liability for commuted value of Pension as on 31.03.2013.
  - (b) To know the Pension liability as on 31.03.2013

- Defined Benefit part as per CCS Rules has been taken for the one time funding as on 31.03.2013.
- Actuarial Valuation has been conducted on the basis of Data provided of Active Employees as on 31.03.2013, who were on roll as on 01.01.2004.
- 3% of D.A escalation and 6% of Salary escalation per year along with other Parameters are considered in valuation (Report attached).
- To include the aspect of Family Pension, the Actuarial Valuation has been conducted under the Annuity option of "Annuity for Life with 50% to Spouse".
- The one time contribution i.e Rs. 1739.43 crore, when received will be disbursed to the Individual Employee's Account according to the Liability as per Valuation.
- **Actual Pension will depend upon the Corpus available in Individual Employee's Account at the time of Retirement.**
- The Fund will start earning Interest from the very next day of Depositing the amount with LIC.
- Monthly/ Yearly Funds received in lieu of PF contribution from the Samiti will be added to the Individual Employee Account.
- Employees, if wish to, may also contribute to fund to ensure higher Pension.
- The Funds so accumulated in Individual Employee's account will be used to provide annuity to him on Retirement under the option exercised by him/her out of 10 options available. Prevailing Rules and rates of that option will be applicable.
- Individual Employee may commute the 33% of the Accumulated Fund, which will be tax free.
- **In the Pension provided by LIC, Annuity Amount, once decided, will be guaranteed for the term and there will not be any escalation in Future.**

मण्डल कार्यालय-1, पेन्शन तथा ग्रुप स्कीम्स यूनिट, "जीवन प्रकाश", 6वीं एवम् 7वीं मंजिल, 25, कस्तूरबा गांधी मार्ग, नई दिल्ली-110001
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Divisional Office-1, Pension & Group Schemes Unit, "Jeevan Prakash", 6th & 7th Floor, 25, Kasturba Gandhi Marg, New Delhi-110001
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LIC
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LIFE INSURANCE CORPORATION OF INDIA

Features of LIC's Pension Scheme -:

Accumulation Stage

1. As soon as contribution is received by the employer under the scheme a Policy Account is opened. This policy account earns three types of interests-:
   - **Minimum Floor Rate (MFR)**: is the guaranteed interest rate that Policy Account shall earn during the entire policy term. This plan offers a MFR of 0.5% per annum.
   - **Additional Interest Rate (AIR)**: in addition to MFR, the corporation shall declare a non zero-positive AIR at the beginning of every financial quarter on policy account. The AIR remains guaranteed for that quarter. For this quarter ending Sept,2013, the declared rate was 8.75% per annum and for the quarter ending Dec,13 , the AIR is 9.10% per annum. For the Quarter ending March,14, the AIR is 8.9%.
   - **Residual Addition (RA)**: starting from fifth policy anniversary, in addition to MFR and AIR the corporation may also declare a non zero-positive RA at the end of fifth Policy year and thereafter every policy year on policy account.

2. **System of investment-:**
   The funds collected under the scheme will be invested as per the investment pattern as prescribed by the IRDA and the risk exposure norms prescribed by the IRDA are strictly followed. The interest is credited to the fund at the end of every quarter.

3. **Security:-**
   The most important aspect above all is SECURITY OF THE FUNDS INVESTED since these are EMPLOYEE WELFARE FUNDS. Funds invested with the Corporation (LIC) enjoy **SOVERIGN GUARANTEE** of Central Government of India and the same is expressly provided under Section 37 of the LIC of India Act, 1956, passed by none other than Parliament of India, i.e. **100% security of Funds invested with LIC.**

4. **Liquidity:-**
   Life Insurance Corporation of India is a financial power house and can ensure 100% liquidity of the funds invested.

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LIFE INSURANCE CORPORATION OF INDIA

Annuity Stage

1) ON RETIREMENT

On Retirement of a member, the corpus (contributions plus interest) is utilized to provide the following:-

a) Commuted Value (Equivalent to 1/3rd of the corpus) which is tax free.

b) The corpus that remains after providing for the commuted value is taken as the purchased price to provide for pension.

2) ON DEATH

The Pension is payable on the life of the beneficiary. Corpus is utilized towards the payment of pension of the type the beneficiary may opt and the benefit so received is tax free.

3) ON WITHDRAWAL

a) He can get the equitable interest transferred to the Superannuation Scheme of the new employer provide the rules of both the Schemes provide for the same.

b) He may opt for a pension from the normal retirement date as provided in the old employer's scheme.

c) He may opt for payment of commuted value and pension, immediately in which case the benefits would be taxable.

PENSION OPTIONS PROVIDED BY LIC

1) Life Pension ceasing at death

2) Life Pension with Return of Capital.

3) Life Pension guaranteed for 5,10,15 or 20 years and life thereafter.

4) Joint Life Pension payable on the last survivor of the employee and spouse.

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522

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LIFE INSURANCE CORPORATION OF INDIA

Prevailing Annuity Rates under Different Annuity Options

REVISED ANNUITY OPTIONS & RATES W.E.F. 01.08.2012					
Type of Annuities	MONTHLY ANNUITY AT AGE 60 YEARS				
PURCHASE PRICE	Basic Rate	2.5 Lakh	5 Lakh	7.5 Lakh	10 Lakh
Annuity for life	91.2	1960.42	3945.83	5937.50	7925.00
Annuity for life with return of Capital (ROC)	69.3	1504.17	3033.33	4568.75	6100.00
Annuity for 5 years certain & Life thereafter	90.4	1943.75	3912.50	5887.50	7858.33
Annuity for 10 years certain & Life thereafter	88.6	1906.25	3837.50	5775.00	7708.33
Annuity for 15 years certain & life thereafter	86.2	1856.25	3737.50	5625.00	7508.33
Annuity for 20 years certain & life thereafter	83.2	1793.75	3612.50	5437.50	7258.33
Annuity for life increasing at a simple rate of 3% p.a.	74	1602.08	3229.17	4862.50	6491.67
Annuity for life with 50% to spouse	84.6	1822.92	3670.83	5525.00	7375.00
Annuity for life with 100% to spouse	78.8	1702.08	3429.17	5162.50	6891.67
Annuity for life with 100% to spouse with ROC	68.7	1491.67	3008.33	4531.25	6050.00

* Purchase Price is the Fund–Balance in the Individual's Account after taking Commutation, if any.
* 3.9 will be added to the base rate as incentive for large sum purchase.

We believe that **the Institution** would find it much appropriate to give the management of proposed Superannuation Scheme to LIC. The funds would be entrusted to the LIC thereby ensuring complete peace of mind due to complete security of funds with competitive yield & much liquidity and a single point agency to deal with in all matters related Superannuation.

Thanking you

Yours faithfully

(T.N.Jha)
Divisional Manager(P&GS)

Encl-: 1.Actuarial Valuation Report
2. Annexure A showing Illustration

मण्डल कार्यालय-1, पेन्शन तथा ग्रुप स्कीम्स यूनिट, ''जीवन प्रकाश'', 6वीं एवम् 7वीं मंजिल, 25, कस्तूरबा गांधी मार्ग, नई दिल्ली-110001
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LIFE INSURANCE CORPORATION OF INDIA

Annexure A

ILLUSTRATION

The Illutrations are designed to compare the benefits of Central Government Scheme vis a vis LIC's Proposed Scheme, provided Funds as per valuation results are deposited with LIC.

Case Study (At the time of Retirement)

Pension Payable as per CCS Rules –

Age:	58
Past Service:	22
Present Salary:	Rs.38450.00 (a)
Projected Salary at the time of Retirement i.e 60 years:	Rs.43200.00*(b)
(*Considering 6% escalation in Salary on a)	
Basic Pension: (b/2)	Rs.21600.00 (c)
1/3rd of the Basic Pension, which is commutable (c/3)	Rs.7200.00
Commutable Amount (7200*12*8.194)	Rs.707962.00
2/3rd of the Basic Pension (c*2/3)	Rs.14400.00 (d)
90% of D.A on Full Basic Pension (c*0.9)	Rs.19440.00 (e)
Total Pension (d+e)	Rs.33840.00

Pension Payable as per LIC Policy

Age:	58
Past Service:	22
Total Corpus required as per Valuation:	Rs.5472119.00 (A)
10% contribution of PF in 59th year:(40757*12*.1)	Rs.48900.00 (B)
10% contribution of PF in 60th year:(43202*12*.1)	Rs.51800.00 (C)
(**Considering 6% escalation in Salary & 10% of the Basic & Grade Pay)	
Total corpus for Pension: (A+B+C)	Rs.5572819.00 (D)
Interest on corpus from 01.03.2014 to 31.03.2015:	Rs.538297.00 (E)
(Considering 9% for 13 months on (A+B)	
Total Corpus:	Rs. 6111116.00 (F)
Lumpsum Payment as Commutation (As per CCS):	Rs. 707962.00 (G)
Amount available for providing Pension ((F-G)	Rs. 5403154.00

Pension Payable at the time of Retirement Under Option- Annuity for Life with 50% to spouse: ((5403154*88.5)/12000)	Rs. 39848.00

Note-:

1.As per LIC's Scheme 1/3rd of total corpus is permissible as commuted value, which will be tax free.

2. Interest rate of 9%, based on current declaration has been considered for the sake of Illustration only. Actual interest rates may differ.

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Annexure-II

524

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LIFE INSURANCE CORPORATION OF INDIA

Navodaya Vidyalaya Samiti

Proposed Pension Scheme

Actuarial Calculations as on 31st March, 2013

Purpose of the Valuation

To determine the Liability of Pension as per Central Government Employees Pension Scheme in respect of the services rendered by the Active Members who joined before 01.01.2004 till the date of Valuation.

Valuation Date

The Valuation has been carried out as at 31st March, 2013.

Benefits Valued

All the Benefits to the Members are valued on the pattern of the Central Government Employees Pension Scheme.

Outline of Principal Plan Provisions

1. **Eligibility-:** All Active Employees who joined before 01.01.2004.
2. **Pensionable Salary-:** Basic Pay + Grade Pay
3. **Dearness Allowance-:** Effective rate of D.A as on 31.03.2013 ie 80% of Pensionable Salary has been considered.
4. **Pensionable Service-:** Completed Years of Service or part thereof in excess of 6 months
5. **Normal Retirement Age-:** 60 Years
6. **Maximum Service-:** 33 years

Assumptions

The Actuarial valuation is based on a number of assumptions as the amount of Benefits payable depends upon a number of future Events that are incorporated in the benefit formula.

The following assumptions are are used for the purpose of this Actuarial valuation-:

1.	Mortality Rate	LIC(1994-96) Ultimate
2.	Disability	None
3.	Withdrawal Rate	0%
4.	Retirement Age	60 Years
5.	Valuation Rate of Discount	8% per annum
6.	Salary Escalation	6% per annum
7.	Dearness Allowance Escalation	3% per annum
8.	Annuity Option	Annuity for Life with 50% to Spouse as per LIC 2012 published Table
9.	Participation	100% of Eligible Employees

Valuation Method

1. Keeping the objective in view, it is considered appropriate to use the "Projected Unit Credit" Method of Valuation.
2. Under this method, the benefits relating to the Past Service are valued.
3. For Past service, the values of all accrued benefits are calculated in respect of accrued service of active employees.
4. Life Expectancy for enhancement of D.A has been taken up to 82 years.
5. For calculating the Commuted value, 1/3rd of the Pensionable Salary (Excluding D.A) has been considered and commutation factor at the Age of 61 years i.e 8.194 has been applied.

Summary of the Result of the Actuarial Valuation

Name of the Fund	Navodaya Vidyalaya Samiti Group Superannuation Fund
Valuation Date	31.03.2013
Benefits Valued	As per Central Government Employees' Scheme
No. of Active Employees	11818
Average Age	45.92 Years
Average Monthly Salary	Rs. 19408.00
Average Past Service	18.07 Years
Normal Retirement Age	60 Years
Results	
Value of Accrued Liability for Pension	Rs. 713.43 Crore
Value of Accrued Service Liability for Commutation value	Rs. 169.88 crore
Value of Accrued Service Liability for D.A i.e 80% as on 31.03.2013	Rs. 856.12 crore
Total Liabilty	Rs. 1739.43 crore

(T.N. Jha)
Divisional Manager(P&GS)

Comparison of Parameters and their rationale between Valuation by Seeneel Consultancy Service and LIC

Parameter	Basis of valuation by LIC	By Seeneel Consultancy Service	Reason for difference
Valuation Date	31.03.2013	31.03.2012	
Benefits Valued	As per Central Government Employees' Scheme	As per Central Government Employees' Scheme	
No. of Active Employees	11818	11904	
Average Age	45.92 Years	45 years	
Average Monthly Salary (Basic + Grade Pay)	Rs. 19408.00	Rs. 18828.00	
Average Past Service	18.07 Years	17 years	
Normal Retirement Age	60 Years	60 Years	
Mortality Rate	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate	
Withdrawal Rate	0%	1% per annum	Due to the Trend
Valuation Rate of Discount	8% per annum	9% per annum	We have taken average of 10 year G-Sec yield for 10 years
Salary Escalation	6% per annum	5% per annum	Due to Standard Practice in Actuarial Valuation
Dearness Allowance Escalation	3% per annum	Index linked (Exact Parameters not known)	Due to Standard Practice in Actuarial Valuation
Annuity Option	Annuity for Life with 50% to Spouse	As per CCS Rules	As per LIC Annuity option
Participation	100% of Eligible Employees	Same	
Results			
Value of Accrued Liability for Pension	Rs.713.43 Crore	Rs. 717.24 Crore	
Value of Accrued Service Liability for Commutation value	Rs. 169.88 crore	Not considered separately	
Value of Accrued Service Liability for D.A i.e 80% as on 31.03.2013	Rs. 856.12 crore	Not considered separately	
Value of Future Service Liability	Not considered	Rs. 400.52 crore	
Total Liabilty	Rs.1739.43 crore	Rs. 1117.76 crore	

Comparison of Parameters and their rationale between Valuation by Seeneel Consultancy Service and LIC

Parameter	Basis of valuation by LIC	By Seeneel Consultancy Service	Reason for difference
Valuation Date	31.03.2013	31.03.2012	
Benefits Valued	As per Central Government Employees' Scheme	As per Central Government Employees' Scheme	
No. of Active Employees	11818	11904	
Average Age	45.92 Years	45 years	
Average Monthly Salary (Basic + Grade Pay)	Rs. 19408.00	Rs. 18828.00	
Average Past Service	18.07 Years	17 years	
Normal Retirement Age	60 Years	60 Years	
Mortality Rate	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate	
Withdrawal Rate	0%	1% per annum	Due to the Trend
Valuation Rate of Discount	8% per annum	9% per annum	We have taken average of 10 year G-Sec yield for 10 years
Salary Escalation	6% per annum	5% per annum	Due to Standard Practice in Actuarial Valuation
Dearness Allowance Escalation	3% per annum	Index linked (Exact Parameters not known)	Due to Standard Practice in Actuarial Valuation
Annuity Option	Annuity for Life with 50% to Spouse	As per CCS Rules	As per LIC Annuity option
Participation	100% of Eligible Employees	Same	
Results			
Value of Accrued Liability for Pension	Rs.713.43 Crore	Rs. 717.24 Crore	
Value of Accrued Service Liability for Commutation value	Rs. 169.88 crore	Not considered separately	
Value of Accrued Service Liability for D.A i.e 80% as on 31.03.2013	Rs. 856.12 crore	Not considered separately	
Value of Future Service Liability	Not considered	Rs. 400.52 crore	
Total Liabilty	Rs.1739.43 crore	Rs. 1117.76 crore	

FTS – 12412/2014

Tel:120-2405199 527
Fax: 120-2405182

NAVODAYA VIDYALAYA SAMITI
(AN AUTONOMOUS ORGANISATION OF MINISTRY OF HRD,
DEPARTMENT OF SCHOOL EDUCATION & LITERACY),
B-15, INSTITUTIONAL AREA, SECTOR-62,
NOIDA-201307, DISTT.G.B. NAGAR (UP)

F.No.24-01/2013-NVS (F&A) **Dated: 3.02.2014**

Through Spl. Messenger
OUT TODAY

To

The Joint Secretary (SE-II),
Ministry of Human Resource Development,
Department of School Education & Literacy,
Shastri Bhawan,
New Delhi-110001.

Subject: **Introduction of Pension Scheme under CCS(Pension) Rules,1972 for the employees of Navodaya Vidyalaya Samiti-regarding.**

Sir,

Apropos the discussions held today in your room with the officials of NVS and LIC regarding the actuarial calculations submitted by LIC, as referred to in the Samiti's letter of even number dated 20.1.2014, on the above mentioned subject.

2. Based on the discussions held, the LIC has revised the actuarial calculations towards accrued liability for pension for the serving employees of NVS as on 31.3.2013, which interalia contains the following factors:-

i) In respect of 11818 serving employees of NVS as on 31.3.2013, the accrued liability for pension works out to Rs.452.62 crore with the life expectancy upto 82 years.

ii) While calculating the accrued liability, the commutation value (i.e. 1/3 of the pensionable salary excluding DA) has been considered and the commutation factor at 61 years of age (i.e. 8.194) has been taken into account, resulting in the commutation value arrives at Rs.136.79 crore.

iii) The value of accrued service liability for DA component admissible as on 31.3.2013(i.e. 80%) comes to Rs.543.14 crore.

iv) The escalation factor towards future increase in DA (i.e. @7.62% per annum) on the pension amount has been taken into account, basing upon the average increase in DA as admissible to Central Govt. employees during the last 7 years. The liability on this account works out to Rs.644.98 crore.

v) Taking into consideration the amount mentioned under Sl.No(s) i to iv above, the total accrued liability for pension stands to an extent of Rs.1777.53 crore.

vi) The provision for salary escalation and value rate of discount has been considered @ 5% per annum and 9% per annum respectively. Further, the yearly Management Share payable to the CPF Subscribers (i.e. 10% of the Basic Pay + Grade Pay) shall continue to be remitted to the LIC for crediting to their CPF accounts till the date of their retirement.

—

ii) As against the total accrued liability for pension amounting to Rs.1777.53 crore, the Samiti has a CPF corpus of Rs.413.00 crore(approx.) in respect of 11818 serving employees being their Management share and interest thereon accumulated as on 31.3.2013. **Thus, the net requirement of funds would be Rs.1364.53 crore in respect of 11818 serving employees of NVS as on 31.3.2013.**

3. Besides, in respect of 1119 retired/resigned employees and family pensioners as on 31.3.2013, the accrued pension liability is anticipated to an extent of Rs.383.41 crore (including D.A. @ 80% and annual increase @ 7.62% on Basic Pension). Simultaneously, the CPF accumulations for these employees have been anticipated to be realized for a sum of Rs.28.00 crore as on 31.3.2013(excluding the interest receivable from them), if they opt for the pension scheme.

4. Details towards total requirement of funds to meet accrued liability for Pension in respect of serving employees of NVS (Annexure-I) and also including the retired employees and family pensioners of NVS (Annexure-II), are sent herewith for your kind perusal.

5. The actuarial calculations submitted by LIC of India does not include the provision towards increase in pension amount on account of revision in pay structure for the employees of NVS due to implementation of the recommendation of Pay Commission in future and also for restoration of commutation value after completion of commutation period of 15 years, as admissible under the CCS (Pension) Rules, 1972.

6. The actuarial calculations (revised) for the accrued pension liability for the employees of NVS as on 31.3.2013, as submitted by LIC of India vide its letter No(s)Ref.DDO-1/P&GS/GSCA/ dated 22.1.2014(Annexure-III) and 3.02.2014 (Annexure-IV), are also enclosed for your kind perusal.

7. In view of the above facts, the proposal of the Samiti for introduction of GPF Pension Scheme under the provisions of CCS (Pension) Rules, 1972 for the employees of NVS, may please be considered sympathetically for an early decision in the matter.

Yours faithfully,

(G. S. Bothyal)
Commissioner

Encl : As above

		Annexure-I
Details towards Requirement & Availability of Funds to meet accrued pension liability for the serving employees of NVS		
		(Rs. in crore)
I.	Total Accrued Liability for Pension	1777.53
II.	Availability of CPF Corpus upto 31.3.2013	413.00
III.	Net Requirement of Funds (I-II)	1364.53
IV.	Requirement of Funds if provided in lump-sum/instalments	
(a)	In one lump-sum grant	1364.53
(b)	In five equal instalments each of Rs.350.81 crores	1754.05
(c.)	In Tenequal instalments each of Rs.212.63 crores	2126.3

Annexure-II

Details towards Requirement & Availability of Funds to meet accrued pension liability for the serving employees and retired & family pensioners of NVS

(Rs. in crore)

I.	Total Accrued Liability for Pension	
(i)	for Serving Employees	1777.53
(ii)	for Retired & Family Pensioners	383.41
	Total (I)	2160.94
II.	Availability of CPF Corpus 31.3.2013	
(i)	for Serving Employees	413.00
(ii)	for Retired & Family Pensioners (to be taken back if they opt for Pension)	28.00
	Total (II)	441.00
III.	Net Requirement of Funds (I-II)	1719.94
IV.	Requirement of Funds if provided in lump-sum/instalments	
(i)	In one lump-sum grant	1719.94
(ii)	In five equal instalments each of Rs.442.18 crores	2210.90
(iii)	In Ten equal instalments each of Rs.268.00 crores	2680.00

533

Annexure - III

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Ref:DDO-I/P&GS/GSCA/ Date:22th January,2014

Sh. G.S.Bothyal,
Commissioner,
Navodaya Vidyalaya Samiti,
Noida.

Respected Sir,

Re: Proposal for Pension Scheme for the Employees of Navodaya Vidyalaya Samiti

With reference to our discussion on the Proposed Pension Scheme for the Employees, As per the Valuation, the One time liability as on 31.03.2013 is as under-

Results	
Value of Accrued Liability for Pension	Rs. 452.62 Crore
Value of Accrued Service Liability for Commutation value	Rs. 136.79 crore
Value of Accrued Service Liability for D.A i.e 80% as on 31.03.2013	Rs. 543.14 crore
Value of 7.62% p.a D.A increase for the Annuitant on Basic Pension	Rs. 644.98 crore
Total Liabilty as on 31.03.2013	Rs. 1777.53 crore

If the Funding is done in Installments, the required amount will be as under-:

In five equal yearly Installments - Rs. 457.00 crore per annum
In ten equal yearly Installments - Rs. 276.98 crore per annum

Yours faithfully

(T.N.Jha)
Divisional Manager(P&GS)

मण्डल कार्यालय-1, पेन्शन तथा ग्रुप स्कीम्स युनिट, ''जीवन प्रकाश'', 6वीं एवम् 7वीं मंजिल, 25, कस्तूरबा गांधी मार्ग, नई दिल्ली-110001
दूरभाष : 23354037 23736795, 23350678, 23766053, 23354985, 23730717, फैक्स : 23350832, ई-मेल : bo_g103@licindia.com

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Navodaya Vidyalaya Samiti

Proposed Pension Scheme

Actuarial Calculations as on 31st March, 2013

Purpose of the Valuation

To determine the Liability of Pension as per Central Government Employees Pension Scheme in respect of the services rendered by the Active Members who joined before 01.01.2004 till the date of Valuation.

Valuation Date

The Valuation has been carried out as at 31st March, 2013.

Benefits Valued

All the Benefits to the Members are valued on the pattern of the Central Government Employees Pension Scheme.

Outline of Principal Plan Provisions

1. **Eligibility-:** All Active Employees who joined before 01.01.2004.
2. **Pensionable Salary-:** ½ of Basic Pay + Grade Pay
3. **Dearness Allowance-:** Effective rate of D.A as on 31.03.2013 ie 80% of Pensionable Salary has been considered.
4. **Pensionable Service-:** Completed Years of Service or part thereof in excess of 6 months
5. **Normal Retirement Age-:** 60 Years
6. **Maximum Service-:** 33 years

Assumptions

The Actuarial valuation is based on a number of assumptions as the amount of Benefits payable depends upon a number of future Events that are incorporated in the benefit formula.
The following assumptions are used for the purpose of this Actuarial valuation-:

1.	Mortality Rate	LIC(1994-96) Ultimate
2.	Disability	None
3.	Withdrawal Rate	0%
4.	Retirement Age	60 Years
5.	Valuation Rate of Discount	9% per annum
6.	Salary Escalation	5% per annum
7.	Dearness Allowance Escalation	7.62% per annum for Annuitant
8.	Annuity Option	Annuity for Life with 50% to Spouse as per LIC 2012 published Table
9.	Participation	100% of Eligible Employees
10.	**Actuarial Valuation**	**Yearly**

Valuation Method

1. Keeping the objective in view, it is considered appropriate to use the "Projected Unit Credit" Method of Valuation.
2. Under this method, the benefits relating to the Past Service are valued.
3. For Past service, the values of all accrued benefits are calculated in respect of accrued service of active employees.
4. Life Expectancy for enhancement of D.A has been taken up to 82 years.
5. For calculating the Commuted value, 1/3rd of the Pensionable Salary (Excluding D.A) has been considered and commutation factor at the Age of 61 years i.e 8.194 has been applied.
6. Dearness Allowance escalation of 7.62% p.a has been considered for the Annuitant from the Age 61 to 82 years based on the last 7 years average D.A increase .
7. The Valuation does not bear any impact of Wage hikes due to pay Commission recommendation in future.
8. The Valuation does not provide for the restoration of commutation Value to the Annuitant after 15 years.
9. **Actuarial Valuation is a dynamic process to access the future liabilities, which gets changed according to the future developments. Yearly Actuarial Valuation is recommended to exactly access the Future Liabilities.**

Summary of the Result of the Actuarial Valuation

Name of the Fund	Navodaya Vidyalaya Samiti Group Superannuation Fund
Valuation Date	31.03.2013
Benefits Valued	As per Central Government Employees' Scheme
No. of Active Employees	11818
Average Age	45.92 Years
Average Monthly Salary	Rs. 19408.00
Average Past Service	18.07 Years
Normal Retirement Age	60 Years
Results	
Value of Accrued Liability for Pension	Rs. 452.62 Crore
Value of Accrued Service Liability for Commutation value	Rs. 136.79 crore
Value of Accrued Service Liability for D.A i.e 80% as on 31.03.2013	Rs. 543.14 crore
Value of 7.62% p.a D.A increase for the Annuitant on Basic Pension	Rs. 644.98
Total Liability	Rs. 1777.53 crore

(T.N. Jha)
Divisional Manager(P&GS)

Comparison of Parameters and their rationale between Valuation by Seeneel Consultancy Service and LIC

Parameter	Basis of valuation by LIC	By Seeneel Consultancy Service	Reason for difference
Valuation Date	31.03.2013	31.03.2012	
Benefits Valued	As per Central Government Employees' Scheme	As per Central Government Employees' Scheme	
No. of Active Employees	11818	11904	
Average Age	45.92 Years	45 years	
Average Monthly Salary (Basic + Grade Pay)	Rs. 19408.00	Rs. 18828.00	
Average Past Service	18.07 Years	17 years	
Normal Retirement Age	60 Years	60 Years	
Mortality Rate	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate	
Withdrawal Rate	0%	1% per annum	Due to the Trend
Valuation Rate of Discount	9% per annum	9% per annum	
Salary Escalation	5% per annum	5% per annum	
Dearness Allowance Escalation	7.62%per annum To Annuitant till the Age 82 years	Index linked (Exact Parameters not known)	Average D.A Increase in last 7 years
Annuity Option	Annuity for Life with 50% to Spouse	As per CCS Rules	As per LIC Annuity option
Participation	100% of Eligible Employees	Same	
Results			
Value of Accrued Liability for Pension	Rs.452.62 Crore	Rs. 717.24 Crore	
Value of Accrued Service Liability for Commutation value	Rs. 136.79 crore	Not shown separately	
Value of Accrued Service Liability for D.A i.e 80% as on 31.03.2013	Rs. 543.14 crore	Not shown separately	
Value of Future Service Liability	Not considered	Rs. 400.52 crore	
Value of 7.62% p.a D.A increase to Annuitant till the Age 82 Years	Rs. 644.98 crore	Index linked (Exact Parameters not disclosed)	
Total Liabilty	Rs.1777.53 crore	Rs. 1117.76 crore	

Annexure A

ILLUSTRATION

The Illutrations are designed to compare the benefits of Central Government Scheme vis a vis LIC's Proposed Scheme, provided Funds as per valuation results are deposited with LIC.

Case Study (At the time of Retirement)

Pension Payable as per CCS Rules

Age:	58
Past Service:	22
Present Salary:	Rs.38450.00 (a)
Projected Salary at the time of Retirement i.e 60 years:	Rs.42390.00*(b)
(*Considering 5% escalation in Salary on a)	
Basic Pension: (b/2)	Rs.21195.00 (c)
1/3rd of the Basic Pension, which is commutable (c/3)	Rs.7065.00
Commutable Amount (7065*12*8.194)	Rs.694687.00
2/3rd of the Basic Pension (c*2/3)	Rs.14130.00 (d)
80% of D.A on Full Basic Pension (c*0.8)	Rs.16956.00 (e)
Total Pension (d+e)	Rs.31086.00

Pension Payable as per LIC Policy

Age:	58
Past Service:	22
Total Corpus required as per Valuation for Pension (With out any D.A Increase to Annuitant) :	Rs.4211991.00 (A)
10% contribution of PF in 59th year:(40372*12*.1)	Rs.48446.00 (B)
10% contribution of PF in 60th year:(42390*12*.1)	Rs.50868.00 (C)
(**Considering 5% escalation in Salary & 10% of the Basic & Grade Pay)	
Total corpus for Pension: (A+B+C)	Rs.4311305.00 (D)
Interest on corpus (Assuming inintial corpus was Given to LIC on 31.03.2013 & thereafter PF Contribution every year (Considering 9% for 24 months on A & 12 Months on B)	Rs.796635.00 (E)
Total Corpus: (D+E)	Rs. 5107940.00 (F)
Lumpsum Payment as Commutation (As per CCS):	Rs. 694687.00 (G)
Amount available for providing Pension ((F-G)	Rs.4413253.00

Pension Payable at the time of Retirement Under Option- Annuity for Life with 50% to spouse: ((4413253*88.5)/12000)	Rs. 32547.00
Fund Required for 7.62% p.a D.A increase to Annuitant on Basic Pension i.e Rs. 22141.00 Till Age 82 :	Rs. 2382416.00 (H)

Derivation of Basic Pension

If X is Basic Pension

x*2/3 + (x * 0.8) = 32547.00
x = 22141.00

Yearly escalation of D.A on Basic Pension till Age 82 years

Pension at the time of Retirement		32547
Basic Pension		22141
Yearly Increase on Basic Pension		7.62%
Yearly Increase		1687.144
Pension at the Age	61	34234.14
Pension at the Age	62	35921.29
Pension at the Age	63	37608.43
Pension at the Age	64	39295.58
Pension at the Age	65	40982.72
Pension at the Age	66	42669.87
Pension at the Age	67	44357.01
Pension at the Age	68	46044.15
Pension at the Age	69	47731.3
Pension at the Age	70	49418.44
Pension at the Age	71	51105.59
Pension at the Age	72	52792.73
Pension at the Age	73	54479.87
Pension at the Age	74	56167.02
Pension at the Age	75	57854.16
Pension at the Age	76	59541.31
Pension at the Age	77	61228.45
Pension at the Age	78	62915.6
Pension at the Age	79	64602.74
Pension at the Age	80	66289.88
Pension at the Age	81	67977.03
Pension at the Age	82	69664.17

Note-:
1.As per LIC's Scheme 1/3rd of total corpus is permissible as commuted value, which will be tax free.

2. Interest rate of 9%, based on current declaration has been considered for the sake of Illustration only. Actual interest rates may differ.

3. Amount of Annuity has been arrived under the Option Annuity for Life with 50% to spouse, but the Annuitant can exercise any option out of the ten options available. The amount of Annuity will depend upon the option exercised and Age at Annuity purchase.

4.For the sake of Comparison, 80% D.A has been considered in the Pension under CCS Rules, which was the effective rate as on 31.03.2013. **If the Pension under CCS Rules is considered with 90% D.A (effective rate as on date), it will be Rs. 33205.00**

Annexure A

ILLUSTRATION

The Illutrations are designed to compare the benefits of Central Government Scheme vis a vis LIC's Proposed Scheme, provided Funds as per valuation results are deposited with LIC.

Case Study (At the time of Retirement)

Pension Payable as per CCS Rules

Age:	51
Past Service:	22
Present Salary:	Rs.18610.00 (a)
Projected Salary at the time of Retirement i.e 60 years:	Rs.28870.00*(b)
(*Considering 5% escalation in Salary on a)	
Basic Pension: (b/2)	Rs.14435.00 (c)
1/3rd of the Basic Pension, which is commutable (c/3)	Rs.4811.00
Commutable Amount (4811*12*8.194)	Rs.473056.00
2/3rd of the Basic Pension (c*2/3)	Rs.9624.00 (d)
80% of D.A on Full Basic Pension (c*0.8)	Rs.11548.00 (e)
Total Pension (d+e)	Rs.21172.00

Pension Payable as per LIC Policy

Age:	51
Past Service:	22
Total Corpus required as per Valuation for Pension (With out any D.A Increase to Annuitant) :	Rs.1196166.00 (A)
10% contribution of PF till 60th year	Rs.258557.00 (B)
(**Considering 5% escalation in Salary & 10% of the Basic & Grade Pay)	
Total corpus for Pension: (A+B)	Rs.1454723.00 (C)
Interest on corpus (Assuming inintial corpus was Given to LIC on 31.03.2013 & thereafter PF Contribution every year (Considering 9% for effective period)	Rs.1507005.00 (D)
Total Corpus: (C+D)	Rs. 2961728.00 (E)
Lumpsum Payment as Commutation (As per CCS):	Rs. 473056.00 (F)
Amount available for providing Pension ((E-F)	Rs.2488672.00

Pension Payable at the time of Retirement Under Option- Annuity for Life with 50% to spouse: ((2488672*88.5)/12000)	Rs. 18353.00
Fund Required for 7.62% p.a D.A increase to Annuitant on Basic Pension i.e Rs. 12485.00 Till Age 82 :	Rs. 682713.00 (G)

Derivation of Basic Pension

If X is Basic Pension

$x*2/3 + (x * 0.8) = 18353.00$
$x = 12485.00$

Yearly escalation of D.A on Basic Pension till Age 82 years

Pension at the time of Retirement		18353
Basic Pension		12485
Yearly Increase on Basic Pension		7.62%
Yearly Increase		951.357
Pension at the Age	61	19304.36
Pension at the Age	62	20255.71
Pension at the Age	63	21207.07
Pension at the Age	64	22158.43
Pension at the Age	65	23109.79
Pension at the Age	66	24061.14
Pension at the Age	67	25012.5
Pension at the Age	68	25963.86
Pension at the Age	69	26915.21
Pension at the Age	70	27866.57
Pension at the Age	71	28817.93
Pension at the Age	72	29769.28
Pension at the Age	73	30720.64
Pension at the Age	74	31672
Pension at the Age	75	32623.36
Pension at the Age	76	33574.71
Pension at the Age	77	34526.07
Pension at the Age	78	35477.43
Pension at the Age	79	36428.78
Pension at the Age	80	37380.14
Pension at the Age	81	38331.5
Pension at the Age	82	39282.85

Note-:
1.As per LIC's Scheme 1/3rd of total corpus is permissible as commuted value, which will be tax free.

2. Interest rate of 9%, based on current declaration has been considered for the sake of Illustration only. Actual interest rates may differ.

3. Amount of Annuity has been arrived under the Option Annuity for Life with 50% to spouse, but the Annuitant can exercise any option out of the ten options available. The amount of Annuity will depend upon the option exercised and Age at Annuity purchase.

Annexure A

ILLUSTRATION

The Illutrations are designed to compare the benefits of Central Government Scheme vis a vis LIC's Proposed Scheme, provided Funds as per valuation results are deposited with LIC.

Case Study (At the time of Retirement)

Pension Payable as per CCS Rules

Age:	48
Past Service:	21
Present Salary:	Rs.10570.00 (a)
Projected Salary at the time of Retirement i.e 60 years:	Rs.18982.00*(b)
(*Considering 5% escalation in Salary on a)	
Basic Pension: (b/2)	Rs.9491.00 (c)
1/3rd of the Basic Pension, which is commutable (c/3)	Rs.3163.00
Commutable Amount (3163*12*8.194)	Rs.311011.00
2/3rd of the Basic Pension (c*2/3)	Rs.6328.00 (d)
80% of D.A on Full Basic Pension (c*0.8)	Rs.7592.00 (e)
Total Pension (d+e)	Rs.13920.00

Pension Payable as per LIC Policy

Age:	48
Past Service:	21
Total Corpus required as per Valuation for Pension (With out any D.A Increase to Annuitant) :	Rs.558858.00 (A)
10% contribution of PF till 60th year	Rs.211987.00 (B)
(**Considering 5% escalation in Salary & 10% of the Basic & Grade Pay)	
Total corpus for Pension: (A+B)	Rs.770845.00 (C)
Interest on corpus (Assuming inintial corpus was Given to LIC on 31.03.2013 & thereafter PF Contribution every year (Considering 9% for effective period)	Rs.1139585.00 (D)
Total Corpus: (C+D)	Rs. 1910430.00 (E)
Lumpsum Payment as Commutation (As per CCS):	Rs. 311011.00 (F)
Amount available for providing Pension ((E-F)	Rs.1599419.00

Pension Payable at the time of Retirement Under Option- Annuity for Life with 50% to spouse: ((1599419*88.5)/12000)	Rs. 11795.00
Fund Required for 7.62% p.a D.A increase to Annuitant on Basic Pension i.e Rs. 8023.00 Till Age 82 :	Rs. 316400.00 (G)

Derivation of Basic Pension

If X is Basic Pension

$$x*2/3 + (x * 0.8) = 11795.00$$
$$x = 8023.00$$

Yearly escalation of D.A on Basic Pension till Age 82 years

Pension at the time of Retirement		11795
Basic Pension		8023
Yearly Increase on Basic Pension		7.62%
Yearly Increase		611.3526
Pension at the Age	61	12406.35
Pension at the Age	62	13017.71
Pension at the Age	63	13629.06
Pension at the Age	64	14240.41
Pension at the Age	65	14851.76
Pension at the Age	66	15463.12
Pension at the Age	67	16074.47
Pension at the Age	68	16685.82
Pension at the Age	69	17297.17
Pension at the Age	70	17908.53
Pension at the Age	71	18519.88
Pension at the Age	72	19131.23
Pension at the Age	73	19742.58
Pension at the Age	74	20353.94
Pension at the Age	75	20965.29
Pension at the Age	76	21576.64
Pension at the Age	77	22187.99
Pension at the Age	78	22799.35
Pension at the Age	79	23410.7
Pension at the Age	80	24022.05
Pension at the Age	81	24633.4
Pension at the Age	82	25244.76

Note-:
1.As per LIC's Scheme 1/3rd of total corpus is permissible as commuted value, which will be tax free.

2. Interest rate of 9%, based on current declaration has been considered for the sake of Illustration only. Actual interest rates may differ.

3. Amount of Annuity has been arrived under the Option Annuity for Life with 50% to spouse, but the Annuitant can exercise any option out of the ten options available. The amount of Annuity will depend upon the option exercised and Age at Annuity purchase.

Annexure - IV

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

P & GS Department, Delhi DO-1, K G Marg, New Delhi

03/02/2014

TO
Navodaya Vidyalaya Samiti Group Superannuation Fund

REPORT ON THE ACTUARIAL INVESTIGATION AS AT 01/04/2013

1	NAME OF THE FUND	: Navodaya Vidyalaya Samiti Group Superannuatuion Fund (Pensioners)
2	BENEFITS VALUED	: As per 50% of the last Salary drawn
3	ACTUARIAL ASSUMPTIONS:- MORTALITY RATE	: LIC (1994-96)
4	MEMBERSHIP DATA	
	Number of Members	: 1119
	Average Age	: 56.80 years
	Average Pension	: Rs. 16415/-

5. RESULTS OF VALUATION (For Other than Family Pensioners)

Purchase Price for Life Pension With 50% to Spouse	: Rs. 134.92 Crores
Purchase Price 80% D.A on Basic Pension	: Rs. 107.94 Crores
Purchase Price for 7.62% increase on Basic Pension	: Rs. 128.17 Crores

6. RESULTS OF VALUATION (For Family Pensioners)

Purchase Price for Life Pension	: Rs. 4.50 Crores
Purchase Price 80% D.A on Basic Pension	: Rs. 3.60 Crores
Purchase Price for 7.62% increase on Basic Pension	: Rs. 4.28 Crores
Total Liability	: Rs. 383.41 Crores

Please note that there will not be any commutation of the Basic Pension Amount and the contribution rate may change in future depending upon the experience of the scheme. It is necessary to carry out the Actuarial Valuation periodically. It may be noted that the above results are as per actuarial valuation which is based upon certain assumptions about future experience of the scheme. Further, the results are particularly sensitive to the difference between assumed valuation rate of discount and the assumed rate of escalation in salary. The valuation is done on the basis of member's data.

Divisional Manager (P&GS)

F.No.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
B-Wing, Ground Floor, Shastri Bhawan
***

New Delhi. dated 16th July, 2014

To.

Shri G.S.Bothyal,
Commissioner,
Navodaya Vidyalaya Samiti,
B-15. Sector-62,
Noida (U.P.) - 201309

Subject: Revised proposal for introduction of Pension-cum-GPF Scheme to the employees of NVS.

Sir.

Please refer to your letter no. 24-01/2013-NVS(F&A) dated 03.02.2014 regarding the proposal for introduction of Pension-cum-GPF Scheme under CCS (Pension) Rules 1972 for the employees of NVS who joined before 01.01.2004. A draft Cabinet Note prepared in consultation with various Ministries/Departments was forwarded to PMO and Cabinet Secretariat. The Cabinet Secretariat vide OM dated 19th May. 2014 has advised that the Department may undertake fresh inter-ministerial consultations on a revised proposal.

2. You are, accordingly, requested to send a revised proposal by incorporating the financial implications as on date with respect to the number of employees in service and retired who are proposed to be covered under this proposal.

Yours faithfully,

(P.K. Mittal)
Director (UT)

542

F.No.17-65/2014-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

Shastri Bhawan, New Delhi
Dated November 7, 2014

To

Shri G.S. Bothyal,
Commissioner
Navodaya Vidyalaya Samiti
Sector-62, Noida

Subject: Action on important matters pending with NVS –reg

Sir,

I am directed to say that the information in respect of the following 6 cases is yet to be received from NVS:

1. Govt. of India CCS Pension to all employees joined prior to 1/1/2004.
2. Appointment of Warden and Matron on permanent basis.
3. Setting up of 5 JNVs in at Nandurbar (Maharashtra), Narmada (Gujarat), Dahod (Gujarat), Palamu-II (Jharkhand) and Gaya-II (Bihar) under PPP mode.
4. Setting up of Science Magnet Schools-revised updated EFC proposal.
5. Creation of Posts in 7 NLIs.
6. Setting up of 12 additional RO of NVS.

The comments /clarification in respect of all these cases have been sort in their concern files. It is requested that the information / Comments in respect of the above mentioned cases may be sent to the Ministry by 10/11/2014. All the cases will be reviewed by JS (SE-II) in the meeting to be held at 5: 00 PM on 11/11/2014.

Yours faithfully,

Dinesh Kr

(Dinesh Kumar)
Under Secretary to the Govt. of India

Copy in all the concerned files

548

F.No.17-44/2011-UT-III
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
B-Wing, Ground Floor, Shastri Bhawan
***

New Delhi, dated 25th November, 2014

To.

Shri G.S.Bothyal,
Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Sector-62,
Noida (U.P.) - 201309

Subject: Revised proposal for introduction of Pension-cum-GPF Scheme to the employees of NVS.

Sir,

Please refer to this Ministry's letter of even no. dated 16.07.2014 regarding the proposal for introduction of Pension-cum-GPF Scheme under CCS (Pension) Rules 1972 for the employees of NVS who joined before 01.01.2004. A draft Cabinet Note prepared in consultation with various Ministries/Departments was forwarded to PMO and Cabinet Secretariat. The Cabinet Secretariat vide OM dated 19th May, 2014 has advised that the Department may undertake fresh inter-ministerial consultations on a revised proposal.

2. Vide the above said letter, NVS was requested to send a revised proposal after incorporating the financial implications as on date with respect to the number of employees in service and retired who are proposed to be covered under this proposal. This is still awaited. It is, therefore, requested that the revised draft proposal may be furnished expeditiously.

Yours faithfully,

Dinesh Kumar

(Dinesh Kumar)
Under Secretary to the Govt. of India

26/11/14

 (556

Subject	Fw: Minutes of Meeting in JS (SE-II) Chamber
From	Navodaya Vidyalaya Samiti NVS <commissionernvs@yahoo.com>
Date	Friday, February 12, 2016 12:04 pm
To	Dr Satbir Bedi <satbirbedi.edu@nic.in>

On Friday, February 12, 2016 11:03 AM, Chandramauli Chakraborty <chandramauli.ch@epfindia.gov.in> wrote:

Sir,

The attachment was missing in the last mail.

On 02/12/16 11:02 AM, **"Chandramauli Chakraborty"** <chandramauli.ch@epfindia.gov.in> wrote:

> Dear Sir,
>
> As discussed please find attached the minutes of meeting held in the chamber of JS SE-II.
>
> --
> **Kind Regards,**
>
> **Chandramauli Chakraborty**
> Additional Central Commissioner - II (Pension & IWU)
> EPFO, Headquarters
>
> On 02/11/16 11:17 AM, **bishwajit Kumar singh** <bksbishwajitifs@yahoo.co.in> wrote:

JS(UT)

Sir,

As discussed earlier, kindly send the draft minutes so that it could be finalized.

with regards,

B K singh
Commissioner, NVS

On Monday, 8 February 2016 4:52 PM, Navodaya Vidyalaya Samiti NVS <commissionernvs@yahoo.com> wrote:

On Monday, February 8, 2016 2:09 PM, Chandramauli Chakraborty <chandramauli.ch@epfindia.gov.in> wrote:

Dear Sir,

I had discussed the matter under reference with the actuary and had forwarded the available documents to him. The mail received from the actuary is in the trail below.

The actuary has given a format in which data is to be provided to him which is attached. It is requested to provide the data to him at the earliest. The proposed scheme details and corpus may also be provided to actuary.

You may also like to discuss with actuary on the contact details in the mail trail below.

--
Kind Regards,

5571)

Chandramauli Chakraborty
Additional Central Commissioner - II (Pension & IWU)
EPFO, Headquarters

-------- Original Message --------
From: **Jayesh Pandit** <jayesh@ka-pandit.com>
Date: Feb 8, 2016 10:48:27 AM
Subject: RE: Actuarial valuation for Navodaya Vidyalay Samiti
To: "chandramauli.ch@epfindia.gov.in" <chandramauli.ch@epfindia.gov.in>

Dear Mr.Chandramali

Thanks for your mail, we can take up the assignment and the data format is attached here with. As it is for the Teachers we will not charge for the assignment but any travelling expense will have to be reimbursed to us. We would prefer to have video conferencing instead of travel.
In addition to employee data , we will require the scheme and the corpus.

Regards

Regards
Jayesh D.Pandit
Consultant to M/S.K.A.PANDIT
Tel : +91-22-42922231/50 (Board)
Fax:+91-22-22883155
www.ka-pandit.com

From: chandramauli.ch@epfindia.gov.in
[mailto:chandramauli.ch@epfindia.gov.in]
Sent: 05 February 2016 15:07
To: Jayesh Pandit <jayesh@ka-pandit.com>
Subject: Actuarial valuation for Navodaya Vidyalay Samiti

Dear Jayeshji,

The Navodaya Vidyalaya Samiti has approached EPFO for assistance in formulating and handling the investment for a pension scheme designed for the teachers for whom, due to some administrative quirk in the past, no pension provision was made in the service condition.

The Samiti is an autonomous body under the Ministry of HRD and runs schools across the country for underprivileged but talented children from rural areas and are doing huge social service for the country.

I am attaching two documents - one being an actuarial valuation carried out in 2009 for providing a pension for the teachers and the other a brief write up on the Samiti's proposal.

In order to take the present proposal forward, it would be necessary to have an actuarial study done for the feasibility of the pension scheme. Would request you to undertake the task and inform about any data requirement for the same, at the earliest. The Samiti is prepared to pay any reasonable professional charges that you may quote for the same.

--
Kind Regards,

Chandramauli Chakraborty
Additional Central Commissioner - II (Pension & IWU)
EPFO, Headquarters

Minutes of Meeting

A meeting was held in the Chamber of Ms. Satbir Bedi, JS (SE-II), Ministry of Human Resource Development (HRD) on 10.02.2016 at 2.00 PM to discuss the modalities of implementation of the proposed Pension Scheme for teachers of Navodaya Vidayalaya Sangthan (NVS).

The following were present:-

1. Ms. Satbir Bedi, JS(SE-II), Ministry of Human Resource Development
2. Sh. Manish Gupta, JS (SS), Ministry of Labour & Employment (MoL&E)
3. Sh. B.K. Singh, IFS, Commissioner, NVS
4. Sh. D.K.D. Rao, Deputy Secretary, Ministry of Human Resource Development
5. Sh. Chandramauli Chakraborty, ACC (Pension & IWU), EPFO

2. The meeting was called by JS (SE-II), M/o HRD to ascertain the assistance that can be rendered by the Ministry of Labour & Employment and the EPFO in implementing the Pension Scheme for teaching and non-teaching staff of NVS.

3. It was explained by JS, (SS) MoL&E that the proposal made by NVS presently was to place the funds at the disposal of EPFO which would then manage investment of the funds and regulate the benefits under the scheme for pension for teaching and non-teaching staff of NVS. However, taking this course of action in implementing the pension scheme for teacher in NVS, by taking over the Funds from NVS and implementing the Scheme on behalf of the NVS by the EPFO, would not be feasible as the Employees Provident Funds & Miscellaneous Provisions Act, 1952 under which the EPFO operates does not allow investment on behalf of any Scheme other than the three Schemes specified under the said Act. It implies that the EPFO would be taking over the assets and the liabilities for a scheme that is not framed under the Act and, therefore, it would not be statutorily permissible.

...2/-

4. The alternative was that EPFO would extend assistance and cooperation in setting up a Trust for NVS that could manage the investment and operate the Pension Scheme proposed for the NVS. The EPFO would also provide assistance in framing the rules and guidelines and extend its infrastructure for carrying out the investments of Funds by the trust. The operation of the Scheme and payment of benefits and consequently the responsibility for the assets and liabilities of the Pension Scheme would in this case lie with the Trust.

5. However, doubts were expressed as to the in house capacity within NVS to set up and operate such a Trust. It was felt that NVS would not be in a position to manage the Pension Scheme through a Trust. The other possible alternative would be getting the NVS covered under the EPF Act and Scheme on voluntary basis in which case the Provident Fund and Pension Scheme would be under the provisions of EPF Act. It was, however, pointed out that at present the membership under the Employees' Pension Scheme, 1995 is restricted to employees drawing wages less than Rs.15,000 per month. It was informed that the Ministry of Labour & Employment is considering a proposal for introducing amendments in the Employees' Pension Scheme, 1995 under which voluntary membership would be permitted to the excluded employees. Under the proposed amendment members would be allowed to accumulate corpus on the basis of which pension will be given after retirement. The employees of NVS could become members of the amended Scheme. It was also pointed out that in the event that NVS opted for voluntary coverage under the EPF&MP Act, 1952 it would be required to remit the administrative charges provided under the Act along with the regular monthly contributions. The administrative charges at present were 0.85% of the wages/salary bills.

6. It was agreed in principle that the above alternative appeared to be feasible and NVS would explore this possibility. The Ministry of Labour & Employment in the meantime would be taking up the proposed amendments and inform NVS and Ministry of HRD of the developments.

****

नवोदय विद्यालय समिति
मानव संसाधन विकास मंत्रालय
भारत सरकार
(स्कूल शिक्षा और साक्षरता विभाग)
बी-15, इन्स्टीटुषनल एरिया, सेक्टर 62, नोइड
गौतम बुद्ध नगर, उत्तर प्रदेश -201309
दूर भाष: 0120-2405195-6

Navodaya Vidyalaya Samiti
Ministry of Human Resource Development
Government of India
(Department of School Education & Literacy)
B-15, Institutional Area, Sector-62, Noida,
Gautam Budh Nagar, Uttar Pradesh -201309
URL: www.navodaya.gov.in
Tele: 0120-2405195-6

24-1/2013-NVS(GA.) / 4231

Date: 20/7/2018

To

The Deputy Secretary (UT)
Ministry of HRD
Shastri Bhawan
New Delhi

Sub: Grant of pensionary benefits as per CCS(Pension) Rules, 1972

Sir,

This is regarding the grant of pensionary benefits as per CCS(Pension) Rules 1972 to the employees of NVS who joined prior to 01.01.2004, for which the VIP reference was received from Shri Nitin Gadkari, Hon'ble Minister of Water Resources, River Development, Ganga Rejuvenation, Road Transport, Highways and Shipping. The matter was discussed with the Hon'ble HRM with the representative of NVS Shri A.N. Ramachandra, Joint Commissioner. It was advised by the Hon'ble HRM to apprise him the matter in detail for further action in this regard. In compliance of the said instructions, a detailed note (copy enclosed) was sent to the Hon'ble HRM through e-office wherein it was requested that the MHRD may revive the earlier proposal which was sent by them to the Ministry of Finance with the condonation of two months delay (i.e. 1.1.86 to 27.2.86) for giving effect to the Department of Pension & Pensioners' Welfare OM dated 01.05.1987 that envisaged switching over from CPF Scheme to GPF-cum-Pension scheme.

Copy of the note sent by the Samiti to the Hon'ble HRM through e-office and seen by the Hon'ble HRM proposed is enclosed with the request to initiate necessary action for grant of pensionary benefits to the pre-2004 employees of NVS.

This issues with the approval of Competent Authority.

Yours faithfully,

(B.C. Panda)
Assistant Commissioner (Admn.)

23/7/18
US(UT-2)
SO(UT-3)

F.No.24-1/2013-NVS(GA)

NAVODAYA VIDYALAYA SAMITI

Sub: **VIP reference received from Shri Nitin Gadkari, Minister of Water Resources, River Development, Ganga Rejuvenation, Road Transport, Highways and Shipping, Govt. of India regarding pension for pre-2004 employees of Navodaya Vidyalaya Samiti**

Hon'ble Minister of Water Resources vide his letter dated 03.06.2018 **(Annexure-I)** addressed to Hon'ble HRM has forwarded the representation of one Shri Y.V. Deoras, Music Teacher, JNV Palus, Sangali, Maharashtra wherein the difficulties being faced by the retired employees of NVS were narrated with the request to take favourable action for grant of CCS(Pension) to the employees who joined prior to 01.01.2004.

2. In this regard, it is to submit that the Ministry of HRD vide its OM No.17-44/2011-UT-3 dated 03.04.2013 had sent a draft Cabinet Note to the Ministry of Finance, Department of Expenditure. The Ministry of Finance vide their OM dated 28.05.2013 **(Annexure-II)** did not agree to the proposal inter alia citing the ground that DoP&PW's OM dated 01.05.1987 is not applicable to the employees of NVS and NVS was not in existence prior to 01.01.1986, the crucial date of 4th Pay Commission recommendation for extension of pension-cum-GPF scheme to the employees covered under CPF rules.

3. It is worthwhile to mention that two Jawahar Navodaya Vidyalayas i.e. Amravati and Jhajjar which were opened during 1985-86 are very much part of the NVS and the employees of the said JNVs are also the employees of NVS. With the starting of these two JNVs in 1985-86, the NVS is having at present 660 sanctioned JNVs. Therefore, it would not be justifiable to say that employees of NVS were not in existence prior to 01.01.1986. It is to reiterate that the guidelines as contained in the OM dated 01.05.1987 of the DoP&PW envisaged switching over from CPF scheme to Pension-cum-GPF scheme on the recommendation of 4th Pay Commission. The fact that NVS was registered on 22.2.1986 as a Society under Society Registration Act may be treated as a technical issue and should not be the reason for depriving the employees of the GPF-cum-Pension facility. The duration of time from 31.12.1985 to 28.2.1986 may be condoned administratively to extend the benefit of GPF-cum-Pension Scheme in accordance with guidelines of Govt. of India, as contained in aforesaid OM dated 01.05.1987 (Copy enclosed at **Annexure-III)**.

4. Navodaya Vidyalayas have carved out a niche for itself in the annals of secondary education in the country ever since its inception. The popularity of JNV lies in the demand of the public to have more Vidyalayas as evident in statistics of candidates registered for admission and candidates actually selected which is in the ratio of 51:1 (51 candidates per seat). It is needless to say that the growth of JNVs from 02 (two) in 1985-86 to 638 functional JNVs (as against the 660 sanctioned JNVs), both in terms of quality and quantity, is attributable to the services rendered by the employees with utmost dedication, sincerity and devotion. However, the employees recruited prior to 01.01.2004 who rendered their valuable services in the prime youth time of their life are struggling very hard in the post retirement era to maintain a dignified life in absence of pensionary benefits. In a catena of judgment of Hon'ble

Courts, it has been stated by the Hon'ble Court that pension is a social security plan consistent with socio economic requirements of the Constitution particularly when the employer is a State within a meaning of Article 12 of the Constitution rendering social justice to a superannuated Government servant. It is a right of the Government servant attached to the office and cannot be arbitrarily denied to him. At present, the employees have neither medial facilities nor pension nor family pension.

5. In view of the above, the MHRD may take action to revive its proposal which was sent to the Ministry of Finance to ensure that the pensionary benefits is extended to pre-2004 employees of NVS in accordance with DoP&PW's OM dated 01.05.1987 by condoning the delay of two months which are of administrative in nature.

(Bishwajit Kumar Singh)
Commissioner, NVS

<u>Hon'ble HRM & Chairman, NVS</u>

22/06/2018 11:33 AM

BISHWAJIT KUMAR SINGH
(COMMISSIONER)

HRM has signed/ approved.

25/06/2018 4:51 PM

HUMAN RESOURCE MINISTER
(Hon'ble HRM)

F.NO. 24-1/13-NVS(GA) 4

NAVODAYA VIDYALAYA SAMITI

Sub: **VIP reference received from Shri Nitin Gadkari, Minister of Water Resources, River Development, Ganga Rejuvenation, Road Transport, Highways and Shipping, Govt. of India regarding pension for pre-2004 employees of Navodaya Vidyalaya Samiti**

Hon'ble Minister of Water Resources vide his letter dated 03.06.2018 **(Annexure-I)** addressed to Hon'ble HRM has forwarded the representation of one Shri Y.V. Deoras, Music Teacher, JNV Palus, Sangali, Maharashtra wherein the difficulties being faced by the retired employees of NVS were narrated with the request to take favourable action for grant of CCS(Pension) to the employees who joined prior to 01.01.2004.

2. In this regard, it is to submit that the Ministry of HRD vide its OM No.17-44/2011-UT-3 dated 03.04.2013 had sent a draft Cabinet Note to the Ministry of Finance, Department of Expenditure. The Ministry of Finance vide their OM dated 28.05.2013 **(Annexure-II)** did not agree to the proposal inter alia citing the ground that DoP&PW's OM dated 01.05.1987 is not applicable to the employees of NVS and NVS was not in existence prior to 01.01.1986, the crucial date of 4th Pay Commission recommendation for extension of pension-cum-GPF scheme to the employees covered under CPF rules.

3. It is worthwhile to mention that two Jawahar Navodaya Vidyalayas i.e. Amravati and Jhajjar which were opened during 1985-86 are very much part of the NVS and the employees of the said JNVs are also the employees of NVS. With the starting of these two JNVs in 1985-86, the NVS is having at present 660 sanctioned JNVs. Therefore, it would not be justifiable to say that employees of NVS were not in existence prior to 01.01.1986. It is to reiterate that the guidelines as contained in the OM dated 01.05.1987 of the DoP&PW envisaged switching over from CPF scheme to Pension-cum-GPF scheme on the recommendation of 4th Pay Commission. The fact that NVS was registered on 22.2.1986 as a Society under Society Registration Act may be treated as a technical issue and should not be the reason for depriving the employees of the GPF-cum-Pension facility. The duration of time from 31.12.1985 to 28.2.1986 may be condoned administratively to extend the benefit of GPF-cum-Pension Scheme in accordance with guidelines of Govt. of India, as contained in aforesaid OM dated 01.05.1987 (Copy enclosed at **Annexure-III).**

4. Navodaya Vidyalayas have carved out a niche for itself in the annals of secondary education in the country ever since its inception. The popularity of JNV lies in the demand of the public to have more Vidyalayas as evident in statistics of candidates registered for admission and candidates actually selected which is in the ratio of 51:1 (51 candidates per seat). It is needless to say that the growth of JNVs from 02 (two) in 1985-86 to 638 functional JNVs (as against the 660 sanctioned JNVs), both in terms of quality and quantity, is attributable to the services rendered by the employees with utmost dedication, sincerity and devotion. However, the employees recruited prior to 01.01.2004 who rendered their valuable services in the prime youth time of their life are struggling very hard in the post retirement era to maintain a dignified life in absence of pensionary benefits. In a catena of judgment of Hon'ble Courts, it has

5

been stated by the Hon'ble Court that pension is a social security plan consistent with socio economic requirements of the Constitution particularly when the employer is a State within a meaning of Article 12 of the Constitution rendering social justice to a superannuated Government servant. It is a right of the Government servant attached to the office and cannot be arbitrarily denied to him. At present, the employees have neither medial facilities nor pension nor family pension.

5. In view of the above, the MHRD may take action to revive its proposal which was sent to the Ministry of Finance to ensure that the pensionary benefits is extended to pre-2004 employees of NVS in accordance with DoP&PW's OM dated 01.05.1987 by condoning the delay of two months which are of administrative in nature.

21/06/2018

(Bishwajit Kumar Singh)
Commissioner, NVS

<u>Hon'ble HRM & Chairman, NVS</u>

आयुक्त न.वि.स.
सं/DY No. 2307
21 JUN 2018
Commissioner NVS

(29

F.No.17-32/2018-UT-3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy

***

New Delhi, dated 30th July, 2018

To,

Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Sector-62,
Noida (U.P.) - 201309

Subject: Introduction of GPF-cum-Pension Scheme to the employees of NVS in lieu of existing CPF Scheme – reg.

Sir,

I am directed to refer to NVS's letter no. 24-1/2013-NVS (GA) dated 20.7.2018 on the subject mentioned above and to request that the following additional inputs may kindly be furnished to this Ministry:

i. The particulars of the organizations which came into existence after establishment of NVS (i.e. after 28.2.1986) and have been given the benefits of GPF-cum-Pension Scheme;

ii. Number of employees in NVS who joined service prior to 1.1.2004 who are proposed to be covered under the GPF-cum-Pension Scheme and the financial implications involved;

iii. A proforma showing academic achievements of JNV students in Higher Education for the last few years is enclosed. The updated data for the last 5 years may be furnished.

Yours faithfully,

(P.K. Bali)
Under Secretary to the Govt. of India

Encl: As above.

Issued.

Statement showing admissions secured by JNV students in professional courses over the least five years

Sl.No	Course	2013-14	2014-15	2015-16	2016-17	2017-18
1	IIT	361	365			
2	AIEEE	341	473			
3	Engineering	2786	3765			
4	MBBS/NEET	401	560			
5	BAMS	88	122			
6	Veterinary	42	68			
7	Agriculture	298	415			
8	Pharmacy	102	183			

(39

Gmail

UT-3 Section MHRD <ut3section@gmail.com>

Introduction of GPF-cum-Pension Scheme in NVS in lieu of CPF Scheme -reg.

1 message

UT-3 Section MHRD <ut3section@gmail.com> Thu, Aug 2, 2018 at 12:30 PM
To: "BishwajitKumar Singh, Commissioner, NVS" <commissioner.nvs@gov.in>
Cc: jcadmn.nvs@gov.in

Sir,

I am directed to refer to this Department's letter no. 17-32/2018-UT-3 dated 30.7.2018 (copy enclosed) regarding the subject mentioned above. The information/clarifications sought vide the aforementioned letter have not yet been received. It is accordingly requested that the same may be furnished expeditiously in order enable the matter to be process further.

--
Regards,

Neelam Kapoor,
Section Officer (UT-3).
Ministry of HRD

17-32 (2).pdf
39K

(3)

Subject: **Introduction of GPF-cum-Pension Scheme in NVS in lieu of CPF Scheme -reg.**

To: commissioner.nvs@gov.in

Date: 08/07/18 12:41 PM

From: "P K Bali Under Secretary UT Department of Higher Education" <pk.bali@nic.in>

17-32 (2).pdf (40kB)

Sir,

Kindly refer to this Department's letter no. 17-32/2018-UT-3 dated 30.7.2018 (copy enclosed) and subsequent e-mail reminder dated 2.8.2018 regarding the subject mentioned above. The information/clarifications sought vide the aforementioned letter have not yet been received. It is accordingly requested that the same may be furnished expeditiously in order enable the matter to be process further.

Regards,

(P.K. Bali)
US (UT)

72

नवोदय विध्यालय समिति
मानव संसाधन विकास मंत्रालय
भारत सरकार
(स्कूल शिक्षा और साक्षरता विभाग)
बी-15, इन्स्टीटुषनल एरिया, सेक्टर 62, नोइड
गौतम बुद्ध नगर, उत्तर प्रदेश -201309
दूर भाष: 0120-2405195-6

Navodaya Vidyalaya Samiti
Ministry of Human Resource Development
Government of India
(Department of School Education & Literacy)
B-15, Institutional Area, Sector-62, Noida,
Gautam Budh Nagar, Uttar Pradesh -201309
URL: www.navodaya.gov.in
Tele: 0120-2405195-6

24-1/13-NVS(GA.)/4310

Date: 13/8/2018

To

Shri P.K. Bali,
Under Secretary
UT-3 Section
Ministry of HRD
Shastri Bhawan
New Delhi

Sub: Introduction of GPF-cum-Pension Scheme to the employees of NVS in lieu of existing CPF Scheme – reg.

Sir,

This has the reference to your office letter No.17-32/2018-UT.3 dated 30.7.2018 on the cited subject. In this regard, I am to say as under:-

1. The organizations which came into existence after establishment of NVS (i.e. after 28.2.1986) and have been given the benefit of GPF-cum-Pension Scheme are as under:-

Sl. No.	Name of the Organization	Year of establishment
1.	Prasar Bharti	1997
2.	Nuclear Science Centre	1992
3.	Consortium for Educatioinal Communication	1993
4.	National Human Right Commissioner	1993
5.	Mizoram University	2001
6.	Maulana Azad National Urdu	1998
7.	National Institute of Open Schooling	1989
8.	Inter-University Consortium for Department of Atomic Energy Facility	1990
9.	Information and Library Network Centre (INFLIBNET)	1991
10.	National Assessment and Accreditation Council	1994
11	Inter University Centre for Astronomy and Astro Physics	1988

14/8
SO UT-3
01
16/8
Sn Salwak

(73)

2. The number of employees who joined service prior to 01.01.2004 and who are still continuing in service comes to 10682. The financial implication as per acturial calculation got done through LIC comes to Rs.4069.54 crore {Rs.3988.00 for past service benefit + Rs.81.65 crores for current service cost}. If the liability is spread over 10 years with an initial payment of Rs.1500.00 crores then annual EMI would be Rs.246.81 crore. The Management Share of CPF available with Samiti as on 31.3.2018 is around Rs.800.00 crores. In such case, the Government will have to pay initially Rs.700.00 crores to start with and thereafter Rs.246.81 crores per year is to be paid upto 10 years period. It is also to mention here that the Government is paying management share of CPF in respect of existing employees which comes to around Rs.59.00 crores per year based on the data as on 31.3.2018. Thus, per year liability for paying pension would come down to Rs.187.81 crores (Rs.246.81 - Rs.59.00). It will further come down on account of additional payment owning to grant of annual increment in succeeding years.

3. The academic performance of JNV students is as under:-

PERFORMANCE IN BOARD EXAMINATION

3.1 Performance of children in Board examination in class X and XII (Pass Percentage) have been better than all systems as evident from the following Table(s):-

Year	CLASS X		CLASS XII	
	Pass %age	First Division	Pass %age	First Division
2013-14	99.80	83.06	97.67	90.26
2014-15	99.72	84.58	96.91	91.75
2015-16	98.83	87.96	96.70	88.46
2016-17	99.78	98.13	95.87	85.47
2017-18	97.15	85.42	97.07	89.36

3.2 PERFORMANCE OF CHILDREN IN 2018 EXAMINATIONS

CBSE EXAMINATION:-

CLASS XII			CLASS X	
No of JNVs	536		No of JNVs	579
No of students appeared	29788		No of students appeared	38537
No of students Passed	28917		No of students qualified	37438
No of students with First Division	26619		No of students with 60%	32917
Pass Percent	97.07		Pass Percent	97.15%
First Division	89.36%		60 percent and above	85.42%
No of students getting Centum	195		No of students getting Centum	460
No of JNVs with 100% pass	277		No of JNVs with 100% pass	263

3.3 COMPETITIVE EXAMINATIONS:

JEE			NEET	
Appearing in JEE Main	11656		Appearing in NEET	9942
Qualified in JEE Main	4360		Qualified in NEET	8407
Qualified in JEE Advanced - First list	640			

3.4 INTERNATIONAL ADMISSIONS:

- **4 STUDENTS SECURED ADMISSION IN TOP UNIVERSITIES OF UK***

Name of the student	JNV	University selected for	Program
Dipti R Rapte	Palghar	University of Edinburgh	BSc Biological science
Shivam A Dubey	Palghar	Imperial College	MS Mechanical engineering
Sadanand H Ugale	Aurangabad	Univ College London	MSc Mathematics
Aadesh D Vaidya	Aurangabad	University of Bristol	BSc Medical Biochemistry

*Support from 'Karta initiative'

3.5 Statement showing number of JNV students qualified for admission in National Level Competitive Examination for professional curses over the last five years

S. NO.	Course	2013-14	2014-15	2015-16	2016-17	2017-18
1.	IIT	361	365	873	1176	640 (First list)
2.	MBBS / NEET	401	560	7342	11875	8407 (First List)

3.6 Special achievements:-

- 31 new JNVs have been made functional in a record period of 7 months.
- Organizing children science congress in collaboration with advanced scientific institutes in the country.
- Established 11 Atal Tinkering Labs. 150 JNVs are being under consideration.
- 3.41 Lac trees planted in 2016-17. 2,25,827 tress planted in one hour duration on 21st July 2018.
- Industry based vocational training arranged with the help of TVS. 28 students have been connected into industry under "Earn while you learn" program.
- Smart Classes have been established in 475 schools in association with Industry under CSR.
- Mountaineering and adventure programs arranged for students with the help of professional organizations. 800 students attend annually.
- Training in 21st Century skills arranged for teachers and students with help of British Council and Tata Institute of Social Sciences.
- Capacity building program on experiments oriented teaching learning has been arranged with the support of Indian Institute of Sciences, Chitradurga for teachers.

(13)

- Value education (Awakened Citizens Program) initiated with the support of Rama Krishna Mission in 305 JNVs.
- Training facilities have been developed at 5 more places and 6000 teachers are trained every year.
- Geo mapping and geo tagging of all JNVs completed.
- Provision for support to Divyang developed.
- Process of transfer made online.
- 5 Centre of Excellence in academics initiated.
- Out of 62 JNVs, construction being started in 32 sites.
- All the uncovered districts in the country will be taken for opening of new JNVs.
- Training infrastructure and facilities will be enhanced.
- E Office under implementation with the help of C-DAC at very low cost.
- Online application process for JNVST admission is implemented.
- 27.77 Lakh students registered for Class-VI introduced Jawahar Navodaya Vidyalaya Selection Test during the year 2018-19.
- Solar panels over rooftops in two JNVs have been installed.
- Capacity enhancement in JNVs through additional admission in existing schools is being planned.
- Five Centres of excellence of sports.
- Two major events of SGFI Handball and Boxing at JNVs - Bikaner and Varanasi.

This issues with the approval of Competent Authority.

Yours faithfully,

10.08.2018

(B.C. Panda)
Assistant Commissioner (Admn.)

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

(76)

The Manager (P & GS),
P&GS UNIT,
Noida

22/06/2018

REPORT ON THE ACTUARIAL INVESTIGATION AS AT 01/04/2018

1 **NAME OF THE FUND** : **Navodaya vidyalaya samitee / NGSCAB Scheme**

2 **BENEFITS VALUED** : **As per the details provided in Q Track.**

3 **VALUATION METHOD** : **Projected Unit Credit Method.**

4 **ACTUARIAL ASSUMPTIONS :-**

MORTALITY RATE : IALM 06-08
WITHDRAWAL RATE : 1% TO 3% depending on age.
VALUATION RATE OF DISCOUNT : 7.5% pa
SALARY ESCALATION : 03%

6 **RESULTS OF VALUATION** : **For Providing Pension on CCS Pattern.**

Retirement Age	**60 years**
Number of Members	**10682**
Average Age	**49.65 years**
Average Past Service	**22.3 years**
Average Monthly Salary	**53964/-**
Value of Past Service Benefit	**Rs. 3988 crores**
Current service cost	**Rs. 81.65 Crores**

Note:

1. **This investigation has been carried out using certain assumptions on financial and demographic factors as stated above and using the prevailing annuity rates.**
2. **This is only an estimate of long term pension liability of the client. The actual cost of providing benefits dependant on the actual experience of the scheme and the annuity rates prevailing at the time the annuities are purchased.**
3. **It is necessary to fund the benefits regularly by paying the annual contribution recommended by us from time to time.**
4. **It is also essential to have actuarial investigation regularly to monitor the adequacy of funds.**
5. **The valuation is done on the basis of member's data provided.**

Secretary (P&GS)

JShans
जसपाल सिंह हंस
JASPAL SINGH HANS
मण्डल प्रबन्धक (पेंशन एवं समूह बीमा योजनाएँ) / Divisional Manager (P&GS)
भारतीय जीवन बीमा निगम / Life Insurance Corporation of India
कार्यालय-ई-3, सैक्टर-1, द्वितीय तल, नोएडा (उ.प्र.) 201301
Office-E-3, Sector-1, IInd Floor, Noida (U.P.) 201301

77

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Ref: P & GS/Superannuation

Date: 03/08/2018

Dr. Honnareddy N., IFS
Joint Commissioner (Admn)
Navodaya Vidalaya Samiti
B-15, Institutional Area, Sector-62
Noida, G. B. Nagar, Uttar Pradesh-201309

Dear Sir,

Re: Actuarial Investigation Reports of liabilities of Pension as at 01/04/2018.

At the outset we would like to express our sincere acknowledgement for the unique role played by the NVS in providing good quality modern education to millions of the talented children predominantly from the rural areas. We also express our sincere thanks for evincing your keen interest in LIC's Superannuation Scheme.

Today, LIC is the largest insurer in the world covering more than 41 Cr. lives, thus equivalent to the 3rd largest nation in the world, and managing the funds of more than RUPEES FIVE LAKH CRORES of more than 80,000 valued customers as at 31/03/2018. Some of our big customers are **ONGC, IOCL, NTPC, BHEL, SAIL, BSNL, MTNL, EIL, AAI, DDA, PNB, OBC etc.** and we are successfully managing their funds of more than 5000 crore each for past several years to their satisfaction. We are the only public sector life Insurer in The Country and Proud to be the largest annuity provider in the country. **Moreover, the Funds invested with the LIC of India enjoy SOVERIGN GUARANTEE of Central Government** and the same is expressly provided under Section 37 of the LIC of India Act, 1956

Further, On the basis of the data provided by you , of 10682 employees which were on the roll of NVS as on 31/12/2003 and are still in the service with the NVS, our actuarial team has conducted the actuarial investigations and ascertained the liabilities as per report dated 22/06/2018, attached herewith. The assumptions taken to conduct the valuation and the benefits to be provided are mentioned in the attached report.

The benefits are valued to provide the Pension on CCS Pattern.

Different Scenario to meet the obligation assuming the interest rate as 8%, are as under:

Scenario	Initial Investment (Rs.)	Balance (Rs.)	Tenure	CSC (B)	EMI (A)	Combined (A)+(B)
1	500 Cr	3488 Cr	10 Yrs	Rs.81.65 Cr	Rs.424.58Cr	Rs.506.23 Cr
2	500 Cr	3488 Cr	15 Yrs	Rs.81.65 Cr	Rs.281.15 Cr	Rs.362.80 Cr
3	1000 Cr	2988 Cr	10 Yrs	Rs.81.65 Cr	Rs.294.87 Cr	Rs.376.52 Cr
4	1000 Cr	2988 Cr	15 Yrs	Rs.81.65 Cr	Rs.157.84 Cr	Rs.239.49 Cr
5	1500 Cr	2488 Cr	10 Yrs	Rs.81.65 Cr	Rs.165.16 Cr	Rs.246.81 Cr

We look forward for your valuable patronage.

Yours' sincerely,

(J.S.Hans)

जसपाल सिंह हंस
JASPAL SINGH HANS

कार्यालय : (संकेत सं. : G-210) पेंशन एवं समूह बीमा योजनाएँ, ई-3, द्वितीय तल, सैक्टर-1, नोएडा-201 301
दूरभाष : (एस.टी.डी. : 0120) 2535701, 2425971, ई-मेल : bo_g210@licindia.com

Office : (Code : G-210) Pension & Group Scheme, E-3, 2nd Floor, Sector-1, **Noida-201 301**
Tel. : (STD : 0120) 2535701, 2425971, **E-mail :** bo_g210@licindia.com

(157

Confidential

No.17-44/2011-UT.3(Vol.II)
Government of India
Ministry of Human Resource Development
(Department of School Education & Literacy)

New Delhi, dated: 9th December, 2016

Subject : Pension Scheme for the employees of Navodaya Vidyalaya Samiti.

A meeting is scheduled to be held under the Chairmanship of Shri Anil Swarup, Secretary, Department of School Education & Literacy at 12:00 noon on Wednesday, the 14th December, 2016 in his Chamber (124 – C Wing), Shastri Bhawan, New Delhi to discuss the above matter. A background note is enclosed.

2. You are requested to kindly make it convenient to attend.

(D.K.D. Rao)
Deputy Secretary to the Govt. of India
Tel. No. 23387153

09/12/16

9/12/16

1. Smt. Annie George Mathew, Joint Secretary (Per.), D/o Expenditure, North Block, New Delhi.
2. Shri R.K. Gupta, Joint Secretary, M/o Labour & Employment, Shram Shakti Bhawan, New Delhi.
3. Dr. V.P. Joy, Central Provident Fund Commissioner, Bhavishya Nidhi Bhawan, Bhikaji Cama Place, New Delhi.
4. Shri Bishwajit Kumar Singh, Commissioner, Navodaya Vidyalaya Samiti, NOIDA.

Copy to:

1. Sr. PPS to Secretary (SE&L).
2. PPS to JS(SE-II).

(158

Brief note on providing One-time grant for extending pensionary benefits to employees of NVS through EPFO

1. BACKGROUND

i) Navodaya Vidyalaya Samiti (NVS) is an autonomous organization, fully funded by the Government of India under the Ministry of Human Resource Development, Department of School Education & Literacy tasked with the responsibility to set up Jawahar Navodaya Vidyalayas (JNVs) in rural areas in each district of the country. The scheme of Jawahar Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 as a Central Sector Scheme which is 100% funded by the Government of India. JNVs are fully residential, co-educational institutions providing free education including boarding and lodging, text books, uniform, stationery, etc, upto senior secondary stage.

ii) The Jawahar Navodaya Vidyalayas were set up with the objective of providing good quality modern education to talented children particularly from rural areas. These institutions are envisaged as modern and pace setting institutions to lead the secondary education in India and paving the way for realization of national goals. These Vidyalayas have been conceived as a progressive forward looking concept, making of a modern India through educational excellence. At least 75% of the seats in a district are filled by candidates selected from rural areas. Reservation for SC/ST students is also provided in proportion to their population, subject to the minimum national average of these categories.

iii) At the end of the academic session 2015-16, 2,47,153 students were on the rolls of the Navodaya Vidyalayas. Social cohesion, inculcation of human/cultural values and consistent interaction with the local community are the basic planks on which these institutions have developed as centers of academic excellence.

iv) As against all other schools like Kendriya Vidyalayas, State Govt. Schools and private schools, the JNVs are unique because of their residential character and rural focus.

2. ACADEMIC EXCELLENCE IN THE JNVs

i) The successive progress in the academic results of JNVs in public examination conducted by CBSE and the records about placement of students after passing out from the Vidyalayas indicate that the Samiti is moving in the right direction. Class-X and XII Examination results of JNVs have been consistently better than the overall CBSE national averages.

ii). In Jawahar Navodaya Vidyalayas, all out efforts are made to develop competencies among students in scholastic and non-scholastic areas of education leading to effective personality development of each child. Scholastic excellence can be seen in the comparison of average, pass percentage of NVS and that of other school systems like Kendriya Vidyalayas and private schools.

Class-X (Pass percentage)

S. No	School System	2011	2012	2013	2014	2015	2016
1.	CBSE	96.61	98.19	98.76	98.87	97.32	96.21
2.	NVS	99.52	99.58	99.73	99.80	99.72	98.83
3.	KVS	99.30	99.36	99.70	99.46	99.39	98.85
4.	Independent	98.75	98.20	99.46	99.44	98.19	97.72

Class-XII (Pass percentage)

S. No.	School System	2011	2012	2013	2014	2015	2016
1.	CBSE	80.88	80.19	82.10	82.86	82.00	83.05
2.	NVS	96.86	95.96	96.14	97.67	96.91	96.70
3.	KVS	93.42	94.13	94.81	97.37	94.75	95.43
4.	Independent	80.71	80.11	82.31	82.77	81.08	82.40

3. ACHIEVEMENTS OF THE STUDENTS OF JNVs

i) During the nearly three decades of its existence, a large number of students of Jawahar Navodaya Vidyalayas have secured admissions to various professional institutions for pursuing higher studies in engineering, medicine, management and various other fields.

ii) The data pertaining to the last 5 years is given in the following table:

Details of students joined in various courses

Sl.No	Course	2011-12	2012-13	2013-14	2014-15	2015-16
1	IIT	256	381	361	365	2636 students of JNVs qualified the JEE (Mains) 2016. Out of these, 324 JNV students have cleared the JEE (Advanced).
2	AIEEE	241	307	341	473	
3	Engineering	2431	2712	2786	3765	
4	MBBS	275	372	401	560	
5	BAMS	58	72	88	122	
6	Veterinary	21	32	42	68	
7	Agriculture	254	276	298	415	
8	Pharmacy	54	72	102	183	
9	Others including Degree Course	18450	20588	21478	20195	
Total		22040	24812	25897	26146	

iii) A good number of Navodayans are working in responsible positions in various MNCs and other companies in India and abroad. Many of them have also got into the Civil Services.

4. CO-CURRICULAR AND PACE-SETTING ACTIVITIES

Besides providing opportunities for achieving academic excellence, Navodaya Vidyalayas also aim at giving their students opportunities for self-development & creative expression through sports and arts. The Vidyalayas follow a calendar of activities. Games & Sports, Scouts & Guides, NCC, NSS, Exhibitions & Art in Education activities are organized in a systematic way in the Navodaya Vidyalayas all over the country.

5. ROLE OF THE TEACHING AND NON-TEACHING STAFF IN JNVs

All the above achievements could not have become a reality without the consistent and unstinted support, cooperation and encouragement of the teachers and staff of the JNVs, most of whom are playing a guardian's role vis-à-vis the students who come from a rural background and with parents having low educational and economic status. With the active involvement of the teachers and staff, the JNVs tend to become a home away from home for the students. The teachers and the staff are responsible for not only the academic performance of the students but also attend to needs of the individual student from time to time in terms of health, nutrition, hygiene, emotional support and overall growth and development of the students thereby facilitating their secondary socialization

6. CURRENT ISSUE

i) The Government of India has approved extension of the pay structure of Central Government employees to the teaching and non-teaching staff of JNVs. The NVS has also adopted mutatis-mutandis, the Government of India rules and regulations on service matters for its employees.

ii) The Cabinet had accorded approval for establishment of 432 Model Schools, one in each district, at its meeting held on 5th August, 1985 and two schools at Jhajjar (Haryana) and Amaravati (Maharashtra) had already become operational in 1985 itself.

iii) The Navodaya Vidyalaya Samiti was registered as a society under the Societies Registration Act, 1860, on 28.2.1986.

iv) In the light of OM No. 4/1/87-PIC-I dated 1.5.1987 of the Department of Pension and Pensioners' Welfare, all CPF beneficiaries who were in service as on 1.1.1986, were deemed to have come over to the pension scheme. They were, however, given an option to continue under the CPF Scheme. In the case of the employees of NVS, conversion to the pension scheme was not agreed to on the ground that NVS was not in existence on 1.1.1986 (as it was registered as society only on 28.2.1986).

v) The Ministry of Finance, Department of Expenditure, Govt. of India vide its Notification No. 4(1)-E.V./90 (i) dated 11.11.1991 extended the Contributory Provident Fund (CPF) Scheme to the employees of NVS.

vi) In this historical context, the employees of NVS opted for CPF. Subsequently, New Pension Scheme was introduced for all regular NVS employees w.e.f. 1.4.2009. Those employees who had joined NVS on regular basis before 01.04.2009 had the option either to continue with the existing CPF scheme or to join the NPS.

7. JUSTIFICATION FOR THE INTRODUCTION OF PENSION SCHEME IN NVS

The grant of pensionary benefits to the teaching and non-teaching staff of NVS needs to be considered sympathetically on the following grounds:

- The Programme of Action on National Policy on Education 1986 on Recruitment and old-age benefits and medical-care for Teachers stated as under:

  "All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

- The employees of Kendriya Vidyalaya Sangathan who joined before 01.01.2004 are in receipt of pension under CCS (Pension) Rules, 1972.

- The Committee set up by the Ministry of HRD to review the management, structure and operating mechanism of NVS under the Chairmanship of Shri Y.N. Chaturvedi (Retd.) Additional Secretary, Ministry of Human Resource Development, had also strongly recommended the extension of pensionary benefits to the employees of NVS at par with Kendriya Vidyalaya Sangathan (KVS).

- The Department related Parliamentary Standing Committee on HRD in its 154th (laid on the Table of Lok Sabha on 02nd March, 2005) and 184th Report (laid on the Table of Lok Sabha on 30th November, 2006) on functioning of Navodaya Vidyalayas, had also recommended that the provision of pensionary benefits be granted to NVS employees on the same level as being given to KVS employees.

- The employees of the NVS, who mandatorily stay on campus and devote their entire service in the welfare of the students, on their retirement, find themselves bereft of any social and financial security at the end of their careers.

8. EFFORTS MADE TO INTRODUCE PENSION CUM GPF SCHEME IN N.V.S.

i) The Government has considered the demand on a number of occasions previously. But this has not been agreed to by the Ministry of Finance, Department of Expenditure on economic considerations and high financial implications, difficulties in administering the pension fund, financial risk in investment of funds and also on the ground that NVS was not in existence on 01.01.1986.

ii) In one such effort towards introducing a pension scheme in NVS, a draft Cabinet Note for grant of pensionary benefits to the employees of NVS who had joined prior to 01.01.2004, was formulated with the following four options for creation of the Pension Corpus:

(i) Option-1: Implement the Pension-cum-GPF Scheme with existing corpus till 2021 and with annual grant-in-aid from 2022.

(ii) Option-2: One time Pension Corpus grant at the beginning of the Scheme.

(iii) Option-3: Grant in 5 equal annual installments for Pension Corpus.

(iv) Option-4: Grant in 10 equal annual installments for Pension Corpus.

iii) The draft Cabinet Note was circulated to various Ministries/Departments for their comments on 19.07.2013. The Department of Pension & Pensioners Welfare, in their comments, had stated –

"....the proposal for creation of a Pension Fund with NVS, to be financed from existing CPF contribution of the employees and Grants-in-Aid to NVS by Government of India, is not covered under CCS (Pension) Rules. Moreover, this is an administrative decision with financial implications for the Government and therefore, the Administrative Ministry may decide in consultation with Department of Expenditure. Department of Pension & Pensioners Welfare is not able to support the proposal as contained in the revised Draft Cabinet Note."

iv) Similarly, the Department of Expenditure in their comments had stated -

"The Department of Expenditure has consistently not been agreeing to introduction of the conventional pension scheme for employees of autonomous bodies in various Ministries/Departments, and has been advising the autonomous bodies to work out a suitable annuity scheme, or to move over to the NPS for pre-2004 employees, without any liability on Govt. of India. The cost of introducing a pension scheme based on a 'defined benefit' model with an open ended liability on the part of Govt. to meet periodic upward revisions does not appear viable. To that extent, it would not be possible for us to support the proposal to set up a Pension Fund as envisaged in the Draft Cabinet Note (DCN), with part funding from the Govt. by way of Grants-in-Aid. Agreeing to any such proposal in the case of Navodaya Vidyalaya Sangathan, would lead to similar demands from other autonomous bodies also."

(163

v) The erstwhile Planning Commission (now NITI Aayog) had then supported the proposal of MHRD by endorsing the option – 4 (Grant in 10 equal annual installments for Pension Corpus) in the draft Cabinet Note.

9. PRESENT PROPOSAL:

i) In the context of the feasibility of introducing the pensionary benefits under the CCS Pension Rules, 1972 having been found unacceptable, an alternative option of building a corpus fund partly from the accumulated amount of employers contribution to CPF available with the NVS and a one-time corpus contribution from the Government of India may be considered for the teaching and non-teaching staff of Navodaya Vidyalaya Samiti who had joined service before 01.01.2004 and are presently covered under CPF. This will mitigate the hardships of NVS employees who are suffering due to issue of delay in notification of NVS as a society despite Cabinet approval having been accorded in August, 1985.

ii) In a last ditch effort to provide pension to the NVS employees who had joined before 1.1.2004, keeping in mind the observations of Department of Expenditure, a scheme has been drawn up which envisages a one-time support from the Government of India to supplement the available resources with NVS. The methodology is discussed below.

10. METHODOLOGY AND FINANCIAL IMPLICATION:

i) As per the actuarial calculation made on 31.12.2015 (annexed), the estimated liability for extending pensionary benefits to an aggregate number of 11469 employees was estimated to be Rs.1896.00 crores.

ii) As on 31.03.2015, NVS had an accumulated amount of Rs.514.11 crores as management contribution to CPF. This amount available with NVS can be contributed towards the corpus for creating a pension fund for NVS and the remaining amount of Rs. 1382 crores (approx.) has to be in the form of one time grant from the Government.

iii) The EPFO has proposed to amend their scheme to facilitate coverage of ineligible categories of employees for the purpose of pensionary benefits under their scheme. The NVS employees are sought to be covered through this amended scheme.

iv) In this context, we have explored the following option in consultation with the Ministry of Labour & Employment and EPFO, which is the apex social security organization in the country and has crafted pension schemes for the uncovered workers:

- Under the proposed scheme, the NVS will transfer the accumulated surplus under CPF Contribution and one time grant to be provided by the Government of India for setting up a corpus fund to be managed by EPFO.

- The employees of NVS, presently covered under the CPF Scheme, would discontinue their membership in the CPF and commence contribution to the EPF Scheme of EPFO.

(164

- Individual accounts will be opened with the EPFO for each employee proposed to be covered under this scheme.

- The accumulated contribution of the employees under CPF will be transferred to the corpus on pro-rata basis. Subsequent contributions of the employees will be credited to their individual accounts.

- NVS would remit the service charges as may be applicable to EPFO for managing the corpus and servicing the pensionary liabilities.

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(165

M/s. K A Pandit Consultants & Actuaries

(ISO 9001:2008 Certified)
(ISO 27001:2005 Certified)

Estimate of the Pension Liability as on 31-12-2015

Further to the request for an Actuarial Valuation of the Pension Liability, please refer to the summary & assumptions below:

Name of the Company	Navodaya Vidyalaya Samiti
Request received on	
Request received from	
Date of Valuation	31.12.2015
Method of Valuation	Projected Unit Credit Method

Valuation Assumptions	
Future Salary Rise(Basic)	5.00% p.a.
Future Salary Rise(DA)	5.00% p.a.
Future Pension Escalation Rate(Basic)	0.00% p.a.
Future Pension Escalation Rate(DA)	0.00% p.a.
Rate of Discounting	8.17% p.a.
Attrition Rate	2.00% p.a. for all service groups.
Mortality Rate	IALM (2006-08) ULT - Active Phase IALM (2006-08) ULT- Payment Phase

Valuation Data Summary	
Number of Employees	11469
No. of Pensioners & F.Pensioners	0
Total Monthly Salary	Rs. 512,132,768
Total Monthly Pension	
Average Monthly Salary	Rs. 44,653.65
Average Age(Active)	48.33 years
Average Past Service(Active)	20.65 years
Average Future Term	31 years. Rounded up, calculated individually.

Valuation Results	
PBO (Actives)	Rs. 18,960,934,874
PBO (Pensioners)	
Projected Benefit Obligation	Rs. 18,960,934,874

Further Details	
Indicative G.Sec referenced on	31.12.2015

166

M/s. K A Pandit Consultants & Actuaries
(ISO 9001:2008 Certified)
(ISO 27001:2005 Certified)

Current & Non-Current Liability (Pension)

Fund Balance	Un Funded
Current Liability	Rs. 276,755,250
Non-Current Liability	Rs. 18,684,179,624

Benefit Details

Company Scheme as mentioned below.

Pension Accrual Rate	2.00%
Retirement Age	60 years
Vesting Period	10 years
Maximum Pension	40.00%
Death Benefit	30.00%

Notes & Recommendations

- Valuation Assumptions, Scheme Benefits and the Data are provided by the Company.
- Age & Past Service of the employees is rounded to the nearest Integer.
- Average Future Service is calculated individually from the end of first year.
- Current & Non-Current Liabilities depend upon the funded position of the Company. For further information on Current & Non-Current Liability, please refer to the note on our website. www.ka-pandit.com.
- We would request you to confirm the figures provided in the Summary within 7 Working Days, beyond which we will assume the above given figures are accepted and Hard Copies will be issued based on the same.
- Hard copies of our Reports and Disclosures will be dispensed after receiving your confirmation on the given Summary within 3 Working Days.

(167

M/s. K A Pandit Consultants & Actuaries
(ISO 9001:2008 Certified)
(ISO 27001:2005 Certified)

Valuation done by	jayesh
Additional Results	
CSC Widow-WidowerBenefit	
CSC Excluding Widow-WidowerBenefit	
Current Service Cost	Rs. 80,752,619
Accumulated Benefit Obligation (ABO)	
Cashflow Projection	
Benefits Payable In	
2016	Rs. 276,755,250
2017	Rs. 313,095,929
2018	Rs. 461,161,347
2019	Rs. 586,416,949
2020	Rs. 749,800,095
2021 - 2025	Rs. 6,631,760,677
Cash Flow Breakup	6 to 10 years
2021	Rs. 906,040,039
2022	Rs. 1,098,939,790
2023	Rs. 1,323,223,895
2024	Rs. 1,532,672,947
2025	Rs. 1,770,883,905

(168

भारत सरकार
मानव संसाधन विकास मंत्रालय
स्कूल शिक्षा और साक्षरता विभाग
शास्त्री भवन
नई दिल्ली – 110 115
GOVERNMENT OF INDIA
MINISTRY OF HUMAN RESOURCE DEVELOPMENT
DEPARTMENT OF SCHOOL EDUCATION & LITERACY
SHASTRI BHAVAN
NEW DELHI-110 115

सत्यमेव जयते

स्वच्छ भारत
एक कदम स्वच्छता की ओर

सूचना का अधिकार

Sanjay Kumar, IAS
Joint Secretary (SE-II)
Tel. No.:23387781
E-mail: sanjay.garg@nic.in

D.O. No.17-32/2018-UT-3

2nd November, 2018

Dear Sh. B.K. Singh,

This is regarding introduction of a pension scheme for the employees of Navodaya Vidyalaya Samiti. In the context of the feasibility of extending the benefits of the GPF-cum-Pension Scheme, 1972 not being there, one of the options would be to explore the possibility of having an annuity based alternative pension scheme in lieu of the existing CPF Scheme. It has been noted that NVS has already got some actuarial calculations done in this regard.

2. Having regard to the actuarial calculations and the number of employees sought to be covered, a draft proposal for providing annuity based pensionary benefits to the employees of NVS who had joined the service before 1.1.2004 may be prepared and sent to this Department for taking up the matter further with the Department of Expenditure.

3. While forwarding the draft proposal, the following aspects may be given due consideration:

i) total financial implications for introducing the pension scheme and the *inter-se* contributions by NVS and GoI;
ii) mechanism for management of the corpus fund;
iii) cut-off date for deciding the eligibility of the employees to opt for the alternative scheme;
iv) willingness of the eligible employees to opt for the alternative scheme in lieu of the existing CPF Scheme;
v) how the cases of already retired employees be dealt with; and
vi) modalities of the pension scheme i.e. whether family pension, commutation, etc. are proposed to be factored in;

4. I shall be grateful if you could kindly consider the matter at your end and arrange to send a comprehensive proposal at the earliest.

With regards,

Yours sincerely,

(Sanjay Kumar)

Shri Bishwajit Kumar Singh,
Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Institutional Area,
Sector-62, Noida,
Uttar Pradesh.

Issued
6/11/2018

सर्व शिक्षा अभियान
सब पढ़े सब बढ़े

(167

F.No.17-32/2018-UT-3
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
***

New Delhi, dated 26th November, 2018

To,

Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Sector-62,
Noida (U.P.) – 201309.

Subject: Introduction of a Pension Scheme to the employees of NVS – reg.

Sir,

I am directed to refer to this Ministry's letter of even number dated 2.11.2018 on the subject mentioned above vide which NVS was requested to send a comprehensive draft proposal for providing annuity based pensionary benefits to the employees of NVS who had joined the service before 1.1.2004.

2. The said proposal is still awaited. It is therefore requested that the same may please be expedited so that the matter may be taken up further with the Department of Expenditure.

Yours faithfully,

(P.K. Bali)
Under Secretary to the Govt. of India

O/C issued

178

FD-525617/2018

नवोदय विद्यालय समिति
मानव संसाधन विकास मंत्रालय
(स्कूल शिक्षा और साक्षरता विभाग)
भारत सरकार
बी-15, इंस्टीट्यूशनल एरिया, सैक्टर-62, नोएडा, गौतम बुद्ध नगर (उ.प्र.)-201309
दूर. 0120-2405924, 2405184 फैक्स : 0120-2405182

NAVODAYA VIDYALAYA SAMITI
Ministry of Human Resource Development
(Deptt. of School Education & Literacy)
Government of India
B-15, Institutional Area, Sector-62, NOIDA, Gautam Budh Nagar (U.P.)- 201309
Tel. 0120-2405924, 2405184 Fax : 0120-2405182
वेबसाईट/Website : www.navodaya.gov.in

F. No.3-1/2018 -NVS(GA)/4588

Date : 17 /12/2018

To,

Shri D.K. D. Rao,
Deputy Secretary (UT)
Shastri Bhawan
Ministry of HRD
New Delhi

Sub: Annuity based alternate pension proposal for the employees of NVS prior to 1.1.2004– reg.

Sir,

This has the reference to DO letter No. 17-32/2018-UT.3 dated 2.11.2018 of JS(SE-II) on the cited subject. In this regard, the proposal for alternate annuity pension received from LIC (copy enclosed) in respect of 10801 NVS employees who joined prior to 1.1.2004 is as under:-

1. Benefits of the proposed annuity pension through LIC

(A) Without DA and family pension

(i) 50% of the basic pay available at the time of retirement on the age of superannuation is fixed as pension. The payment of pension ceases on the death of the pensioner. There is no provision of family pension. There is no provision for minimum pension.

(ii) Eligible employee will have the option to get the commutation of pension upto 1/3rd of the pension based on the factor as per commutation values. Full pension will be restored after completion of the commutation period of 15 years.

(iii) In case of death of eligible employee during the service before retirement, provision for a lump sum insured amount payable to their dependents is available. For this purpose, the employees will have to be covered under a Group Term Insurance Scheme. Depending upon the sum assured, premium is payable as per the terms of GTIS. However, no pension is applicable in such death cases.

(B) With DA and family pension

(i) 50% of the basic pay available at the time of retirement on the age of superannuation is fixed as pension. On the death, there is provision for family pension. Alongwith basic pension, DA as applicable from time to time also become admissible.

(ii) Eligible employee will have the option to get the commutation of pension upto 1/3rd of the pension based on the factor as per commutation values. Full pension will be restored after completion of the commutation period of 15 years.

(C) Death of the eligible employee in service prior to retirement.

Family Pension as per rule is applicable and no Group Insurance is required.

2. Financial implications for introducing pension scheme and the inter-se contribution by NVS and GOI

(A) Without DA and family pension

Rs.2900 crores is to be provided initially and thereafter 45 crores per year is to be paid to sustain the pension fund.

In case the required initial payment of Rs.2900/- crores is to be paid in instalments, then the scenarios would be as under:-

Initial payment (in crores)	Balance payment (in crores)	Amount per year if completed in 15 years (in crores)	Amount per year In completed in 10 years (in crores)	Amount per year if completed in 05 years (in crores)
1000	1900	221.98	283.16	475.87
2000	900	105.15	134.13	225.41

In addition to chosen instalment for requisite number of years (i.e. 15/10/05 as the case may be), Rs.45 crore per year has to be paid.

- The management share of CPF in respect of employees is around Rs.800 crores. Therefore, the Government will have to pay the balance amount of Rs.2100 crores as against the total requirement of Rs.2900 crores to start the Pension Scheme.

- In case, the initial requirement of Rs.2900 crores is to be paid in instalment by making a lump sum payment of Rs.1000 crores in the beginning and thereafter the remaining amount of Rs.1900 crores in instalments of 15/10/05 years as the case may be, then in such cases, after adjusting Rs.800 crores available with NVS, the Govt. may have to pay Rs.200 crores to start the pension scheme.

(177)

(B) **With DA and family pension**

Rs.5325 crores is to be provided initially and thereafter Rs.81.65 crores per year is to be paid to sustain the pension fund.

In case the required initial payment of Rs.5365/- crores is to be paid in instalments, then the scenarios would be as under:-

Initial payment (in crores)	Balance payment (in crores)	Amount per year if completed in 15 years (in crores)	Amount per year In completed in 10 years (in crores)	Amount per year if completed in 05 years (in crores)
1000	4365	-	650.51	1093.24
2000	3365	393.13	501.48	842.79
3000	2365	276.30	352.45	592.33

In addition to chosen instalment for requisite number of years (i.e. 15/10/05 as the case may be), Rs.81.65 crore per year has to be paid.

- The management share of CPF in respect of employees is around Rs.800 crores. Therefore, the Government will have to pay the balance amount of Rs.4565 crores as against the total requirement of Rs.5365 crores to start the Pension Scheme.
- In case, the initial requirement of Rs.5365 crores is to be paid in instalments by making a lump sum payment of Rs.1000 crores in the beginning and thereafter the remaining amount of Rs.4365 crores in instalments of 15/10/05 years as the case may be, then in such cases, after adjusting Rs.800 crores available with NVS, the Govt. may have to pay Rs.200 crores to start the pension scheme

3. Mechanism for management of the corpus fund

- The Pension fund in the name of "Navodaya Vidyalaya Samiti (Employees) Pension Fund Trust" is to be created. The fund may be managed by the Samiti or it may be given to the LIC for its management.

4. Cut-off date for deciding the eligibility of the employees to opt for the Pension scheme

- Employees of Samiti who joined before 1.1.2004 are eligible for Pension Scheme.

178

5. Willingness of the eligible employees to opt for the Pension Scheme in lieu of the existing CPF Scheme

Samiti is in process of collecting the willingness of the employees to opt for the proposed pension scheme. It will be provided at the earliest. However, considering the fact that the proposed pension scheme is beneficial than the existing CPF scheme, there is every possibility that almost all the employees will give their willingness to opt for the proposed pension scheme.

6. How the cases of already retired employees be dealt with; and

The retired employees (especially who joined before 1.1.2004) will have to deposit back the management share alongwith upto date interest thereon to the "Navodaya Vidyalaya Samiti (Employees) Pension Fund Trust" to get the pension. In case of non-deposit, they are not eligible for the pension.

7. Modalities of the pension scheme i.e. whether family pension, commutation, etc. are proposed to be factored in.

Actuarial calculation from LIC has been obtained separately for pension with family pension & DA and also for pension without family pension & DA component. Commutation of pension is available in both the cases. The initial payment to start with the pension without family pension and DA factor is estimated to be Rs.2900 crores. Similarly the initial payment to start the pension with family pension and DA component is estimated to be Rs.5325 crores.

This issues with the approval of Competent Authority.

Yours faithfully,

17.12.

(B.C. Panda)
Assistant Commissioner (Admn.)

Encl.: As above

(179)

स्वच्छ भारत
एक कदम स्वच्छता की ओर

Sanjay Kumar, IAS
Joint Secretary (SE-II)
Tel. No.:23387781
E-mail: sanjay.garg@nic.in

भारत सरकार
मानव संसाधन विकास मंत्रालय
स्कूल शिक्षा और साक्षरता विभाग
शास्त्री भवन
नई दिल्ली – 110 115
GOVERNMENT OF INDIA
MINISTRY OF HUMAN RESOURCE DEVELOPMENT
DEPARTMENT OF SCHOOL EDUCATION & LITERACY
SHASTRI BHAVAN
NEW DELHI-110 115

09/11/2018

D.O. No.17-32/2018-UT-3 — 2nd November, 2018

Dear Sh. B.K. Singh,

DC(A)

This is regarding introduction of a pension scheme for the employees of Navodaya Vidyalaya Samiti. In the context of the feasibility of extending the benefits of the GPF-cum-Pension Scheme, 1972 not being there, one of the options would be to explore the possibility of having an annuity based alternative pension scheme in lieu of the existing CPF Scheme. It has been noted that NVS has already got some actuarial calculations done in this regard.

2. Having regard to the actuarial calculations and the number of employees sought to be covered, a draft proposal for providing annuity based pensionary benefits to the employees of NVS who had joined the service before 1.1.2004 may be prepared and sent to this Department for taking up the matter further with the Department of Expenditure.

3. While forwarding the draft proposal, the following aspects may be given due consideration:

i) total financial implications for introducing the pension scheme and the *inter-se* contributions by NVS and GoI;
ii) mechanism for management of the corpus fund;
iii) cut-off date for deciding the eligibility of the employees to opt for the alternative scheme;
iv) willingness of the eligible employees to opt for the alternative scheme in lieu of the existing CPF Scheme;
v) how the cases of already retired employees be dealt with; and
vi) modalities of the pension scheme i.e. whether family pension, commutation, etc. are proposed to be factored in;

3986
12 NOV 2018

4. I shall be grateful if you could kindly consider the matter at your end and arrange to send a comprehensive proposal at the earliest.

With regards,

Yours sincerely,

(Sanjay Kumar)

Shri Bishwajit Kumar Singh,
Commissioner,
Navodaya Vidyalaya Samiti,
B-15, Institutional Area,
Sector-62, Noida,
Uttar Pradesh.

DC(Adm)
12/11/18

शिक्षा का अधिकार
सर्व शिक्षा अभियान
सब पढ़ें सब बढ़ें

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

(180

Ref: P & GS/Superannuation

Date: 28/11/2018

Dr. Honnareddy N., IFS
Joint Commissioner (Admn)
Navodaya Vidalaya Samiti
B-15, Institutional Area, Sector-62
Noida, G. B. Nagar, Uttar Pradesh-201309

Dear Sir,

Re: Actuarial Investigation Reports of liabilities of Pension as at 01/11/2018.

At the outset we would like to express our sincere acknowledgement for the unique role played by the NVS in providing good quality modern education to millions of the talented children predominantly from the rural areas. We also express our sincere thanks for evincing your keen interest in LIC's Superannuation Scheme.

Today, LIC is the largest insurer in the world covering more than 41 Cr. lives, thus equivalent to the 3rd largest nation in the world, and managing the funds of more than RUPEES FIVE LAKH CRORES of more than 80,000 valued customers as at 31/03/2018. Some of our big customers are **ONGC, IOCL, NTPC, BHEL, SAIL, BSNL, MTNL, EIL, AAI, DDA, PNB, OBC etc.** and we are successfully managing their funds of more than 5000 crore each for past several years to their satisfaction. We are the only public sector life Insurer in The Country and Proud to be the **largest annuity provider** in the country. Moreover, the Funds invested with the LIC of India enjoy SOVERIGN GUARANTEE of Central Government and the same is expressly provided under Section 37 of the LIC of India Act, 1956

Further, to your letter dated 19/11/2018 with ref No. /F.No. 3-1/2018-NVS (Admn.) and on the basis of the data of 10801 employees provided by you, who were on the roll of NVS as on 31/12/2003 and are still in the service with the NVS, as desired, our actuarial team has conducted the actuarial investigations and ascertained the liabilities as per report dated 26/11/2018 (copy attached). The assumptions taken to conduct the valuation and the benefits to be provided are mentioned therein. The attached report indicates only an estimate of long term pension liability, however actual liability of providing the benefits depends on the actual experience of the scheme and annuity rates prevailing at the time the annuities are purchased.

The liability is ascertained to provide Life Annuities @50% of Basic Salary on the date of exit, on the life of the member only (i.e. without DA and Without Family Pension benefits).

Further, LIC also manages the earmarked funds under superannuation schemes and the average yield generated during last 10 years is more than 8%.

Please also Find attached the "Steps for Installation of the Pension Scheme".

We look forward for your valuable patronage.

Yours' sincerely,

(M.C.Kaushik)

मुकेश चन्द्र कौशिक
MUKESH CHANDER KAUSHIK
Senior Branch Manager (P&GS)
भारतीय जीवन बीमा निगम
Life Insurance Corporation of India

कार्यालय : (संकेत सं० : G210) पेंशन एवं समूह बीमा इकाई, ई–3, द्वितीय तल, सैक्टर–1, नोएडा–201 301
दूरभाष : (एस०टी०डी० : 0120) 2535701, 2425971, ई-मेल : bo_g210@licindia.com

Office : (Code : G210) Pension & Group Scheme Unit, E-3, 2nd Floor, Sector-1, Noida-201 301

Life Insurance Corporation of India
Central Office, Mumbai.

The Manager (P & GS),
P&GS UNIT,
Noida

26/11/2018

REPORT ON THE ACTUARIAL INVESTIGATION AS AT 1/11/2018

1 NAME OF THE FUND : Navodaya Vidalaya Samiti

2 BENEFITS VALUED : As per the details provided in Q Track.

3 VALUATION METHOD : Projected Unit Credit Method.

4 ACTUARIAL ASSUMPTIONS:-

MORTALITY RATE : IALM 2006-08 ultimate
WITHDRAWAL RATE : 1% TO 3% depending on age.
VALUATION RATE OF DISCOUNT : 7.5% pa
SALARY ESCALATION : 3% pa

6 RESULTS OF VALUATION : Without DA and without Family Pension

Retirement Age	60
Number of Members	10801
Average Age	49.65 years
Average Monthly salary	Rs. 59000/-
Average Past Service	22.8 years
Value of Past Service Benefit	Rs.2900 Crores
Value of Current Service Benefit	Rs. 45 Crores

Note:

1. This investigation has been carried out using certain assumptions on financial and demographic factors as stated above and using the prevailing annuity rates.
2. This is only an estimate of long term pension liability of the client. The actual cost of providing benefits dependant on the actual experience of the scheme and the annuity rates prevailing at the time the annuities are purchased.
3. It is necessary to fund the benefits regularly by paying the annual contribution recommended by us from time to time.
4. It is also essential to have actuarial investigation regularly to monitor the adequacy of funds.
5. The valuation is done on the basis of member's data provided.

Secretary (P&GS)

मुकेश चन्द्र कौशिक
MUKESH CHANDER KAUSHIK
Senior Branch Manager (P&GS)
Life Insurance Corporation of India

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182

The Manager (P & GS),
P&GS UNIT,
Noida

22/06/2018

REPORT ON THE ACTUARIAL INVESTIGATION AS AT 01/04/2018

1 NAME OF THE FUND : Navodaya Vidalaya samitee / NGSCAB Scheme

2 BENEFITS VALUED : As per the details provided in Q Track.

3 VALUATION METHOD : Projected Unit Credit Method.

4 ACTUARIAL ASSUMPTIONS :-

MORTALITY RATE : IALM 06-08
WITHDRAWAL RATE : 1% TO 3% depending on age.
VALUATION RATE OF DISCOUNT : 7.5% pa
SALARY ESCALATION : 03%

6 RESULTS OF VALUATION : For Providing Pension on CCS Pattern.

Retirement Age	60 years
Number of Members	10682
Average Age	49.65 years
Average Past Service	22.3 years
Average Monthly Salary	58000/-
Value of Past Service Benefit	Rs. 5325 crores
Current service cost	Rs. 81.65 Crores

Note:

1. This investigation has been carried out using certain assumptions on financial and demographic factors as stated above and using the prevailing annuity rates.
2. This is only an estimate of long term pension liability of the client. The actual cost of providing benefits dependant on the actual experience of the scheme and the annuity rates prevailing at the time the annuities are purchased.
3. It is necessary to fund the benefits regularly by paying the annual contribution recommended by us from time to time.
4. It is also essential to have actuarial investigation regularly to monitor the adequacy of funds.
5. The valuation is done on the basis of member's data provided.

Secretary (P&GS)

- Steps to Install the Pension Scheme:

A) Constitution of Navodaya Vidalaya Samiti (Employees) Pension Fund.

i. The NVS shall constitute a Fund to be called the **Navodaya Vidalaya Samiti (Employees) Pension Fund** under an irrevocable trust approved by CIT.

ii. The fund shall have its sole purpose for provision of payment of pension or family pension in accordance with these rules to the employee or his family.

iii. The NVS shall be a contributor to the fund and shall ensure that sufficient sums are placed (as suggested through actuarial investigations conducted from time to time) in it to enable the trustees to make due payments to beneficiaries under these rules.

B) Composition of the Fund - The Fund shall consist of the following, namely:

i. The Provident Fund trust shall, immediately after the constitution of the Fund, transfer to the NVS (Employees) Pension Fund the accumulated balance of the contribution of the NVS share to the Provident Fund and interest accrued thereon up to the date of such transfer in respect of every employee.

ii. The contribution by the NVS at the rate of ten per cent. per month (or at the rate in vogue) of the pay of the employee;

iii. The accumulated contributions of the NVS to the Provident Fund and interest accrued thereon up to the date of such transfer in respect of the employees.

iv. The NVS shall cause an investigation to be made by an Actuary into the financial condition of the Fund every financial year, on the 31st day of March, and make such additional annual contributions to the Fund as may be required to secure Payment of the benefits under these rules:

Provided that the NVS shall cause an investigation to be made by an Actuary into the financial condition of the Fund, as on the 31st of day of March immediately following the financial year in which the Fund is constituted.

C) Payments out of the Fund - The payment of benefits by the trust shall be administered as follows, namely:

i. The trust shall purchase immediate annuities from the LIC of India, in respect of each employee or his family, as the case may be, at the time he or his family becomes eligible for the benefits under these rules;

ii. The trust shall, subject to the availability of additional sums in the Fund, to be provided by the NVS as required under pension rules, purchase additional annuities as and when it becomes necessary to revise upwards the benefits payable in accordance with these rules;

iii. The trust shall, in the event of the benefits payable under these rules being revised downwards for any reason whatsoever, credit the benefits received from the NVS under the annuities purchased as exceed the benefits payable under these rules, to the Fund.

D) Management of "Navodaya Vidalaya Samiti (Employees) Pension Fund"

The **Navodaya Vidalaya Samiti (Employees) Pension Fund trust** can self manage the funds or may choose to adopt LIC's Group Superannuation Product and handover the funds to LIC of India for its management.

E) Disbursal of Pension :

Under LIC of India managed funds, on receipt of duly completed claim papers through **"Navodaya Vidalaya Samiti (Employees) Pension Fund trust"** in respect of a retiring employee or otherwise eligible member of the scheme , LIC will process the claim after debiting the NVS pension Fund for the required amount to provide the intimated pension benefit and commence disbursing pension (preferably through NEFT) into the Bank account of Retiree employee/eligible member as per the mode opted by him/her.

F) Group Term Insurance Scheme against the loss of commutation value of pension in case of death of the pension optee while in service:

To protect the family of a pension optee employee against the loss of commutation value of pension in case of death of the pension optee while in service, we propose to offer Group Term Insurance Scheme (GTIS) for providing Flat/Graded cover. (Draft of one such scheme is also attached here).

Further, the Pension Rules have to be framed by NVS in consonance with the NVS Employee' service rules and matters like Eligibility, Qualifying service, rate of Pension benefits, classes of pension like "superannuation Pension" or "Pension on voluntary retirement", Commutation etc are to be framed by NVS only.

For, your better understanding of the formation and operation of the Pension scheme, the draft rules of one of the pension scheme in operation is also being attached herewith.

185

LIFE INSURANCE CORPORATION OF INDIA

CENTRAL OFFICE, MUMBAI

Yogakshema
Jeevan Bima Marg
Mumbai-400021

Department Personnel/ER/A

Circular No CO/Per/ER-A/085/2014 Date 13/10/2014

ALL THE OFFICES OF THE CORPORATION

Re: Group Term Insurance Scheme (GTIS), 1987 - One more option to join the scheme

The Group Term Insurance Scheme was introduced w.e.f. 1 February 1987 with the intent to protect the family of a pension optee employee against the loss of commutation value of pension in case of death of the pension optee while in service. Though the scheme was optional initially, employees who joined the services of the Corporation on or after 1.2.1997 but before 1.4.2010 and who are governed by LIC of India (Employees) Pension Rules, 1995 are compulsorily covered by GTIS scheme. Another option to join the scheme was allowed vide CO Circular No. ZO/...76/ASP/2001 dated 23.02.2001 to those who failed to opt for it at the time of introduction of the Scheme.

Now it has been decided by the Competent Authority to allow the eligible pension optee employees to join the said scheme subject to following conditions

(1) The employees should give consent as per Annexure 'A' on or before 15.11.2014. No request for inclusion under the scheme shall be considered after 15.11.2014

(2) Employees who are on Sick Leave/ Converted Sick Leave/ Special Sick Leave or Maternity Leave on 1st December 2014 i.e. the cover commencement date shall not be eligible to become members of the scheme. Such employees must submit a Declaration of Good Health (DGH) in the format annexed herewith immediately on resuming duty. They shall become member of the scheme and cover shall start from the next day following the day when the DGH is found to be satisfactory by the Competent Authority. In such cases, proportionate premium shall be recovered for the month from which the cover starts.

(3) If there is any abnormality found in the Declaration of Good Health, then the Competent Authority may call for further evidence of insurability in respect of such members and deal with such cases as per underwriting rules applicable to Individual Insurance. In such cases, the cover shall start from the next day following the day when the further evidence of insurability is found to be satisfactory by the Competent Authority and proportionate premium shall be recovered for the said month.

(4) Secretary (O.S.) of Central Office, Secretary (O.S.) of Zonal Offices, Secretary (IAD) of Audit Centres and Sr./Divisional Manager-in-Charge of Divisional Offices shall be the Competent Authority for the purpose of Sr. No (2) & (3) stated above

The premium in respect of employees joining the scheme shall be deducted from the salary for the month of December 2014

The data of those members joining the scheme w.e.f. 01.12.2014 shall be submitted by all the offices on or before 22.11.2014 to O.S. Dept., Central Office who shall consolidate the same and submit it to P&GS Dept., Central Office by 05.12.2014 to enable them to submit the same to the Reinsurer. Data of employees becoming member (including premium recovered) after 01.12.2014 shall invariably be sent by all the offices to O.S. Dept., C.O. for their onward submission to P & GS Dept., C.O. The above instructions may be brought to the notice of all the employees.

Executive Director (Personnel)

Enclosures: (i) Annexure 'A' and (ii) DGH Form

(186

LIFE INSURANCE CORPORATION OF INDIA

CENTRAL OFFICE, MUMBAI

'Yogakshema',
Jeevan Bima Marg,
Mumbai - 400 021.

Department: Personnel/ER/A

Circular No: CO/PER/ER-A/078/2014

Date: 09/08/2014

TO ALL THE OFFICES OF THE CORPORATION.

Re: LIC EMPLOYEES' GROUP TERM INSURANCE SCHEME (GTIS), 1997

Please refer to our Circular No. ZD/1184/ASP/2011 dated 01/04/2011 wherein the term cover under the Group Term Insurance Scheme (GTIS), 1997 was revised. It has now been decided to further enhance the term cover under the Scheme as below:

Category	Basic Pay	Revised GTIS Cover	Monthly Premium
I	₹ 50,810/- and above	₹ 24,00,000	₹ 550.00
II	₹ 35,300/- to ₹ 50,809/-	₹ 20,00,000	₹ 458.33
III	₹ 24,800/- to ₹ 35,299/-	₹ 14,00,000	₹ 320.83
IV	₹ 12,855/- to ₹ 24,799/-	₹ 10,00,000	₹ 229.17
V	₹ 7,115/- to ₹ 12,854/-	₹ 5,00,000	₹ 114.58
VI	Below ₹ 7,115/-	₹ 3,00,000	₹ 68.75

The revision in the amount of GTIS cover shall be effective from 01/09/2014 and the revised monthly premium shall be deducted from the salary of the employees, who are covered under the scheme, from the salary for the month of August, 2014. All other terms and conditions of the scheme remain unaltered.

Executive Director (Personnel)

187

LIFE INSURANCE CORPORATION OF INDIA

CENTRAL OFFICE, MUMBAI

'Yogakshema',
Jeevan Bima Marg,
Mumbai - 400 021.

Department: Personnel/ER/A

Circular No.: ZD/1184/ASP/2011

Date: 01/04/2011

TO ALL THE OFFICES OF THE CORPORATION.

Re: LIC EMPLOYEES' GROUP TERM INSURANCE SCHEME (GTIS), 1997.

Please refer to our Circular No.ZD/1101/ASP/2007 dated 30/03/2007 wherein the term cover under the Group Term Insurance Scheme (GTIS), 1997 was revised. It has now been decided to further enhance the term cover under the Scheme as below:

Category	Basic Pay	Term Cover	Monthly Premium
I	₹.50,810/- and above	₹1200000	₹.250.00
II	₹35,300/-to ₹50,809/-	₹1000000	₹.208.33
III	₹24,800/- to ₹35,299/-	₹700000	₹.145.83
IV	₹.12,855/- to ₹24,799/-	₹500000	₹.104.17
V	₹ 7,115/- to ₹12,854/-	₹250000	₹. 52.08
VI	Below ₹7,115/-	₹150000	₹. 31.25

The increased cover shall be effective from 01/05/2011 and accordingly the increased monthly premium shall be deducted from the salary of the employees, who are covered under the scheme, from the salary for the month of April, 2011.

All other terms and conditions of the scheme shall remain unaltered.

D Vijayalaxmi

Executive Director (Personnel)

* No savings element.

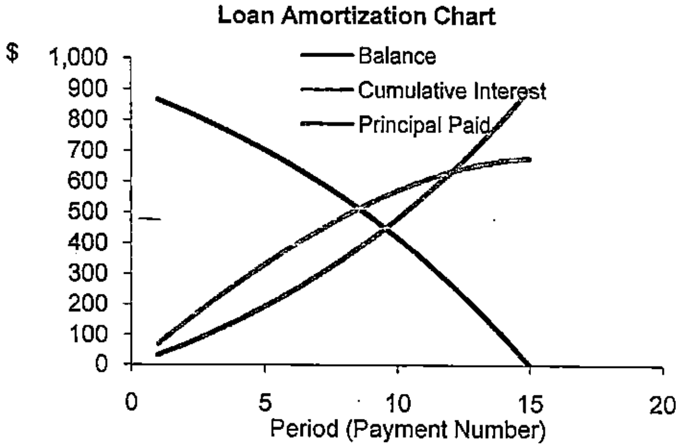
 (188

Amortization Chart

Vertex42

HELP

Loan Amount (**pv**)		900
Interest Rate (**rate**)		8.00%
Total # of Periods (**Nper**)		15
Payment per Period	$	105.15
Total Interest Paid	$	677.20



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	900.00
1	105.15	72.00	72.00	33.15	33.15	866.85
2	105.15	69.35	141.35	35.80	68.94	831.06
3	105.15	66.48	207.83	38.66	107.61	792.39
4	105.15	63.39	271.22	41.76	149.36	750.64
5	105.15	60.05	331.28	45.10	194.46	705.54
6	105.15	56.44	387.72	48.70	243.16	656.84
7	105.15	52.55	440.27	52.60	295.76	604.24
8	105.15	48.34	488.60	56.81	352.57	547.43
9	105.15	43.79	532.40	61.35	413.92	486.08
10	105.15	38.89	571.29	66.26	480.18	419.82
11	105.15	33.59	604.87	71.56	551.74	348.26
12	105.15	27.86	632.73	77.29	629.03	270.97
13	105.15	21.68	654.41	83.47	712.50	187.50
14	105.15	15.00	669.41	90.15	802.64	97.36
15	105.15	7.79	677.20	97.36	900.00	0.00

Initial funding = 2000cr.

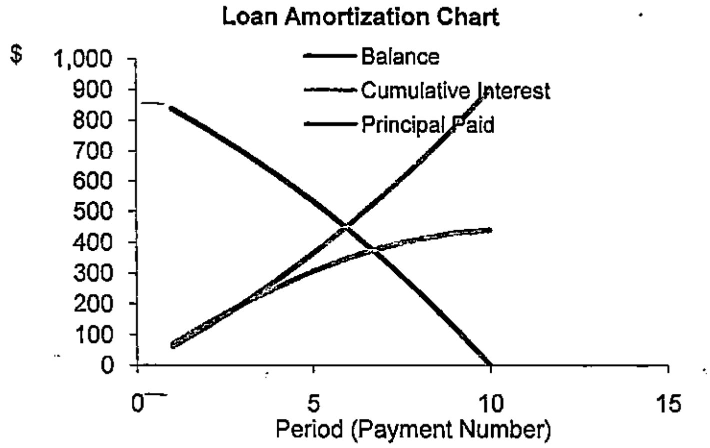
(189

Amortization Chart

vertex42

HELP

Loan Amount (**pv**)	900
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	10
Payment per Period	$ 134.13
Total Interest Paid	$ 441.27



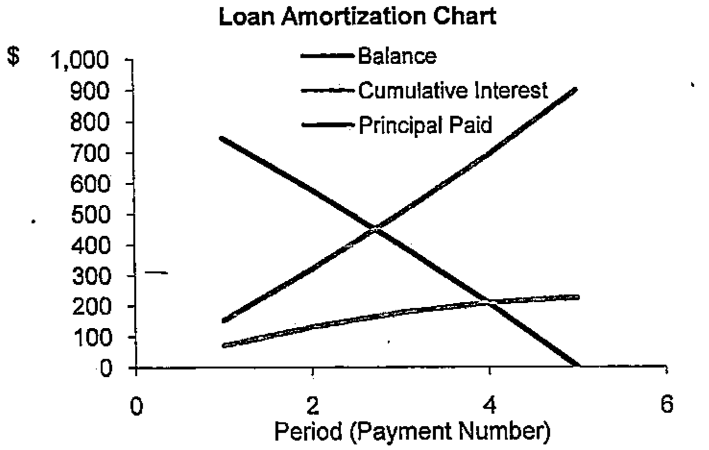
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	900.00
1	134.13	72.00	72.00	62.13	62.13	837.87
2	134.13	67.03	139.03	67.10	129.22	770.78
3	134.13	61.66	200.69	72.46	201.69	698.31
4	134.13	55.86	256.56	78.26	279.95	620.05
5	134.13	49.60	306.16	84.52	364.47	535.53
6	134.13	42.84	349.00	91.28	455.76	444.24
7	134.13	35.54	384.54	98.59	554.34	345.66
8	134.13	27.65	412.20	106.47	660.82	239.18
9	134.13	19.13	431.33	114.99	775.81	124.19
10	134.13	9.94	441.27	124.19	900.00	0.00

Amortization Chart

Vertex42

HELP

Loan Amount (**pv**)	900
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	5
Payment per Period	$ 225.41
Total Interest Paid	$ 227.05

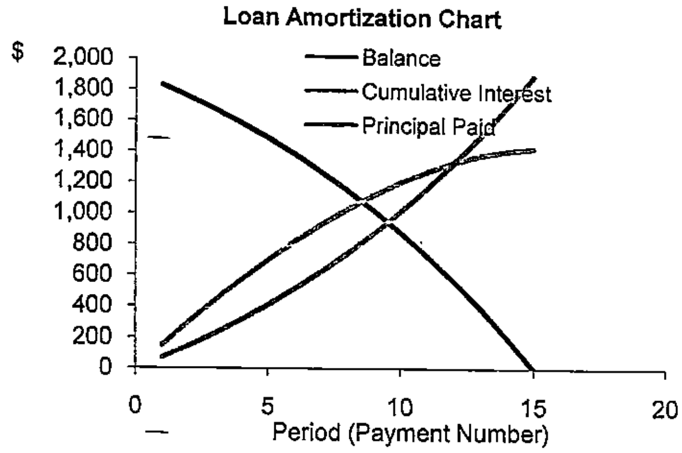


Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 900.00
1	225.41	72.00	72.00	153.41	153.41	746.59
2	225.41	59.73	131.73	165.68	319.09	580.91
3	225.41	46.47	178.20	178.94	498.03	401.97
4	225.41	32.16	210.36	193.25	691.29	208.71
5	225.41	16.70	227.05	208.71	900.00	0.00

Amortization Chart

HELP

Loan Amount (**pv**)		1,900
Interest Rate (**rate**)		8.00%
Total # of Periods (**Nper**)		15
Payment per Period	$	221.98
Total Interest Paid	$	1,429.64



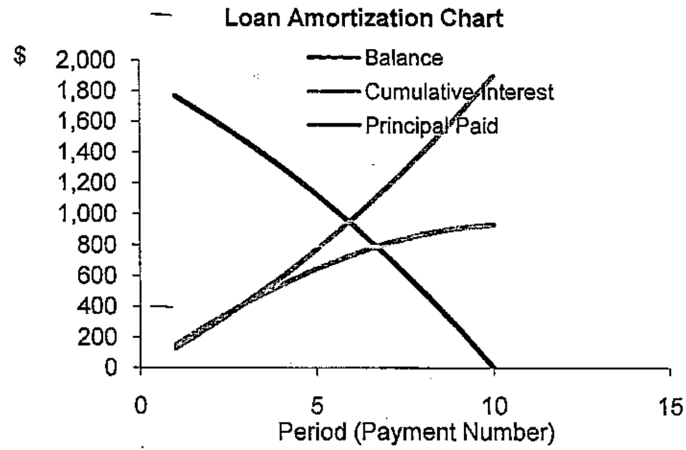
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	1,900.00
1	221.98	152.00	152.00	69.98	69.98	1,830.02
2	221.98	146.40	298.40	75.57	145.55	1,754.45
3	221.98	140.36	438.76	81.62	227.17	1,672.83
4	221.98	133.83	572.58	88.15	315.32	1,584.68
5	221.98	126.77	699.36	95.20	410.52	1,489.48
6	221.98	119.16	818.52	102.82	513.34	1,386.66
7	221.98	110.93	929.45	111.04	624.38	1,275.62
8	221.98	102.05	1,031.50	119.93	744.31	1,155.69
9	221.98	92.46	1,123.95	129.52	873.83	1,026.17
10	221.98	82.09	1,206.05	139.88	1,013.71	886.29
11	221.98	70.90	1,276.95	151.07	1,164.79	735.21
12	221.98	58.82	1,335.77	163.16	1,327.95	572.05
13	221.98	45.76	1,381.53	176.21	1,504.16	395.84
14	221.98	31.67	1,413.20	190.31	1,694.47	205.53
15	221.98	16.44	1,429.64	205.53	1,900.00	0.00

Initial funding = 1000 Cr (i.e. Mgt Share).

Amortization Chart

HELP

Loan Amount (**pv**)		1,900
Interest Rate (**rate**)		8.00%
Total # of Periods (**Nper**)		10
Payment per Period	$	283.16
Total Interest Paid	$	931.56



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	1,900.00
1	283.16	152.00	152.00	131.16	131.16	1,768.84
2	283.16	141.51	293.51	141.65	272.80	1,627.20
3	283.16	130.18	423.68	152.98	425.78	1,474.22
4	283.16	117.94	541.62	165.22	591.00	1,309.00
5	283.16	104.72	646.34	178.44	769.44	1,130.56
6	283.16	90.44	736.78	192.71	962.15	937.85
7	283.16	75.03	811.81	208.13	1,170.28	729.72
8	283.16	58.38	870.19	224.78	1,395.06	504.94
9	283.16	40.40	910.59	242.76	1,637.82	262.18
10	283.16	20.97	931.56	262.18	1,900.00	0.00

Factual funding = 1000 Cr (i.e. Mgt share).

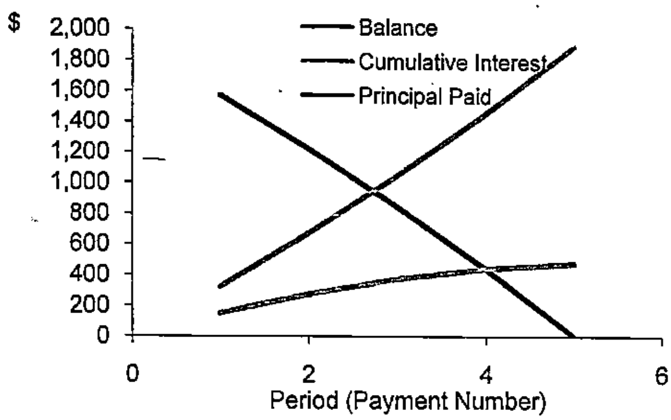
Amortization Chart

HELP

Vertex42

Loan Amount (**pv**)		1,900
Interest Rate (**rate**)		8.00%
Total # of Periods (**Nper**)		5
Payment per Period	$	475.87
Total Interest Paid	$	479.34

Loan Amortization Chart



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	1,900.00
1	475.87	152.00	152.00	323.87	323.87	1,576.13
2	475.87	126.09	278.09	349.78	673.64	1,226.36
3	475.87	98.11	376.20	377.76	1,051.40	848.60
4	475.87	67.89	444.09	407.98	1,459.38	440.62
5	475.87	35.25	479.34	440.62	1,900.00	0.00

(197)

Sample of Pension Rules based on which NVS may draft its own Rule

LIFE INSURANCE CORPORATION OF INDIA
(EMPLOYEES) PENSION RULES, 1995

INDEX

(194)

(195

(196

LIFE INSURANCE CORPORATION OF INDIA
(EMPLOYEES) PENSION RULES, 1995

GSR 525(E) – In exercise of the powers conferred by Section 48 of the Life Insurance Corporation Act,1956 (31 of 1956), the Central Government hereby makes the following rules, namely :

CHAPTER – I

PRELIMINARY

1. Short title and commencement

(1) These rules may be called the Life Insurance Corporation of India (Employees) Pension Rules, 1995.

(2) Save as otherwise expressly provided in these rules, these rules shall be deemed to have come into force on the 1st day of November, 1993.

2. Definitions - In these rules, unless the context otherwise requires

(a) "Act" means the Life Insurance Corporation Act, 1956 (31 of 1956);

(b) "actuary" shall have the meaning assigned to it in clause (1) of Section 2 of the Insurance Act, 1938 (4 of 1938);

(c) "Appendix" means an Appendix annexed to these rules;

(d) "average emoluments" means the average of the pay drawn by an employee during the last ten months of his service;

(e) "child" means a child of the employee, who, if a son, is under twenty-five years of age and if a daughter, is unmarried and is under twenty-five years of age and the expression "children" shall be construed accordingly;

(f) "Competent Authority" means,

 (i) in relation to employees belonging to the cadre of Assistant Administrative Officers and employees belonging to Class II, Class III and Class IV, the Zonal Manager in-charge of the Zone of the Corporation; and

 (ii) in any other case, the appointing authority specified by Appendix I to these rules;

(g) "contribution" means any sum credited by the Corporation on behalf of an employee to the Fund, but shall not include any sum credited as interest;

(h) "Corporation" means the Life Insurance Corporation of India established under Section 3 of the Life Insurance Corporation Act, 1956 (31 of 1956);

(i) "date of retirement" means the last day of the month in which an employee attains the age of superannuation or the date on which he is retired by the Corporation or the date on which the employee voluntarily retires;

(j) "employee" means any person employed in the service of the Corporation on full-time work on permanent basis and who opts and is governed by these rules but does not include an employee retired before the commencement of these rules and who is drawing pension from the Pension Fund of the Oriental Government Security Life Assurance Company Limited in accordance with sub-regulation(2) of regulation 76 of the Life Insurance Corporation of India (Staff) Regulations, 1960, made under the Act;

* Provided that where the Chairman of the Corporation appointed by the Central Government in accordance with Section 4 of the Act was immediately preceding such appointment an Employee of the Corporation, then, subject to the terms of any contract, agreement or letter of appointment or directions issued by the Central Government, such Chairman for the purposes of these rules shall also be deemed to be an employee of the Corporation.

(k) "family" in relation to an employee means,

(i) wife in the case of a male employee or husband in the case of a female employee;

(ii) a judicially separated wife or husband, such separation not being granted on the ground of adultery and the person surviving was not held guilty of committing adultery;

(iii) son who has not attained the age of twenty-five years and unmarried daughter who has not attained the age of twenty five years including such son or daughter adopted legally [......deleted]*

$(iv) Unmarried/Widowed/Divorced daughter till the date of her marriage/re- marriage or the date on hich her income exceeds the dependency criteria as defined in clause 8 of these instructions;

$(v) Parents who were wholly dependent on the deceased employee as per the dependency criteria as defined in clause 8 of these instructions, when he/she was alive, provided that the deceased employee had left behind neither a widow nor a child or had left behind only a widow who has subsequently remarried;
Provided that the eligibility of a member of the family to family pension, at any particular point of time, shall be determined in order of his/her appearance in this clause.

(l) "financial year" means a year commencing on the first day of April;

(m) "Fund" means the Life Insurance Corporation of India (Employees) Pension Fund constituted under rule 5;

(n) "notified date" means the date on which these rules are published in the Official Gazette;

\+ Provided that the notified date in relation to employees mentioned in proviso to clause (j) shall mean the date on which these Amendment Rules are published in Official Gazette.

**(o) "pay" includes,

(i) the basic pay including the stagnation increments if any; and

(ii) all allowances counted for the purpose of making contribution to the Provident Fund and for the payment of dearness allowance;

and

(iii) fixed personal allowance not exceeding the last increment in the scale of pay; if any,

and

(iv) ***[deleted]

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* & [ ]* Notified vide Govt. of India Notification dated 3.7.1996
\+ Proviso added vide Govt. Notification dated 3.7.1996
** Clause 'o' as amended vide Govt. Notification dated 14.5.1999
$ Notified vide Govt. of India Notification dated 08.10.2010 (GSR No. 830(E))
*** deleted vide GSR No. 590 (3) dated 13.08.2001

Provided that for the purpose of calculating average emoluments, as defined under sub-clause (d) of rule 2, in respect of employees whose ten months' period before retirement falls partly under pre-revised pay scales and partly under the revised pay scales, the pay for the period for which they have drawn pay as per pre-revised scales may be updated by including the dearness allowance actually drawn by them or the dearness allowance upto the AICPI to which the revised basic pay is pegged, whichever is less.

(p) "pension" includes the basic pension and the additional pension referred to in Chapter VI of these rules;

(q) "pensioner" means an employee eligible for pension under these rules;

(r) "qualifying service" means the service rendered while on duty or otherwise which shall be taken into account for the purpose of pension under these rules;

(s) "retirement" means,

 (i) retirement in accordance with the provisions contained in sub-regulation (1) or sub-regulation (2) or sub-regulation (3) of regulation 19 of the Life Insurance Corporation of India (Staff) Regulations, 1960 and rule 14 of the Life Insurance Corporation of India Class III and Class IV Employees (Revision of Terms and Conditions of Service) Rules, 1985 made under the Act;

 (ii) voluntary retirement in accordance with the provisions contained in rule 31 of these rules;

(t) "Service Rules" includes,

 (i) the Life Insurance Corporation of India Class I Officers (Revision of Terms and Conditions of Service) Rules, 1985;

 (ii) the Life Insurance Corporation of India Class III and Class IV Employees (Revision of Terms and Conditions of Service) Rules, 1985;

 (iii) the Life Insurance Corporation of India Development Officers (Revision of Terms and Conditions of Service) Rules, 1986;

 made under Section 48 of the Act;

(u) "Staff Regulations" means the Life Insurance Corporation of India (Staff) Regulations, 1960 made under the Act;

(v) "trust" means the trust of the Life Insurance Corporation of India (Employees) Pension Fund constituted under sub-rule(1) of rule 5;

(w) "trustee" means the trustee of the Life Insurance Corporation of India (Employees) Pension Fund constituted under rule 5;

(x) "trustee of the Provident Fund" means the trustees of the Provident Fund of the Corporation;

(y) all other words and expressions used in these rules but not defined, and defined in the Act or the Service Rules or the Staff Regulations shall have the same meanings respectively assigned to them in the Act, the Service Rules or the Staff Regulations, as the case may be.

(199

CHAPTER II

APPLICATION AND ELIGIBILITY

3. Application - These rules shall apply to employees who,

(1) (a) were in the service of the Corporation on or after the 1st day of January, 1986 but had retired before the 1st day of November, 1993; and

(b) exercise an option in writing within one hundred and twenty days from the notified date to be come member of the Fund; and

(c) refund within sixty days after the expiry of the said period of one hundred and twenty days specified in clause(b), the entire amount of the Corporation's contribution to the Provident Fund including interest accrued thereon together with a further simple interest at the rate of six per cent per annum on the said amount from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Corporation; or

(2) (a) have retired on or after the 1st day of November, 1993 but before the notified date; and

(b) exercise an option in writing within one hundred and twenty days from the notified date to become member of the Fund; and

(c) refund within sixty days after the expiry of the said period of one hundred and twenty days specified in clause (b), the entire amount of the Corporation's contribution to the Provident Fund and interest accrued thereon together with a further simple interest at the rate of twelve per cent per annum on the said amount from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Corporation; or

(3) (a) are in the service of the Corporation before the notified date and continue to be in the service of the Corporation on or after the notified date; and

(b) exercise an option in writing within one hundred and twenty days from the notified date to be come member of the Fund; and

(c) authorise the trust of the Provident Fund to transfer the entire contribution of the Corporation to their Provident Fund alongwith the interest accrued thereon to the credit of the Fund constituted for the purpose under rule 5; or

(4) join the service of the Corporation on or after the notified date; and

(5) were in the service of the Corporation during any time on or after the 1st day of November, 1993 and had died after retirement but before the notified date, their family shall be entitled for the amount of pension payable to them from the date on which they would have been entitled to pension under these rules had they been alive till the date on which they died, if the family of the deceased

(a) exercise an option in writing within one hundred and twenty days from the notified date to be come member of the Fund; and

(b) refund within sixty days after the expiry of the said period of one hundred and twenty days specified in clause (a) above, the entire amount of the Corporation's contribution to the Provident Fund and interest accrued thereon together with a further simple interest at the rate of twelve per cent per annum from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Corporation ; or

(6) joined the service of the Corporation on or after the 1st day of November, 1993 but who have died while in the service of the Corporation before the notified date, their family shall be entitled to the family pension under these rules;

Provided that the family of such a deceased employee refunds within one hundred and eighty days from the notified date the entire amount of the Corporation's contribution to the Provident Fund, if any, and interest accrued thereon together with further simple interest at the rate of twelve per cent per annum from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Corporation;

Provided further that the family of such a deceased employee shall apply in writing for grant of family pension; or

(7) were in the service of the Corporation during any time on or after the 1st day of January, 1986 and had died while in service on or before the 31st day of October, 1993 or had retired on or before the 31st day of October, 1993 but died before the notified date in which case their family shall be entitled to the family pension under these rules, if the family of the deceased,

(a) exercises an option in writing within one hundred and twenty days from the notified date to become member of the Fund; and

(b) refund within sixty days after the expiry of the said period of one hundred and twenty days specified in clause (a) above, the entire amount of the Corporation's contribution to the Provident Fund and interest accrued thereon together with a further simple interest at the rate of six per cent per annum from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Corporation ;or

(8) joined the service of the Corporation on or before the 31st day of October, 1993 and who died while in service on or after the 1st day of November, 1993, but before the notified date in which case their families shall be entitled to family pension under these rules if the family of the deceased employee,

(a) exercises an option in writing within one hundred and twenty days from the notified date to become a member of the Fund; and

(b) refund within sixty days from the date of expiry of the said period of one hundred and twenty days specified in clause (a) above, the entire amount of the Corporation's contribution to the Provident Fund, including interest accrued thereon, together with a further simple interest at the rate of twelve per cent per annum from the date of settlement of the Provident Fund account of the employee till the date of refund of the aforesaid amount to the Corporation.

*(9) (a) joined the service of the Corporation before the 28th day of June, 1995, and are in its service on the notified date;

(b) exercise an option in writing within one hundred and twenty days from the date of publication of this notification to become member of the Fund; and

(c) authorised the trustees of the Provident Fund to transfer the entire contribution of the Corporation to their Provident Fund alongwith the interest accrued thereon to the credit of the Fund constituted for the purpose under Rule 5.

Note : For the purposes of this rule, other than sub-rule (3), "Notified date" shall mean the date of publication of the Life Insurance Corporation of India (Employees) Pension (Amendment) Rules, 1997.

**Provided that these rules shall not be applicable to the employees joining service of the Corporation on or after 1st April 2010 and they shall be covered under defined contribution pension scheme to be framed by the Corporation.

4. Option to subscribe to the Provident Fund

(1) Notwithstanding anything contained in sub-rule (4) of rule 3, an employee who joins the service of the Corporation on or after the notified date at the age of thirty-five years or more, may, within a period of ninety days from the date of his appointment, elect to forego his right to pension, whereupon these rules shall not apply to him.

(2) The option referred to in sub-rule (1) and in rule 3, once exercised, shall be final.

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* Sub-Rule 9 alongwith Note inserted vide Govt. Notification dated 22.4.1997.

** Notified vide Govt. of India Notification dated 08.10.2010 (G.S.R. NO. 830(E))

CHAPTER III

THE FUND

5. **Constitution of the Fund**

(1) The Corporation shall constitute a Fund to be called the Life Insurance Corporation of India (Employees) Pension Fund under an irrevocable trust within a period of one hundred and twenty days from the notified date.

(2) The Fund shall have for its sole purpose the provision of the payment of pension or family pension in accordance with these rules to the employee or his family.

(3) The Corporation shall be a contributor to the Fund and shall ensure that sufficient sums are placed it to enable the trustees to make due payments to beneficiaries under these rules.

6. **Liability of the Provident Fund trust -** The Provident Fund trust shall, immediately after the constitution of the Fund, transfer to the Life Insurance Corporation of India (Employees) Pension Fund the accumulated balance of the contribution of the Corporation to the Provident Fund and interest accrued thereon upto the date of such transfer in respect of every employee.

7. **Composition of the Fund -** The Fund shall consist of the following, namely:

(a) the contribution by the Corporation at the rate of ten per cent. per month of the pay of the employee;

*** Explanation 1:**

For the purpose of this rule "pay" includes

(i) the basic pay,

(ii) allowances other than dearness allowance which count for the purposes of making contribution to the Provident Fund and payment of dearness allowance,

(iii) dearness allowance payable on the basic pay and the allowances specified in clause (ii) above, upto Index Number 1148 in the quarterly average of the All India Consumer Price Index for Industrial Workers in the series 1960=100; and

(iv) allowances to the extent they count for Provident Fund, house rent allowance, gratuity and for refixation of salary on promotion:

Provided that the Corporation shall not make any contribution to the account of the Provident Fund of the employee ;

†Explanation 2:

On and from the date of publication of Life Insurance Corporation of India (Employees) Pension (Amendment) Rules, 1997, "pay" includes

(i) the basic pay,

(ii) allowances other than dearness allowance which count for the purposes of making contribution to the Provident Fund and also payment of dearness allowance,

(iii) allowances to the extent they count for Contribution to the Provident Fund, house rent allowance, gratuity and for refixation of salary on promotion:

* Explanation renumbered as Explanation 1 by Notification dated 22.4.1997

† Explanation 2 inserted vide Govt. Notification dated 22.4.1997

(202)

Provided that the Corporation shall not make any contribution to the account of the Provident Fund of the employee ;

(b) the accumulated contributions of the Corporation to the Provident Fund and interest accrued thereon upto the date of such transfer in respect of the employees;

(c) the amount consisting of contributions of the Corporation along with interest refunded by the ployees who had retired before the date of publication of these rules but who opt for pension in accordance with the provisions contained in these rules;

(d) the investment in annuities or securities purchased out of the moneys of the Fund and interest thereon;

(e) amount of any capital gains arising from the capital assets of the Fund;

(f) the additional annual contribution made by the Corporation in accordance with the provisions contained in rule 11 of these rules;

(g) any income from investments of the amounts credited to the Fund;

(h) the amount consisting of contribution of the Corporation along with interest refunded by the family of the deceased employee.

8. Board of Trustees

(1) The Board of trustees shall consist of such number of persons not less than three and not more than nine, as may be determined by the Corporation, to be appointed by the Corporation.

(2) The power to appoint the trustees shall be vested with the Corporation and all such appointments shall be made in writing.

(3) The Corporation shall nominate one of the trustees to be the Chairman of the Board of trustees. The Corporation shall also nominate a trustee to be an alternate Chairman who shall act as Chairman in the absence of the Chairman.

9. Trustees to carry out the directions of the Corporation - The trustees shall comply with all such directions as may be given by the Corporation for the proper functioning of the Fund.

10. Books of accounts of the Fund

(1) The accounts of the Fund shall contain the particulars of all financial transactions relating to the Fund in such form as may be specified by the Corporation.

(2) Within one hundred and eighty days from the closing of each financial year, the trust shall prepare a financial statement of the trust indicating therein the general account of assets and liabilities of the trust and forward a copy of the same to the Corporation.

(3) The accounts of the Fund shall be audited in accordance with the provisions of section 25 of the Act.

11. Actuarial investigation of the Fund - The Corporation shall cause an investigation to be made by an Actuary into the financial condition of the Fund every financial year, on the 31st day of March, and make such additional annual contributions to the Fund as may be required to secure payment of the benefits under these rules:

Provided that the Corporation shall cause an investigation to be made by an Actuary into the financial condition of the Fund, as on the 31st of day of March immediately following the financial year in which the Fund is constituted.

(203

12. **Investment of the Fund** - All moneys contributed to the Fund or received or accruing by way of interest or otherwise to the Fund, shall, within a reasonable time from the date of the contribution, receipt or accrual, as the case may be, be dealt in accordance with rule 85 and clause (ii) of rule 89 of the Income-tax Rules 1962, made under the Income-tax Act, 1961,(43 of 1961) and payable both in respect of capital and interest in India as applicable in the Fund.

13. **Payments out of the Fund** - The payment of benefits by the trust shall be administered as follows, namely:

(a) the trust shall purchase immediate annuities from the Corporation in respect of each employee or his family, as the case may be, at the time he or his family becomes eligible for the benefits under these rules;

(b) the trust shall, subject to the availability of additional sums in the Fund, to be provided by the Corporation as required under rule 5 (3) purchase additional annuities as and when it becomes necessary to revise upwards the benefits payable in accordance with these rules;

(c) the trust shall, in the event of the benefits payable under these rules being revised downwards for any reason whatsoever, credit the benefits received from the Corporation under the annuities purchased as exceed the benefits payable under these rules, to the Fund.

CHAPTER - IV

QUALIFYING SERVICE

14. Qualifying Service - Subject to the other conditions contained in these rules, an employee who has rendered a minimum ten years of service in the Corporation on the date of his retirement shall qualify for pension.

15. Commencement of qualifying service - Subject to the provisions contained in these rules, qualifying service of an employee shall commence from the date he takes charge of the post to which he is first appointed on a regular basis.

16. Counting of service on probation - Service on probation against a post in the Corporation if followed by confirmation in the same or another post shall qualify.

17. Counting of period spent on leave - All leave during service in the Corporation for which leave salary is payable shall count as qualifying service:

Provided that extraordinary leave granted on medical certificate or on account of the employees' inability to join or rejoin duty due to civil commotion, not exceeding twelve months during the entire service, shall also count as qualifying service.

18. Qualifying service on re-appointment - Where,

(a) a person is re-employed in accordance with the provisions contained in regulation 12 of the Staff Regulations: or

(b) an employee being a Development Officer, whose services had been terminated in accordance with the provisions contained in,

(i) the notification of the Corporation No. 65(24)-Ins. III/7/74 dated the 21st April, 1976, relating to Schedule III to the Staff Regulations; or

(ii) the notification of the Government of India, Ministry of Finance (Department of Economic Affairs) No. G.S.R. 290(E) dated the 8th April, 1976 relating to the Life Insurance Corporation Development Officers (Alteration of Remuneration and other Terms and Conditions of Service) Order, 1976 issued under sub-section(2) of Section 11 of the Act; or

(iii) the notification of the Corporation dated the 19th December, 1978 relating to the Schedule III to the Staff Regulations published in the Gazette of India Extraordinary Part III - Section 4 on 19th December, 1978; or

(iv) the notification of the Government of ~~India,~~ Ministry of Finance (Department of Economic Affairs) No. G.S.R. 584(E) dated the 19th December, 1978 relating to the Life Insurance Corporation Development Officers (Alteration of Remuneration and other Terms and Conditions of Service) Order, 1978 issued under sub-section(2) of Section 11 of the Act; or

(v) the notification of the Government of India, Ministry of Finance (Department of Economic Affairs) No. G.S.R. 643(E) dated the 26th June, 1989 relating to the Life Insurance Cor poration of India Development Officers (Revision of Certain Terms and Conditions of Service) Rules, 1989 issued under sub-section(2) of Section 48 of the Act,

and who is re-appointed in the service of the Corporation, the service of such a person or an employee prior to his re-employment or re-appointment, as the case may be, shall be counted in the qualifying service if he has paid to the Corporation at the time of such

(205

re-employment or re-appointment the aggregate of the Corporation's contribution due to him in the Provident Fund and the interest thereon which were paid to him on the determination of his previous service:

Provided that :

(i) periods of extraordinary leave on loss of pay except as otherwise provided herein;

(ii) periods of unauthorised absence except as provided in rule 28 of these rules;

(iii) the service prior to his re-employment or re-appointment in the case of a person reemployed or reappointed after he has resigned from the service of the Corporation; shall not be counted as qualifying service.

19. Broken period of service of less than one year - If the period of service of an employee includes broken period of service of less than one year, then if such broken period is more than six months it shall be treated as one year and if such broken period is six months or less it shall be ignored.

20. Counting of period spent on training - Period spent by an employee on training in the Corporation immediately before his appointment or re-employment or re-appointment shall count as qualifying service.

21. Counting of past service with the erstwhile Insurer - Period of continuous service of a "transferred employee" with an insurer shall qualify for pension:

Provided that such "transferred employee" was not eligible for any pension, annuity, gratuity in lieu of pension or such other superannuation benefit in lieu of pension from the insurer in respect of his service with such insurer.

22. Period of suspension - Period of suspension of an employee pending enquiry shall count for qualifying service where, on conclusion of such enquiry, he has been fully exonerated or the suspension is held to be wholly unjustified and, in other cases, the period of suspension shall not count as qualifying service unless the competent authority passing the order under regulation 38 of the Staff Regulations governing such cases expressly declares at the time that it shall count to such extent as such authority may declare.

23. Forfeiture of service - Resignation or dismissal or removal or termination or compulsory retirement of an employee from the service of the Corporation shall entail forfeiture of his entire past service and consequently shall not qualify for pensionary benefits.

24. Period of deputation to foreign service - An employee deputed on foreign service to the United Nations or any other foreign body or organisation may, at his option,

(a) pay pension contribution in respect of his foreign service and count such service as qualifying service under these rules; or

(b) avail of the retirement benefits admissible under the rules of the foreign employer and not count such service as qualifying service under these rules:

Provided that where an employee opts for clause(b), retirement benefits shall be payable to him in India in rupees from such date and in such manner as the Corporation may, by order, specify.

25. Military Service - An employee who has rendered military service before appointment or reemployment or re- appointment in the Corporation shall continue to draw the military pension, if any, and the military service rendered by the employee shall not count as qualifying service for pension.

(206

26. Period of deputation to an organisation in India - Period of deputation of an employee to another organisation in India will count as qualifying service:

Provided the organisation to which he is deputed or the employee pays the pensionary contributions at the rates specified in sub-rule (a) of rule 7 of these rules, to the Corporation.

27. Addition to qualifying service in special circumstances - An employee shall be eligible to add to his service qualifying for superannuation pension (but not for any other class of pension) the actual period not exceeding one-fourth of the length of his service or the actual period by which his age at the time of recruitment exceeded twenty-eight years, or a period of five years, whichever is less, if the service or post to which the employee is appointed is one

(a) for which post-graduate research, or specialist qualification or experience in scientific, technological or professional fields is essential; and

(b) to which candidates of more than twenty-eight years of age are normally recruited; and

(c) for which the candidate was given age relaxation over and above the maximum age limit fixed by the Corporation on account of his possessing higher qualifications or experience:

Provided that this concession shall not be admissible to an employee unless his actual qualifying service at the time he quits the service in the Corporation is not less than ten years:

Provided further that this concession shall be admissible only if the recruitment rules in respect of the said service or post contain a specific provision that the service or post is one which carries the benefit of this rule.

28. Condonation of interruption in service

(1) In the absence of a specific indication to the contrary in the service records, an interruption between two spells of service in the Corporation rendered by an employee including service counted in terms of the various provisions contained in these rules shall be treated as automatically condoned and the pre-interruption service treated as qualifying service.

(2) Nothing in sub-rule(1) shall apply to an interruption caused by resignation or dismissal or removal or compulsory retirement or termination from service.

(3) The period of interruption referred to in sub- rule(2) shall not count as qualifying service.

29. Counting of service rendered on permanent part - time basis in certain cases

(1) In the case of an employee who immediately prior to his appointment on a whole-time basis, was employed on a permanent part-time basis in the service of the Corporation and was contributing to the Provident Fund, such service rendered by him on a permanent part- time basis shall be counted as qualifying service;

(2) The length of qualifying service of the employee referred to in sub-rule(1) for the purpose of calculating the amount of pension shall be determined in accordance with Appendix II.

(207)

CHAPTER V

CLASSES OF PENSION

30. Superannuation Pension - Superannuation pension shall be granted to an employee who has retired on his attaining the age specified in rule 14 of the Service Rules or sub-regulation (1) or sub-regulation(2) of regulation 19 of the Staff Regulations.

31. Pension on voluntary retirement

(1) At any time after an employee has completed twenty years of qualifying service he may,by giving notice of not less than ninety days, in writing, to the appointing authority, retire from service:

Provided that this sub-rule shall not apply to an employee who is on deputation unless after having been transferred or having returned to India he has resumed charge of the post in India and has served for a period of not less than one year:

Provided further that this sub-rule shall not apply to an employee who seeks retirement from service for being absorbed permanently in an autonomous body or a public sector undertaking to which he is on deputation at the time of seeking voluntary retirement.

(2) The notice of voluntary retirement given under sub-rule (1) shall require acceptance by the appointing authority:

Provided that where the appointing authority does not refuse to grant the permission for retirement before the expiry of the period specified in the said notice, the retirement shall become effective from the date of expiry of the said period.

(3) (a) An employee referred to in sub-rule (1) may make a request in writing to the appointing authority to accept notice of voluntary retirement of less than ninety days giving reasons therefor;

(b) on receipt of a request under clause(a), the appointing authority may, subject to the provisions of sub-rule (2), consider such request for the curtailment of the period of notice of ninety days on merits and if it is satisfied that the curtailment of the period of notice will not cause any administrative inconvenience, the appointing authority may relax the re quirement of notice of ninety days on the condition that the employee shall not apply for commutation of a part of his pension before the expiry of the notice of ninety days.

(4) An employee, who has elected to retire under this-rule and has given necessary notice to that effect to the appointing authority, shall be precluded from withdrawing his notice except with the specific approval of such authority:

Provided that the request for such withdrawal shall be made before the intended date of his retirement.

(5) The qualifying service of an employee retiring voluntarily under this rule shall be increased by a period not exceeding five years, subject to the condition that the total qualifying service rendered by such employee shall not in any case exceed thirty-three years and it does not take him beyond the date of retirement.

(6) The pension of an employee retiring under this rule shall be based on the average emoluments as defined under clause(d) of rule 2 of these rules and the increase, not exceeding five years in his qualifying service, shall not entitle him to any notional fixation of pay for the purpose of calculating his pension.

(208

32. Invalid Pension

(1) Invalid pension may be granted to an employee who,

(a) has rendered minimum ten years of service; and

(b) retires from the service on account of any bodily or mental infirmity which permanently incapacitates him for the service.

(2) An employee applying for invalid pension shall submit a medical certificate of incapacity from a medical officer approved by the Corporation.

33. Compassionate Allowance

(1) An employee, who is dismissed or removed or compulsorily retired or terminated from service, shall forfeit his pension :

Provided that the authority competent to dismiss or remove or compulsorily retire or terminate him from service may, if

(i) such dismissal, removal, compulsory retirement or termination is on or after the 1st day of November, 1993; and

(ii) the case is deserving of special consideration,

sanction a compassionate allowance not exceeding two-thirds of the pension which would have been admissible to him on the basis of the qualifying service rendered upto the date of his dismissal, removal, compulsory retirement or termination.

(2) The compassionate allowance sanctioned under the proviso to sub-rule (1) shall not be less than the amount of the minimum pension payable under rule 36 of these rules.

34. Payment of pension or family pension in respect of employees who retired or died between 1.1.1986 and 31.10.1993

(1) Employees who have retired from the service of the Corporation between the 1st day of January, 1986 and the 31st day of October, 1993 shall be eligible for pension with effect from the 1st day of November, 1993.

(2) The family of a deceased employee governed by the provisions contained in sub-rule (7) of rule 3 shall be eligible for family pension with effect from the Ist day of November, 1993.

(209)

CHAPTER VI

RATE OF PENSION

35. Amount of Pension

(1) In respect of employees who retired between the 1st day of January, 1986 but before the 31st day of July, 1987, basic pension and additional pension will be updated as per the formula given in Appendix-III.

(2) In the case of an employee retiring in accordance with the provisions of the Service Rules or of the Staff Regulations after completing a qualifying service of not less than thirty three years the amount of basic pension shall be calculated at fifty per cent. of the average emoluments.

(3) (a) Additional pension shall be fifty per cent. of the allowances drawn by an employee during the last ten months of his service;

(b) no dearness relief shall be paid on the amount of additional pension.

Explanation : For the purpose of this sub-rule "allowances" means allowances which are admissible to the extent counted for the following purposes only, namely:

(i) making contributions to the Provident Fund;

(ii) grant of house rent allowance;

(iii) payment of gratuity; and

(iv) re-fixation of salary on promotion.

(4) Pension as computed being the aggregate of sub-rules (2) and (3) above shall be subject to the minimum pension as specified in these rules.

(5) An employee who has commuted the admissible portion of his pension as per the provisions of rule 41 of these rules shall receive only the balance of pension, monthly.

(6) (a) In the case of an employee retiring before completing a qualifying service of thirty-three years, but after completing a qualifying service of ten years, the amount of pension shall be proportionate to the amount of pension admissible under sub-rules (2) and (3) and in no case the amount of pension shall be less than the amount of minimum pension specified in these rules.

(b) Notwithstanding anything contained in these rules, the amount of invalid pension shall not be less than the ordinary rate of family pension which would have been payable to his family in the event of his death while in service.

(7) The amount of pension finally determined under this rule shall be expressed in whole rupee and where the pension contains a fraction of a rupee, it shall be rounded off to the next higher rupee.

*(8) Notwithstanding anything contained in these rules, in relation to an employee covered by the proviso to clause (j) of rule 2 or an employee appointed as a Managing Director under Section 20 of the Act, Pension shall be calculated in accordance with the provisions of sub-rule(2). The amount of Pension so calculated shall not be less than what he would have been entitled to, had he continued in the grade of Zonal Manager (Selection Scale), when the Pension becomes due and payable to him.

* Sub-Rule (8) added vide Govt. Notification dated 22.4.1997

(210

36. ****Minimum pension** - The amount of minimum pension shall be,

(a) rupees three hundred and seventy five per month in respect of an employee, belonging to Class-III or Class-IV, who had retired or died before 1st August,1992 and in respect of employee belonging to Class-I or Class-II, who had retired or died before 1st day of April, 1993.

(b) rupees seven hundred and twenty per month in respect of an employee belonging to Class-III or Class-IV, who had retired or died on or after 1st August, 1992, and in respect of an employee belonging to Class-I or Class-II, who had retired or died on or after 1st April, 1993.

***(c) rupees 1,100/- per month in respect of employees belonging to Class-I, Class-II, Class-III and Class-IV, who have retired or died on or after the first day of August, 1997;

***(d) in case of any wage revision in future the amount of minimum pension payable to an employee shall be determined by the Corporation corresponding to the index to which the scale is linked.

(The Corporation has determined that the amount of minimum pension shall be rupees 1480/ per month in respect of employees belonging to Class-I, Class-II, Class-III and Class-IV, who have retired or died on or after the first day of August, 2002);

37. **Dearness Relief**

(1) Dearness relief shall be granted on basic pension or family pension or invalid pension or on compassionate allowance in accordance with the rates specified in appendix IV.

(2) Dearness relief shall be allowed on full basic pension even after commutation.

38. **Determination of the period of ten months for average emoluments**

(1) The period of the preceding ten months for the purpose of average emoluments shall be reckoned from the date of retirement.

(2) In the case of voluntary retirement the period of the preceding ten months for the purpose of average emoluments shall be reckoned from the date on which the employee voluntarily retires.

(3) In the case of dismissal or removal or compulsory retirement or termination of service the period of the preceding ten months for the purpose of average emoluments shall be reckoned from the date on which the employee is dismissed or removed or compulsorily retired or terminated by the Corporation.

(4) If during the last ten months of the service an employee had been absent from duty on extraordinary leave on loss of pay or had been under suspension and the period whereof does not count as service, the aforesaid period of extraordinary leave or suspension shall not be taken into account in the calculation of the average emoluments and an equal period before the ten months shall be included.

** Rule 36 was amended vide Govt. Notification No. G.S.R. 349(E), Part-II, Section 3, Sub-section (i) dated 14.5.1999.

*** Notified in Gazette of India, Part-III Section 3 dated 22.6.2000 (G.S.R. No. 553(E)).

(211)

CHAPTER VII

FAMILY PENSION

39. Family Pension

(1) Without prejudice to the provisions contained in these rules where an employee dies

(a) after completion of one year of continuous service; or

(b) before completion of one year of continuous service, provided the deceased employee concerned immediately prior to his appointment to the service or post was examined by a medical officer approved by the Corporation and declared fit for employment in the Corporation; or

(c) after retirement from service and was on the date of death in receipt of a pension, or com passionate allowance;

the family of the deceased shall be entitled to family pension, the amount of which shall be determined in accordance with Appendix V.

(2) The amount of family pension shall be fixed at monthly rates and be expressed in whole rupees and where the family pension contains a fraction of a rupee, it shall be rounded off to the next higher rupee:

Provided that in no case a family pension in excess of the maximum prescribed under these rules shall be allowed.

(3) (a) (i) Where an employee, who is not governed by the Workmen's Compensation Act, 1923 (8 of 1923), dies while in service after having rendered not less than seven years' continuous service, the rate of family pension payable to the family shall be equal to fifty per cent of the pay last drawn or twice the family pension admissible under sub-rule(1), whichever is less, and the amount so admissible shall be payable from the date following the date of death of the employee for a period of seven years or for a period up to the date on which the deceased employee would have attained the age of sixty five years had he survived, whichever is less;

(ii) in the event of death of an employee after retirement, the family pension as determined under clause (a) or clause (b) of this sub-rule shall be payable for a period of seven years or for a period up to the date on which the retired deceased employee would have attained the age of sixty five years had he survived, whichever is less;

(b) (i) where an employee, who is governed by the Workmen's Compensation Act, 1923 (8 of 1923), dies while in service after having rendered not less than seven years' continuous service, the rate of family pension payable to the family shall be equal to fifty per cent of the pay last drawn or one and half times the family pension admissible under sub-rule (1), whichever is less;

(ii) the family pension so determined under sub- clause (i)shall be payable for the period mentioned in clause(a);

(c) after the expiry of the period referred to in clause (a), the family, in receipt of family pension under that clause or clause (b) shall be entitled to family pension at the rate admissible under sub-rule (1).

*(d) Notwithstanding anything contained in these rules, the wholly dependent parents shall be entitled to family pension at the rate admissible under sub-rule (1)

4) Notwithstanding anything contained in these rules where the family of a deceased employee opts for pension in accordance with sub-rule (5) of rule 3 or is governed by the provisions contained in sub-rules (6) or (7) or (8) of rule 3 ,such family of the deceased shall be eligible for family pension under these rules.

* Notified vide Govt. of India Notification dated 08.10.2010 (G.S.R. No. 830(E))

212

40. Period of payment of family pension

(1) The period for which family pension is payable shall be,

(a) in the case of a widow or a widower, upto the date of death or re-marriage, whichever is earlier;

(b) in the case of a son, until he attains the age of twenty-five years; and

(c) in the case of an unmarried daughter, until she attains the age of twenty-five years or until she gets married, whichever is earlier: —

Provided that if the son or daughter of an employee is suffering from any disorder or disability of mind or is physically crippled or disabled so as to render him or her unable to earn a living even after attaining the age of twenty- five years, the family pension shall be payable to such son or daughter for life subject to the following conditions, namely:

(i) if such son or daughter is one among two or more children of the employee, the family pension shall be initially payable to the minor children in the order set out in clause (e) of sub-rule(1) until the last minor child attains the age of twenty-five and thereafter the family pension shall be resumed in favour of the son or daughter suffering from disorder or disability of mind or who is physically crippled or disabled and shall be payable to him or her for life;

(ii) if there are more than one such children suffering from disorder or disability of mind or who are physically crippled or disabled, the family pension shall be paid in the order of their birth and the younger of them will get the family pension only after the elder next above him or her ceases to be eligible:

Provided that where the family pension is payable to such twin children it shall be paid in the manner set out in clause (f) of sub-rule (1);

(iii) the family pension shall be paid to such son or daughter through the guardian as if he or she were a minor except in the case of a physically crippled son or daughter who has attained the age of majority;

(iv) before allowing the family pension for life to any such son or daughter, the Competent Authority shall satisfy that the handicap is of such a nature as to prevent him or her from earning his or her livelihood and the same shall be evidenced by a certificate obtained from a medical officer approved by the Corporation, setting out, as far as possible, the exact mental or physical condition of the child;

(v) the person receiving the family pension as guardian of such son or daughter or such son or daughter not receiving the family pension through a guardian shall produce every three years a certificate from a medical officer approved by the Corporation to the effect that he or she continues to suffer from disorder or disability of mind or continues to be physically crippled or disabled.

Explanation. The grant of family pension to disabled children beyond the age limit specified in this sub-rule is subject to the following conditions, namely:

(i) a daughter shall become ineligible for family pension under this sub-rule from the date she gets married;

(ii) the family pension payable to such son or daughter shall be stopped if he or she starts earning his or her livelihood. In such cases it shall be the duty of the guardian or son or daughter to furnish a certificate to the Corporation every month that

(A) he or she has not started earning his or her livelihood;

(B) in case of daughter that she has not yet married;

(213)

(d) if a deceased employee or pensioner leaves behind a widow or widower, the family pension shall become payable to the widow or widower, failing which to the eligible child;

(e) family pension to the children shall be payable in the order of their birth and the younger of them shall not be eligible for family pension unless the elder next above him or her has becomes ineligible for the grant of family pension;

Provided that where the family pension is payable to twin children it shall be paid in the manner set out in clause (f) of the sub-rule (1);

(f) where the family pension is payable to twin children it shall be paid to such children in equal shares:

Provided that where one such child ceases to be eligible, his or her share shall revert to the other child and where both of these cease to be eligible, the family pension shall be payable to the next eligible single child or twin children, as the case may be.

**(g) In case of dependent/unmarried/widowed/divorced daughter up to the date of marriage/ re-marriage or till date on which her income exceeds dependency criteria as may be specified by the Corporation from time to time whichever is earlier.

**(h) in case of parents, who are wholly dependent on the deceased employee when he/she was alive, till the date on which their income exceeds the dependency criteria as may be specified by the Corporation from time to time, provided the deceased employee had left behind neither a widow nor a child or had left behind only a widow who had subsequently remarried.

(2) Where a deceased employee or a pensioner leaves behind more children than one, the eldest eligible child shall be entitled to the family pension for the period mentioned in clauses (b) or (c) of sub- rule(1), as the case may be, and after the expiry of that period the next child shall become eligible for the grant of family pension.

(3) Where family pension is granted under this rule to a minor, it shall be payable to the guardian on behalf of the minor.

(4) In case both wife and husband are employees of the Corporation and are governed by the provisions of this rule and one of them dies while in service or after retirement, the family pension in respect of the deceased shall be payable to the surviving husband or wife and in the event of death of the husband or wife, the surviving child or children shall be granted the two family pensions in respect of the deceased parents subject to the limits specified below, namely:

(a) if the surviving child or children is or are eligible to draw two family pensions at the rates mentioned in sub-clause(i) of clause (a) and sub- clause(i) of clause(b) of sub-rule (3) of rule 39 the amount of both pensions shall be limited to two thousand five hundred rupees only per mensem in respect of employees who retired or died while in service prior to the 1st day of November, 1993 and four thousand eight hundred rupees per mensem only in respect of employees who retired or died on or after the 1st day of November, 1993;

(b) if one of the family pensions ceases to be payable at the rates mentioned in sub-clause (i) of clause(a) or sub-clause (i) of clause (b) of sub- rule (3) of rule 39 and in lieu thereof the family pension at the rate mentioned in sub-rule(1) of rule 39 becomes payable, the amount of both the pensions shall also be limited to two thousand five hundred rupees per mensem in respect of employees who retired or died while in service prior to the 1st day of November, 1993 and four thousand eight hundred rupees per mensem in respect of employees who retired or died on or after the 1st day of November, 1993 ;

(c) if both the family pensions are payable at the rate mentioned in sub-rule (1) of rule 39 the amount of the two pensions shall be limited to one thousand two hundred and fifty rupees

** Notified vide Govt. of India Notification dated 08.10.2010 (G.S.R. No. 830(E))

(214)

per mensem in the case of employees who retired or died while in service prior to the 1st day of November, 1993 and two thousand four hundred rupees per mensem in respect of employees who retired or died on or after the 1st day of November, 1993.

*Note : In this sub-rule, for the figures and words "1st day of November, 1993" the figures and words "1st day of August, 1992", shall be substituted in respect of employees belonging to Class-III or Class-IV who have retired or died on or after 1st day of August, 1992 and the figures and words "1st day of April, 1993" shall be substituted in respect of Officers belonging to Class-I and Class-II who have retired or died on or after 1st day of April, 1993.

(5) (a) Where family pension is payable to more widows than one, the family pension shall be paid to the widows in equal shares;

(b) on the death of a widow, her share of the family pension shall become payable to her eligible child:

Provided that if the widow is not survived by any child, her share of the family pension shall not lapse but shall be payable to the other widows in equal shares, or if there is only one such other widow, in full, to her;

(c) where the deceased employee or pensioner is survived by a widow but has left behind eligible child or children from another wife who is not alive, the eligible child or children shall be entitled to the share of family pension which the mother would have received if she had been alive at the time of the death of the employee or pensioner:

Provided that on the share or shares of family pension payable to such a child or children or to a widow or widows ceasing to be payable, such share or shares shall not lapse, but shall be payable to the other widow or widows or to other child or children otherwise eligible, in equal shares, or if there is only one widow or child, in full, to such widow or child;

(d) where the family pension is payable to twin children it shall be paid to such children in the manner specified in clause (f) of sub-rule (1) above;

(e) except as provided in this sub-rule the family pension shall not be payable to more than one member of the family at the same time.

(6) Where a female employee or male employee dies leaving behind a judicially separated husband or widow and no child or children, the family pension in respect of the deceased shall be payable to the person surviving:

Provided that where in a case the judicial separation is granted on the ground of adultery and the death of the employee takes place during the period of such judicial separation, the family pension shall not be payable to the person surviving if such person surviving was held guilty of committing adultery.

(7) (a) Where a female employee or male employee dies leaving behind a judicially separated husband or widow with a child or children, the family pension payable in respect of the de ceased shall be payable to the surviving person provided he or she is the guardian of such child or children;

(b) where the surviving person has ceased to be the guardian of such child or children, such family pension shall be payable to the person who is the actual guardian of such child or children.

* Note to sub-rule 4 of Rule 40 which was inserted vide Govt. Notification dated 22.4.1997 has been amended vide Govt. Notification dated 14.5.1999.

(215)

(8) If the son or unmarried daughter eligible for the grant of family pension has attained the age of eighteen years, the family pension may be paid to such son or unmarried daughter directly.

(9) (a) If a person who, in the event of death of an employee while in service, is eligible to receive family pension under these rules is charged with the offence of murdering the employee or for abetting in the commission of such an offence, the claim of such a person, including other eligible member or members of the family to receive the family pension, shall remain suspended till the conclusion of the criminal proceedings instituted against him;

(b) if on the conclusion of the criminal proceedings referred to in clause(a),the person concerned

(i) is convicted for the murder or abetting in the murder of the employee, such a person shall be debarred from receiving the family pension which shall be payable to the other eligible member of the family, from the date of death of the employee;

(ii) is acquitted of the charge of murder or abetting in the murder of the employee, the family pension shall be payable to such a person from the date of death of the employee;

(c) the provisions of sub-clauses (a) and (b) shall also apply for the family pension becoming payable on the death of an employee after his retirement.

(216)

CHAPTER-VIII

COMMUTATION

41. Commutation

(1) An employee shall be entitled to commute for a lump sum payment of a fraction not exceeding one-third of his pension:

Provided that in respect of an employee who is governed by sub-rule (5) of rule 3 of these rules, the family of such employee shall also be entitled to commute for a lump sum payment a fraction not exceeding one-third of the pension admissible to the employee.

(2) An employee shall indicate the fraction of pension which he desires to commute and may either indicate the maximum limit of one-third pension or such lower limit as he may desire to commute.

(3) If fraction of pension to be commuted results in fraction of rupee, such fraction of a rupee shall be ignored for the purpose of commutation.

(4) The lump sum payable to an applicant shall be calculated in accordance with the Table given below:

TABLE

Commutation Values for a pension of Re. one per annum

Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase
17	19.28	42	15.40	67	7.85
18	19.20	43	15.15	68	7.53
19	19.11	44	14.90	69	7.22
20	19.01	45	14.64	70	6.91
21	18.91	46	14.37	71	6.60
22	18.81	47	14.10	72	6.30
23	18.70	48	13.82	73	6.01
24	18.59	49	13.54	74	5.72
25	18.47	50	13.25	75	5.44
26	18.34	51	12.95	76	5.17
27	18.21	52	12.66	77	4.90
28	18.07	53	12.35	78	4.65
29	17.93	54	12.05	79	4.40
30	17.78	55	11.73	80	4.17
31	17.62	56	11.42	81	3.94
32	17.46	57	11.10	82	3.72
33	17.29	58	10.78	83	3.52
34	17.11	59	10.46	84	3.32
35	16.92	60	10.13	85	3.13
36	16.72	61	9.81		
37	16.52	62	9.48		
38	16.31	63	9.15		
39	16.09	64	8.82		
40	15.87	65	8.50		
41	15.64	66	8.17		

Qualifying Service ??

(217)

(e) who was in the service of the Corporation on or after the 1st day of November, 1993 but who retired prior to the publication of these rules, on the day immediately following the date of his retirement, where the application is made within the period specified by clause (b) of sub- rule (2) of rule 3;

(f) who retired on or after the 1st day of November, 1993, but died prior to the notified date, on the day immediately following the date of his retirement, where the application for commutation is made by the family of the deceased within the period specified by clause (a) of sub-rule(5) of rule 3;

(g) in respect of whom invalid pension under rule 32 or compassionate allowance under rule 33 is admissible, commutation shall become absolute on the date of the medical certificate given by a medical officer approved by the Corporation.

(218)

Notes :

(1) The Table above indicates the commuted value of pension expressed as number of years' purchase with reference to the age of the pensioner as on his next birthday. The commuted value in the case of an employee retiring at the age of fifty eight years is 10.46 years' purchase and, therefore, if he commutes rupees one hundred from his pension within one year of retirement, the lump sum amount payable to him works out to Rs.100 X 10.46 X 12 = Rs.12,552.

(2) An employee who had commuted the admissible portion of pension is entitled to have the commuted portion of the pension restored after the expiry of a period of fifteen years from the date of commutation.

(3) An applicant who is authorised a superannuation pension, voluntary retirement pension, invalid pension or compassionate allowance shall be eligible to commute a fraction of his pension under these rules.

(4) In the case of a pensioner eligible for superannuation pension or pension on voluntary retirement, no medical examination shall be necessary, if the application for commutation is made within one year from the date of retirement. However, if such a pensioner applies for commutation of pension after one year from the date of his retirement, the same will be permitted subject to medical examination.

Explanation.- An applicant who

(i) retires on invalid pension under rule 32 of these rules, or

(ii) is in receipt of compassionate allowance under rule 33 of these rules,

shall be eligible to commute a fraction of his pension subject to the limit specified in sub-rule (1) after he has been declared fit by a medical officer approved by the Corporation.

(5) The commutation of pension shall become absolute in the case of an employee

(a) retiring on superannuation or voluntary retirement who submits an application for commutation of pension before the date of retirement, on the date following the date of retirement :

Provided that the employee governed by sub-rule(3) of rule 31 shall not apply for commutation of a part of his pension before the expiry of the notice of three months and the commutation of pension shall become absolute only on the expiry of the period of notice referred to in sub-rule (1) of rule 31;

(b) retiring on superannuation or on voluntary retirement if he applies for commutation of pension after the date of retirement but before the completion of one year from the date of retirement, on the date the application for commutation is received by the Competent Authority;

(c) retiring on superannuation or on voluntary retirement, if he applies for commutation of pension after one year from the date of retirement, on the date of the medical certificate given by a medical officer approved by the Corporation;

(d) who has retired prior to the 1st day of November, 1993 and who opts to be governed by these rules, on the 1st day of November, 1993, where the application for commutation is made within the period specified by clause (b) of the sub-rule (1) of rule 3;

(219)

CHAPTER-IX

GENERAL CONDITIONS

42. Pension subject to future good conduct - Future good conduct shall be an implied condition of every grant of pension and its continuance under these rules..

43. Withholding or withdrawal of Pension -The Competent Authority may, by order in writing, with hold or withdraw a pension or a part thereof, whether permanently or for a specified period, if the pensioner is convicted of a serious crime or is found guilty of grave misconduct:

Provided that where a part of pension is withheld or withdrawn, the amount of such pension shall not be reduced below the minimum pension per mensem payable under these rules.

44. Conviction by Court - Where a pensioner is convicted of a serious crime by a Court of Law, action shall be taken in the light of the judgement of the court relating to such conviction.

45. Pensioner guilty of grave misconduct - In a case not falling under rule 44 if the Competent Authority considers that the pensioner is prima facie guilty of grave misconduct, it shall, before passing an order, follow the procedure specified in regulation 39 of the Staff Regulations.

46. Provisional pension

(1) An employee who has retired on attaining the age of superannuation or otherwise and against whom any departmental or judicial proceedings are instituted or where departmental proceedings are continued, a provisional pension, equal to the maximum pension which would have been admissible to him, would be allowed subject to adjustment against final retirement benefits sanctioned to him, upon conclusion of the proceedings but no recovery shall be made where the pension finally sanctioned is less than the provisional pension or the pension is reduced or withheld etc, either permanently or for a specified period.

(2) In such cases the gratuity shall not be paid to such an employee until the conclusion of the proceedings against him. The gratuity shall be paid to him on conclusion of the proceedings subject to the decision of the proceedings. Any recoveries to be made from an employee shall be adjusted against the amount of gratuity payable.

Explanation - In this chapter

(a) the expression 'serious crime' includes a crime involving an offence under the Official Secrets Act, 1923 (19 of 1923);

(b) the expression "grave misconduct" includes the communication or disclosure of any secret official code or password or any sketch, plan, model, article, note, document or information, such as is mentioned in section 5 of the Official Secrets Act, 1923 (19 of 1923) (which was obtained while holding an office in the Corporation) so as to prejudicially affect the interests of the general public or the security of the State.

47. Commutation of pension during departmental or judicial proceedings - An employee against whom departmental or judicial proceedings have been instituted before the date of his retirement or a person against whom such proceedings are instituted after the date of his retirement, shall not be eligible to commute a fraction of his provisional pension, or pension, as the case may be, authorised under these rules, during the pendency of such proceedings.

48. Recovery of Pecuniary loss caused to the Corporation

(1) The Competent Authority may withhold or withdraw a pension or a part thereof, whether permanently or for a specified period, and order recovery from pension of the whole or part of any

(220

pecuniary loss caused to the Corporation if in any departmental or judicial proceedings the pensioner is found guilty of grave misconduct or negligence during the period of his service :

Provided that the Executive Committee shall be consulted before any final orders are passed:

Provided further that departmental proceedings, if instituted while the employee was in service, shall, after the retirement of the employee, be deemed to be proceedings under this rule and shall be continued and concluded by the authority by which they were commenced in the same manner as if the employee had continued in service:

Provided also that no departmental or judicial proceedings, if not initiated while the employee was in service, shall be instituted in respect of a cause of action which arose or in respect of an event which took place more than four years before such institution.

(2) Where the Competent Authority orders recovery of the pecuniary loss from the pension, the recovery shall not ordinarily be made at a rate exceeding one-third of the pension admissible on the date of retirement of the employee:

Provided that where a part of pension is withheld or withdrawn, the amount of pension drawn by a pensioner shall not be less than the minimum pension payable under these rules.

49. Recovery of Corporation's dues - The Corporation shall be entitled to recover the dues to the Corporation on account of housing loans, advances, license fees, other recoveries and recoveries due to staff co-operative credit society from the commutation value of the pension or the pension or the family pension.

50. Commercial employment after retirement

(1) If a pensioner who, immediately before his retirement was holding the post of an officer belonging to the cadre of Divisional Manager or above and wishes to accept any commercial employment before the expiry of two years from the date of his retirement, he shall obtain the previous sanction of the Corporation to such acceptance:

Provided that an employee who was permitted by the Corporation to take up a particular form of commercial employment during his leave preparatory to retirement or during refused leave shall not be required to obtain subsequent permission for his continuance in such employment after retirement.

(2) Subject to the provision of sub-rule (3), the Corporation may, by order in writing, on the application by a pensioner, grant, subject to such conditions, if any, as it may deem necessary, permission, or refuse, for reasons to be recorded in the order, permission to such pensioner to take up the commercial employment specified in the application.

(3) In granting or refusing permission under sub-rule (2) to a pensioner for taking up any commercial employment, the Corporation shall have regard to the following factors, namely:

(a) the nature of the employment proposed to be taken up and the antecedents of the employer;

(b) whether his duties in the employment which he proposes to take up might be such as to bring him into conflict with the Corporation;

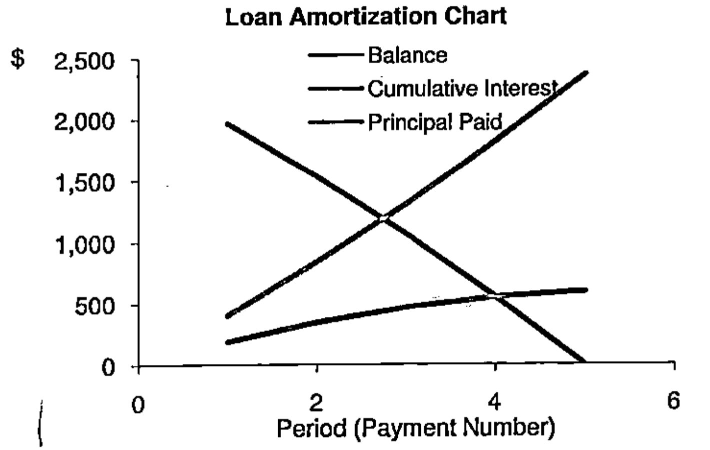
(c) whether the pensioner while in service had any such dealing with the employer under whom he proposes to seek employment as it might afford a reasonable basis for the suspicion that such pensioner had shown favours to such employer;

(d) whether the duties of the commercial employment proposed involve liaison or contact work with Corporation;

Amortization Chart

HELP

Loan Amount (**pv**)	2,365
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	5
Payment per Period	$ 592.33
Total Interest Paid	$ 596.65



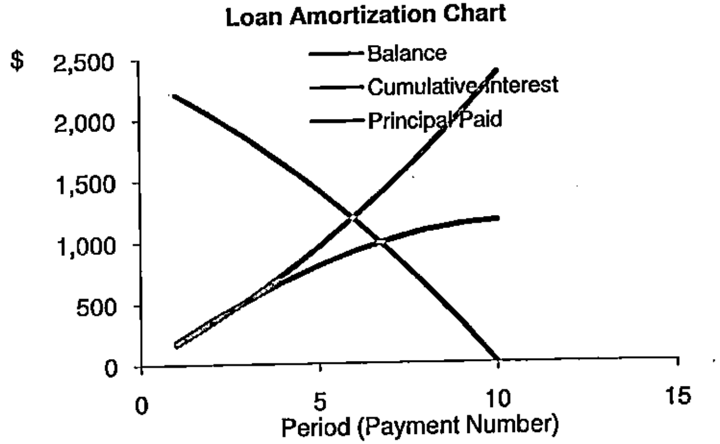
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 2,365.00
1	592.33	189.20	189.20	403.13	403.13	1,961.87
2	592.33	156.95	346.15	435.38	838.51	1,526.49
3	592.33	122.12	468.27	470.21	1,308.72	1,056.28
4	592.33	84.50	552.77	507.83	1,816.55	548.45
5	592.33	43.88	596.65	548.45	2,365.00	0.00

(22)

Amortization Chart

HELP

Loan Amount (pv)	2,365
Interest Rate (rate)	8.00%
Total # of Periods (Nper)	10
Payment per Period	$ 352.45
Total Interest Paid	$ 1,159.55

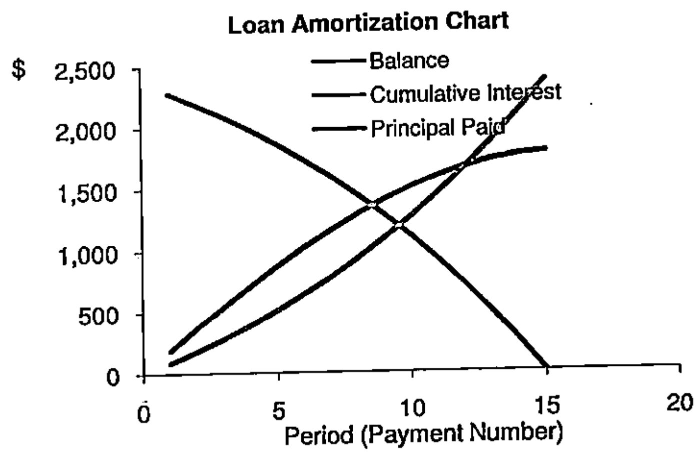


Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 2,365.00
1	352.45	189.20	189.20	163.25	163.25	2,201.75
2	352.45	176.14	365.34	176.32	339.57	2,025.43
3	352.45	162.03	527.37	190.42	529.99	1,835.01
4	352.45	146.80	674.17	205.65	735.64	1,629.36
5	352.45	130.35	804.52	222.11	957.75	1,407.25
6	352.45	112.58	917.10	239.87	1,197.63	1,167.37
7	352.45	93.39	1,010.49	259.06	1,456.69	908.31
8	352.45	72.66	1,083.16	279.79	1,736.48	628.52
9	352.45	50.28	1,133.44	302.17	2,038.65	326.35
10	352.45	26.11	1,159.55	326.35	2,365.00	0.00

Amortization Chart

HELP

Loan Amount **(pv)**		2,365
Interest Rate **(rate)**		8.00%
Total # of Periods **(Nper)**		15
Payment per Period	$	276.30
Total Interest Paid	$	1,779.53

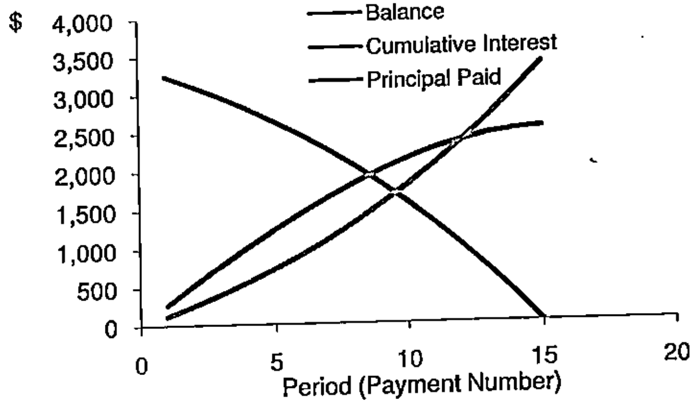


Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	2,365.00
1	276.30	189.20	189.20	87.10	87.10	2,277.90
2	276.30	182.23	371.43	94.07	181.17	2,183.83
3	276.30	174.71	546.14	101.60	282.77	2,082.23
4	276.30	166.58	712.72	109.72	392.49	1,972.51
5	276.30	157.80	870.52	118.50	510.99	1,854.01
6	276.30	148.32	1,018.84	127.98	638.97	1,726.03
7	276.30	138.08	1,156.92	138.22	777.19	1,587.81
8	276.30	127.02	1,283.94	149.28	926.47	1,438.53
9	276.30	115.08	1,399.03	161.22	1,087.69	1,277.31
10	276.30	102.18	1,501.21	174.12	1,261.81	1,103.19
11	276.30	88.26	1,589.47	188.05	1,449.85	915.15
12	276.30	73.21	1,662.68	203.09	1,652.94	712.06
13	276.30	56.96	1,719.64	219.34	1,872.28	492.72
14	276.30	39.42	1,759.06	236.88	2,109.16	255.84
15	276.30	20.47	1,779.53	255.84	2,365.00	0.00

Amortization Chart

HELP

Loan Amount (pv)	3,365
Interest Rate (rate)	8.00%
Total # of Periods (Nper)	15
Payment per Period	$ 393.13
Total Interest Paid	$ 2,531.97



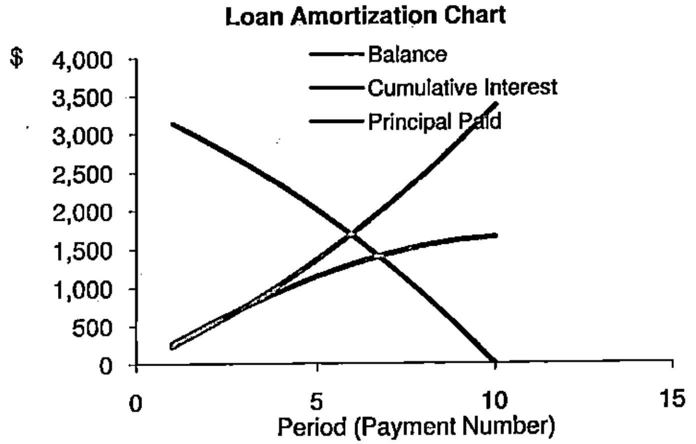
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	3,365.00
1	393.13	269.20	269.20	123.93	123.93	3,241.07
2	393.13	259.29	528.49	133.85	257.78	3,107.22
3	393.13	248.58	777.06	144.55	402.33	2,962.67
4	393.13	237.01	1,014.08	156.12	558.45	2,806.55
5	393.13	224.52	1,238.60	168.61	727.06	2,637.94
6	393.13	211.04	1,449.64	182.10	909.15	2,455.85
7	393.13	196.47	1,646.10	196.66	1,105.82	2,259.18
8	393.13	180.73	1,826.84	212.40	1,318.21	2,046.79
9	393.13	163.74	1,990.58	229.39	1,547.60	1,817.40
10	393.13	145.39	2,135.97	247.74	1,795.34	1,569.66
11	393.13	125.57	2,261.55	267.56	2,062.90	1,302.10
12	393.13	104.17	2,365.71	288.96	2,351.86	1,013.14
13	393.13	81.05	2,446.77	312.08	2,663.94	701.06
14	393.13	56.08	2,502.85	337.05	3,000.99	364.01
15	393.13	29.12	2,531.97	364.01	3,365.00	0.00

224

Amortization Chart

HELP

Loan Amount (pv)		3,365
Interest Rate (rate)		8.00%
Total # of Periods (Nper)		10
Payment per Period	$	501.48
Total Interest Paid	$	1,649.84



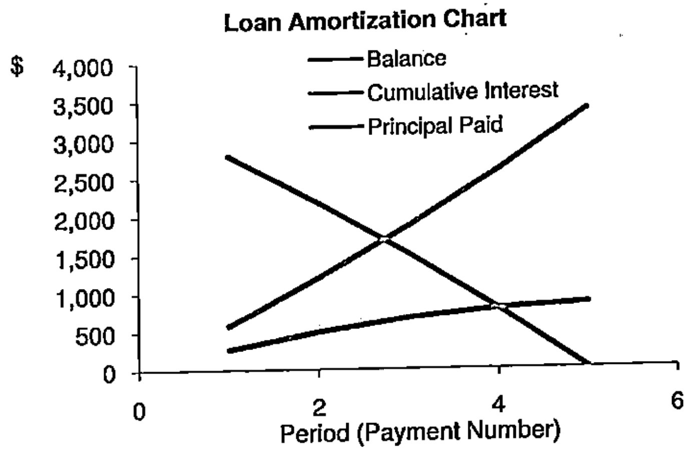
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	3,365.00
1	501.48	269.20	269.20	232.28	232.28	3,132.72
2	501.48	250.62	519.82	250.87	483.15	2,881.85
3	501.48	230.55	750.37	270.94	754.09	2,610.91
4	501.48	208.87	959.24	292.61	1,046.70	2,318.30
5	501.48	185.46	1,144.70	316.02	1,362.72	2,002.28
6	501.48	160.18	1,304.88	341.30	1,704.02	1,660.98
7	501.48	132.88	1,437.76	368.61	2,072.63	1,292.37
8	501.48	103.39	1,541.15	398.09	2,470.72	894.28
9	501.48	71.54	1,612.70	429.94	2,900.66	464.34
10	501.48	37.15	1,649.84	464.34	3,365.00	0.00

223

Amortization Chart

HELP

Loan Amount (**pv**)		3,365
Interest Rate (**rate**)		8.00%
Total # of Periods (**Nper**)		5
Payment per Period	$	842.79
Total Interest Paid	$	848.93



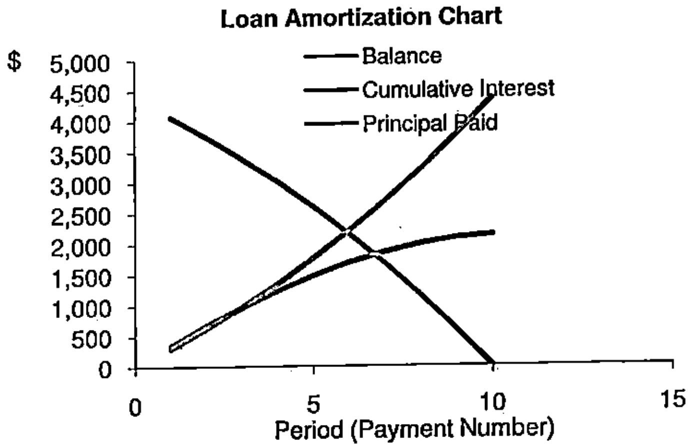
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 3,365.00
1	842.79	269.20	269.20	573.59	573.59	2,791.41
2	842.79	223.31	492.51	619.47	1,193.06	2,171.94
3	842.79	173.76	666.27	669.03	1,862.09	1,502.91
4	842.79	120.23	786.50	722.55	2,584.64	780.36
5	842.79	62.43	848.93	780.36	3,365.00	0.00

226

Amortization Chart

HELP

Loan Amount (**pv**)	4,365
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	10
Payment per Period	$ 650.51
Total Interest Paid	$ 2,140.14



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	4,365.00
1	650.51	349.20	349.20	301.31	301.31	4,063.69
2	650.51	325.09	674.29	325.42	626.73	3,738.27
3	650.51	299.06	973.36	351.45	978.18	3,386.82
4	650.51	270.95	1,244.30	379.57	1,357.75	3,007.25
5	650.51	240.58	1,484.88	409.93	1,767.69	2,597.31
6	650.51	207.79	1,692.67	442.73	2,210.42	2,154.58
7	650.51	172.37	1,865.03	478.15	2,688.56	1,676.44
8	650.51	134.11	1,999.15	516.40	3,204.96	1,160.04
9	650.51	92.80	2,091.95	557.71	3,762.67	602.33
10	650.51	48.19	2,140.14	602.33	4,365.00	0.00

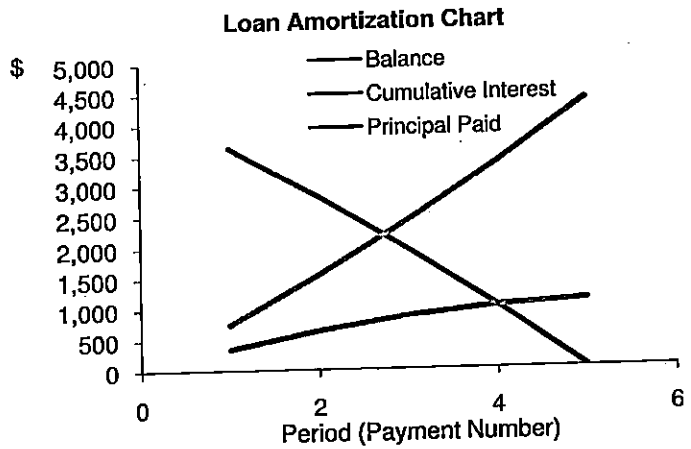
227

Amortization Chart

Vertex42

HELP

Loan Amount **(pv)**	4,365
Interest Rate **(rate)**	8.00%
Total # of Periods **(Nper)**	5
Payment per Period	$ 1,093.24
Total Interest Paid	$ 1,101.21



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					$	4,365.00
1	1,093.24	349.20	349.20	744.04	744.04	3,620.96
2	1,093.24	289.68	638.88	803.57	1,547.61	2,817.39
3	1,093.24	225.39	864.27	867.85	2,415.46	1,949.54
4	1,093.24	155.96	1,020.23	937.28	3,352.74	1,012.26
5	1,093.24	80.98	1,101.21	1,012.26	4,365.00	0.00

228

FTB-533392/2019 (229

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दूरभाष: 0120-2405180,84, 2405929
नवोदय विद्यालय समिति
(मानव संसाधन विकास मंत्रालय का स्वायत संस्थान
स्कूल शिक्षा एवं साक्षरता विभाग, भारत सरकार)
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NAVODAYA VIDYALAYA SAMITI
(An Autonomous Organization under Ministry of Human Resource Development, Department of School Education & Literacy)
Govt. of India
B-15, Institutional Area,
Sector-62, NOIDA
Uttar Pradesh-201309

F.No. 3-1/2018 -NVS(GA)/ 4743 Date: 09/01/2019

To

Shri D.K. D. Rao,
Deputy Secretary (UT)
Shastri Bhawan
Ministry of HRD
New Delhis

On file pl. Also link up the ref. from Hon FM in response to the letter from Hon HRM and put up
10.1.19

Sub: Proposal for Annuity Based Alternate Pension through LIC in respect of Employees of NVS who joined prior to 01.01.2004 – reg.

SO(UT.3)
Sh. Sawant ASO
11/1
SnSO

Sir,

This is with reference to the DO letter no. 17-32/2018-UT.3 dated 2.11.2018 of JS(SE-II) on the cited subject wherein Samiti was asked to send a comprehensive proposal for Annuity Based Alternate Pension, as grant of CCS Pension could not become feasible. Accordingly, the proposal is submitted as under:-

1. BACKGROUND

The scheme of Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 as a Central Sector Scheme which is 100% funded by the Government of India. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Department of Secondary and Higher Education, Ministry of HRD, to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. JNVs are fully residential, co-educational institutions providing free education including boarding and lodging, text books, uniform, stationery, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is, thus, a part of the conscious efforts of the Government for spreading quality education in the country through Central Sector Schemes. Navodaya Vidyalayas provide an opportunity to talented rural children to avail of good quality education.

Initially, 02 Navodaya Vidyalayas were opened at District Amrawati (Maharashtra) and Jhajjhar (Haryana) during 1985-86 (28th October, 1985). The appointment of employees in these JNVs were initially made on deputation basis and thereafter direct recruitment/permanent absorption of employees has taken place from the year 1989 onwards. The NVS was registered as a society on 28th February, 1986. At that time, an assurance was given to all employees that pension

230

scheme for employees of the Samiti was under consideration and likely to be introduced. Unfortunately, the pensionary benefits at par with CCS(Pension) Rules 1972 could not be extended to the employees of NVS. Rather, CPF Scheme was introduced for the employees of Samiti w.e.f 01.04.1988 in accordance with the Notification No.4(1)E.V./90(i) dated 11.11.1991 of Ministry of Finance, Department of Expenditure. Later on, the Government has approved introduction of New Pension Scheme to all NVS regular employees w.e.f. 01.04.2009. However, those employees who had joined NVS on regular basis before 01.04.2009 and after 31.12.2003 had option either to continue with the existing CPF scheme or to join the NPS. It is to mention here that the employees who were in service prior to 01.01.2004 and had been demanding for grant of pension under CCS(Pension) Rules 1972 remained aggrieved for non-grant of pension in their favour for which they were entitled to for the reasons narrated in succeeding paragraphs.

2. RECOMMENDATIONS OF VARIOUS COMMITTEES

Committee set up by Ministry of HRD to review the management structure and operating mechanism of the NVS under the chairmanship of Shri Y.N. Chaturvedi had emphasized for grant of pension in favour of the employees of NVS and strongly recommended for extension of pensionary benefits to Samiti's employees at par with KVS. Similarly, Department related Parliamentary Standing Committee on HRD in its 154th Report on functioning of the NVS observed vide Para 18.3 as under:-

> "The committee takes note of the reservations of the Ministry of Finance in providing Pensionary benefit to employees of NVS. The committee fails to comprehend the reasons for having different approach of mind for employees working in two organizations doing similar work under a similar set up and conditions. The committee would like to point out when employees of Kendriya Vidyalaya Sangathan can enjoy the pensionary benefits on their retirement, what deters the Government in providing similar facility for employees of Navodaya Vidyalaya Samiti, many of them away from their families serving in residential schools located in rural areas. **The committee, therefore, strongly feels that the position may be reviewed again and a decision acceptable to employees of JNVs may be reached at the earliest."**

Further, the department related Parliamentary Standing Committee on HRD in its 184th report on the functioning of Navodaya Vidyalayas observed as under:-

> "The Committee reiterate its recommendations made in 154th report for provision of pensionary benefits to NVS employees on the same level as being given to KVS employees. The Committee strongly feels that NVS employees need to be governed by similar service conditions including pensionary benefits as applicable to KVS employees.

3. **JUSTIFICATION**

Further, the extension of pensionary benefits at par with KVS or with other Central Government employees i.e. under CCS(Pension) Rules, 1972 is also justified in view of the following instructions/ orders issued by the Government of India from time to time:-

a) <u>Programme of Action on **National Policy on Education. 1986** on Recruitment and old-age benefits and medical-care for Teachers:</u>

"All teachers in Government and local bodies and in institutions created by Government or by Acts of Parliament/State Legislatures will be eligible for retirement and medical benefits identical with Government servants. Teachers in aided and private institutions will also be eligible for such benefits in accordance with such directions as may be issued by the Government from time to time".

Programme of Action (POA) is a policy document, which was deliberated at length in both the Houses of Parliament and approved for implementation. Therefore, the Union Government is committed to extend the retirement benefits to the teachers as available to the Central Government employees.

b) The first two Model Schools / Navodaya Vidyalayas were opened in Amrawati (Maharashtra) and Jhajjar (Haryana) during 1985-86 which were initially administered by National Council of Educational Research and Training on behalf of Ministry of HRD pending registration of Navodaya Vidyalaya Samiti as Society. Initial appointment of staff for these two schools was on direct recruitment basis and the conditions of service appointed for these two schools inter-alia provided as under: -

> "The service under the Model School is not Government Service and is governed by the Rules and Regulations of the Model School prescribed from time to time. The employees are entitled to the benefit of Pension-cum-Gratuity / Contributory Provident Fund (CPF) as per rules of the Model Schools. The option for CPF / Pension Scheme is to be exercised within six months from the date of appointment of the employees concerned. If the option is not received within this period, it will be presumed that he / she has exercised for GPF / Pension."

c) Memorandum of Association and Rules of the Samiti which were prepared by the Government for registration of the Society empowered the Executive Committee of the Samiti to determine procedures for payment of pension, gratuity or provident fund to the employees of the Society or to their wives, children or other dependents under Rule 24 (ii) (i).

From the above, it is evident that at the time of initial appointment of staff under Navodaya Vidyalayas, the service conditions offered an option for pension-cum-gratuity scheme to the employees of the Navodaya Vidyalaya which brings Navodaya Vidyalaya Samiti at par with KVS and other Govt. organizations.

d) At the time of Direct recruitment / Permanent Absorption in 1989, an assurance was given to all employees that pension scheme for employees of the Samiti is under consideration and is likely to be introduced in the near future. It was also assured that on adoption of the pension scheme in the Samiti such employees will be given a chance to count their past services rendered by them in their parent organization for pension purpose in accordance with the rules.

e) Extracts from the IV Pay Commission Report

"Para 9.8:

In so far as the CPF beneficiaries still in service on January 1, 1986 are concerned, we recommend that they should be deemed to have come over to the pension scheme on that date unless they specifically opt out to continue under the CPF scheme. The CPF beneficiaries who decide to continue to remain under that scheme should not be eligible on retirement for ex gratia payment recommended by us for the CPF retirees".

The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987, conveyed the acceptance of above recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to pension scheme w.e.f. 1.1.1986. However, the option was not allowed to the employees of NVS on the ground that Samiti has not come in existence on 01.01.1986.

It is relevant to point out that two Navodaya Vidyalayas were opened at Amrawati and Jhajhar during 1985 - 86. Posts for these Vidyalayas were sanctioned by the Government on 28.10.1985. First installment of Grant-in-Aid of Rs.22.50 lacs for meeting expenditure on these schools was also released by the Government on 28.10.1985. Thus the posts for Navodaya Vidyalayas were existing prior to 01.01.1986. As such NVS is covered under the provisions of Department of Pension and Pensioner's Welfare OM No. 4/1/87-PIC-I dated 01.05.1987 which provides that all employees who were in service on 1.1.1986 will be deemed to have come over to the Pension Scheme unless they specifically opt out of the Scheme.

4. PLIGHT OF NVS EMPLOYEES

It is needless to mention here that in absence of pension, the life of the employees in the post retirement era becomes measurable. He does not lead the dignified life, as his CPF accumulation gets exhausted while meeting out his domestic/social obligations such as education & marriage of children, and taking care of ailing parents, meeting medical expenses and arranging a shelter for family etc. There is no social security for these hapless and helpless employees of NVS who rendered their valuable services in the prime youth time of their life & become pauper at the fag end of their life. At present, the employees have neither medical facilities nor pension nor family pension.

5. PROPOSAL OF LIC FOR ANNUITY BASED ALTERNATE PENSION

The matter of granting pension to the employees of NVS was taken up by the Samiti with the Govt. of India from time to time but the same could not be accepted on the ground of financial burden on the Government. However, the Government had advised to work out a suitable annuity scheme for pension for pre 2004 employees of NVS. Keeping this in view, Samiti approached LIC of India who in turn gave a proposal for Annuity Based Pension, details of which are as under:-

5.1 Financial implication for introducing pension scheme and the inter-se contribution by NVS & GOI.

Benefits of Annuity based Pension	cost involved	Cost, if spread over 05 to 15 years (Rupees in crores)				
		Initial payment	Balance payment	Instalment per year in 05 years	Instalment per year in 10 years	Instalment per year in 15 years
basic pension i.e. 50% of the last basic pay with Dearness "Relief and family pension	5365 crores + 81.65 crores	2000	3365	842.79	501.48	393.13

Management Share of employees available in Samiti is around Rs.800.00 crores. Every year Government provides around Rs.140.00 crores towards management share of CPF. Keeping these two elements in view, the Government has to pay initially or commit to pay a sum of around Rs. 1200.00 crores so that the scheme of pension, given above, could begin with.

6. The salient features of the proposed scheme are summarized as under:

i. The proposal above is i.r.o. the 10801 employees who joined prior to 1.1.2004.

ii. 50% of the basic pay available at the time of retirement on the age of superannuation is fixed as pension with dearness relief as applicable from time to time. On the death of the pensioner, there is provision for family pension.

iii. Eligible employee will have the option to get the commutation of pension upto 1/3rd of the pension based on the factor as per commutation values. Full pension will be restored after completion of the commutation period of 15 years.

iv. Minimum qualifying service for becoming eligible to get pension is 10 years regular service in Samiti. Those who leave the services after rendering the minimum qualifying service are eligible to get pension on pro-rata basis.

7. Willingness of the eligible employees to opt for the Pension Scheme in lieu of the existing CPF Scheme

So far 90% (approx) of the total number of eligible employees have exercised their options in favour of annuity based pension. Out of 10801 employees, willingness have been received in respect of 9720.

8. Mechanism for management of the corpus fund

The pension fund in the name of "Navodaya Vidyalaya Samiti (Employees) Pension Fund Trust" is to be created. The fund may be managed by the Samiti or it may be given to the LIC for its management. The pension rule is to be framed on approval of the proposal.

9. Cut-of date for deciding the eligibility of the employees to opt for the pension scheme

Employees of Samiti who joined before 1.1.2004 are eligible for pension scheme.

10. How the cases of already retired employees be dealt with

The retired employees (who joined before 1.1.2004) will have to deposit back the Management share of CPF along with the upto date interest thereon to the "Navodaya Vidyalaya Samiti (Employees) Pension Fund Trust" to get the pension. In case of non deposit, they are not eligible for the pension.

In view of the above, it is sincerely requested to consider the proposal in favour of the NVS employees and convey the decision of the Government for early implementation.

This issues with the approval of Commissioner, NVS.

Yours faithfully,

09.01.2015

(B.C. Panda)
Assistant Commissioner (Admn.)

(237

Subject: **Introduction of an annuity based pension scheme in NVS.**
To: "Commissioner, NVS" <commissionernvs@yahoo.com>
Bcc: "Sanjay Kumar, JS(SE-II)" <sanjay.garg@nic.in>

Date: 01/17/19 06:28 PM
From: "DileepKumarRao DS" <dileeprao.edu@nic.in>

Dear Sir,

When the proposal of NVS for introduction of an annuity based pension scheme for its employees had been submitted on file, it was desired by Secretary (SE&L) that NVS may discuss the proposal with FA in the first instance before the matter is processed further in the Department.

It is accordingly requested that action as indicated above may please be taken and the outcome thereof intimated at the earliest so that the proposal can be processed further for appropriate approvals.

Kind regards,

D.K.D. Rao
DS(UT)

238

Gmail

Dileep Rao <raodileep@gmail.com>

Issue of annuity based pension scheme

1 message

Navodaya Vidyalaya Samiti NVS <commissionernvs@yahoo.com> Tue, Jan 22, 2019 at 11:43 AM
To: Dileep Rao <raodileep@gmail.com>

Sir,

The issue of annuity based pension scheme was discussed with the JS and FA, MHRD and it was suggested that we may discuss after submission of the proposal on file.

सादर/Regards

नवोदय विद्यालय समिति/Navodaya Vidyalaya Samiti,
स्कूल शिक्षा और साक्षरता विभाग/ Department of School Education and Literacy,
मानव संसाधन विकास मंत्रालय, भारत सरकार/Minsitry of Human Resource Development
बी/B -15, इंस्टीट्यूशनल एरिया/Institutional Area, सेक्टर/Sector -62,
नोएडा/Noida-201309
टेली/Tele: 0120-2975740, 2975755

(249

नवोदय विद्यालय समिति
मानव संसाधन विकास मंत्रालय
(स्कूल शिक्षा और साक्षरता विभाग)
भारत सरकार
बी-15, इंस्टीट्यूशनल एरिया, सैक्टर-62, नोएडा, गौतम बुद्ध नगर (उ.प्र.)-201309
दूर. 0120-2405924, 2405184 फैक्स : 0120-2405182

NAVODAYA VIDYALAYA SAMITI
Ministry of Human Resource Development
(Deptt. of School Education & Literacy)
Government of India
B-15, Institutional Area, Sector-62, NOIDA, Gautam Budh Nagar (U.P.)- 201309
Tel. 0120-2405924, 2405184 Fax : 0120-2405182
वेबसाईट/Website : www.navodaya.gov.in

F. No.3-1/2018 -NVS(Admn)

Date : /02/2019

To

Shri D.K. D. Rao,
Deputy Secretary (UT)
Shastri Bhawan
Ministry of HRD
New Delhi

Sub: Annuity based alternate pension proposal for the employees of NVS prior to 1.1.2004– reg.

Sir,

In continuation to this office letter of even number dated 9.1.2009, fresh proposal is submitted hereunder:-

1. BACKGROUND

The scheme of Navodaya Vidyalayas (JNVs) was approved by the Union Cabinet in Aug'1985 as a Central Sector Scheme which is 100% funded by the Government of India. Navodaya Vidyalaya Samiti (NVS) was established as an autonomous body under the administrative control of Department of Secondary and Higher Education, Ministry of HRD to set up and administer Jawahar Navodaya Vidyalayas (JNVs) under the scheme. JNVs are fully residential, co-educational institutions providing free education including boarding and lodging, text books, uniform, stationery, etc. upto senior secondary stage.

Establishment of Navodaya Vidyalayas is, thus, a part of the conscious efforts of the Government for spreading quality education in the country through Central Sector Schemes. Navodaya Vidyalayas provide an opportunity to talented rural children to avail of good quality education.

Initially, 02 Navodaya Vidyalayas were opened at District Amrawati (Maharashtra) and Jhajjhar (Haryana) during 1985-86 (28th October, 1985). The appointment of employees in these JNVs were initially made on deputation basis and thereafter direct recruitment/permanent absorption of employees has taken place from the year 1989 onwards. The NVS was registered as a society on 28th February, 1986. At that time, an assurance was given to all employees that pension scheme for employees of the Samiti was under consideration and likely to be introduced. Unfortunately, the pensionary benefits at par with CCS(Pension) Rules 1972 could not be extended to the employees of NVS. Rather, CPF Scheme was introduced for the employees of Samiti w.e.f 01.04.198[illegible] in accordance with the Notification No.4(1)E.V./90(i) dated 11.11.1991 of Ministry of Finance, Department of Expenditure. Later on, the Government has approved introduction of New Pension Scheme to all NVS regular employees w.e.f. 01.04.2009. However, those employees who had joined NVS on regular basis before 01.04.2009 and after 31.12.2003 had option either to continue with the existing CPF scheme or to join the NPS. It is to mention here that the employees who were in service prior to 01.01.2004 and had been demanding for grant of pension under CCS(Pension) Rules 1972 remained aggrieved for non-grant of pension in their favour for which they were entitled to. Y.N, Chagurvedi Committee set up by MHRD to review the management structure and operating mechanism of NVS had recommended for grant of pensionary benefits at par with the employees of KVS. Similar recommendations were also made by Department related Parliamentary Standing Committee on HRD in its 154th Report and 184th Report to extend pensionary benefits at par with the KVS. Programme of Action on National Policy on Education. 1986 has also recommended old age benefits and medical care for teachers. While opening the Navodaya vidyalaya as Model Schools in the year 1985-86 under the administrative control of NCERT, it was inter-alia mentioned as one of the service conditions to provide benefits of pension. Memorandum of Association and Rules of the Samiti which were prepared by the Government for registration of the Society empowered the Executive Committee of the Samiti to determine procedures for payment of pension, gratuity or provident fund to the employees of the Society or to their wives, children or other dependents under Rule 24 (ii) (i). The Ministry of Personnel, Public Grievances, and Pensions vide Office Memorandum No. D.P.&P.W., O.M. No. 4/1/87-P.I.C-I, dated 1-5-1987, conveyed the acceptance of recommendations of the IV Pay Commission, and allowed all the Central Government employees including Central Autonomous Bodies for change over from the Contributory Provident Fund (CPF) scheme to pension scheme w.e.f. 1.1.1986. However, the option was not allowed ~~to~~ the employees of NVS on the ground that Samiti has not come in existence on 01.01.1986.

2. Status of NVS employees without social security

It is needless to mention here that in absence of pension, the life of the employees in the post retirement era becomes miserable. They do not lead the dignified life, as their CPF accumulation gets exhausted while meeting out their domestic/social obligations such as education & marriage of children, and taking care of ailing parents, meeting medical expenses and arranging a shelter for family etc. There is no social security for these hapless and helpless employees of NVS who rendered their valuable services in the prime youth time of their life & become pauper at the fag end of their life. At present, the employees have neither medical facilities nor pension nor family pension.

3. Efforts made to extend CCS(Pension) Scheme to the employees of NVS

Consequent upon the acceptance of the recommendation of the 4th Pay Commission by the Government for switching over of CPF beneficiary to pension scheme w.e.f. 1.1.1986, a proposal was moved by the Samiti for grant of pension to its employees. However, the said proposal could not materialize on technical ground that Samiti was not in existence as on 1.1.1986.

The matter was again referred to the Department of Expenditure in February, 1990 but the same could not be agreed to on the balance of convenience. Proposal again submitted to the Department of Expenditure in 1992 and same was not supported by the Govt. on the ground of resource crunch and efforts of the Govt. to maintain budgetary deficit within desired limit. Proposal was again mooted by Hon'ble HRM and Chairman of NVS in December 1998 to the Hon'ble Minister of Finance. In response to the proposal, the Ministry of Finance stated that extending pensionary benefits to NVS employees may lead to similar demand from other bodies which would be difficult for the Government to acceded to their requests in the light of limited resources.

On persistent demand from the employees of NVS, a draft Cabinet Note was last submitted to Ministry of Finance vide MHRD OM No.17-44/2011-UT-3 dated 19.7.2013 but the same was not acceded to by the Ministry of Finance vide OM dated 18.10.2013 on the ground that **cost of introducing a pension scheme based on a 'defined benefit' model with an open ended liability on the part of the Government to meet periodic upward revisions does not appear viable**. Further, It was also advised to go for annuity based pension. Another effort was made in 2016 to have a corpus based pension through EPFO wherein Secretary (SE&L) took a meeting with the representatives from Ministry of Labour, Department of Expenditure. However, due to statutory limit of EPF Act, it could not be materialized. The efforts were also made through other agencies like NSDL etc. but did not become fruitful.

4. The Joint Secretary (SE-II) vide his DO letter dated 2.11.2018 advised to explore the possibility of having an annuity based pension scheme in lieu of existing CPF scheme and submit a comprehensive proposal after taking consent of employees. Accordingly, consent of the concerned employees have been taken. In view of above facts, in the consultation with LIC, present proposal is being submitted.

5. Feature of the present proposal

There are 03 options in the proposal. Option (A) relates to basic pension with dearness relief and family pension which costs Rs.5363.00 crore as initial payment and Rs.81.65 crore annually thereafter till the last member retires. Option (B) relate to basic pension @ 50% of last pay drawn together with family pension without DA which costs Rs.3500. crore as initial payment and Rs.68.00 crore annually till the last member retires. Option (C) relate to basic pension @ 50% of last pay drawn without DA and family pension

252)

which costs Rs.2900. crore as initial payment and Rs.45.00 crore annually till the last member retires. However, commutation of pension is available in all three options (i.e. B and C) to the extent of 1/3rd of pension based on the factor as per commutation values. Full pension will be restored after completion of commutation period of 15 year.

6. The following table indicates the three options of the pension proposal together with per year instalment of amount if the initial payment is spread over for 05 to 15 years.

Option	Benefits	cost involved	Cost, if spread over 05 to 15 years (Rupees in crore)				
			Initial payment	Balance payment	Instalment per year in 05 years	Instalment per year in 10 years	Instalment per year in 15 years
A	basic pension i.e. 50% of the last basic pay with Dearness "Relief and family pension	5365 crore + 81.65 crore	1000	4365	1093.24	650.51	-
			2000	3365	842.79	501.48	393.13
B	basic pension i.e. 50% of the last basic pay with family pension	*3500 crore + 68 crore per annum	1000	2500	626.14	372.57	292.07
C	Only basic pension i.e. 50% of the last basic pay	2900 crore + 45 crore per annum	1000	1900	475.87	283.16	221.98
			2000	900	225.41	134.13	105.15
			~~2000~~	~~1500~~	~~375.68~~	~~223.54~~	~~175.24~~
			~~2000~~	~~1205~~	~~301.80~~	~~179.58~~	~~140.78~~

NB: These are actuarial figures submitted by LIC (copy enclosed).

The proposal (A) above was not agreed to as it involved Rs.5365.00 crore initially plus Rs.81.65 crore annually. It was advised to have the proposal with least budgetary liability. Accordingly, proposal (B) and (C) have been worked out by the LIC. The proposal (C) is considered to be more suitable as it involves less financial burden and is in consonance with the advice of the Ministry of Finance as contained in OM dated 18.10.2013 for not having an open ended liability on the part of Government to meet periodic upward revisions. It is pertinent to mention here that the cost of proposal (C) is Rs.2900.00 crorers to be paid to the pension fund initially and thereafter Rs.45.00 crore per year **till retirement of the last member.** However, there is provision for making payment of Rs.2900.00 crore in instalments spread over 15 years after paying Rs.1000.00 crore as initial payment. In such a case, Rs.221.98 crore per year will have to be contributed to the pension fund alongwith Rs.45.00 crore for current annual service charges. After making adjustment of the amount being paid by the Government towards management share every year and internal receipts generated in the Samiti, the amount to be contributed for a period of 15 years falls in the range between Rs.126.98 crore to Rs.201.98 crore only. With this, the liability of the Government does not become open ended rather it ceases at the end of the 15th year. Moreover, there is no periodic upward revision in the pension option, as no DA and family pension is payable. The detailed options as narrated above are given in the following table:-

Year	Management Share payable annually (Amount rounded of in crore of Rs)	Internal Receipts of NVS to be adjusted (Amount in crore of Rs)	Payment to LIC per year (Amount in crore of Rs)	Additional amount to be contributed per year for 15 years (Amount in crore of Rs)
(1)	(2)	(3)	(4)	(5) {4 – (2+3)}
1	120	20	266.98 (221.98 + 45)	126.98
2	117	20	266.98	129.98
3	115	20	266.98	131.98
4	112	20	266.98	134.98
5	108	20	266.98	138.98
6	103	20	266.98	143.98
7	98	20	266.98	148.98
8	91	20	266.98	155.98
9	84	20	266.98	162.98
10	78	20	266.98	168.98
11	71	20	266.98	175.98
12	64	20	266.98	182.98
13	57	20	266.98	189.98
14	51	20	266.98	195.98
15	45	20	266.98	201.98

NB: The above calculation is based on average management share. Actual figure may vary.

The above table clearly shows that effective annual additional outgo for this proposal will be 3% of the total budget in first year and after expected annual increase of 10% for subsequent years it will come down to 0.2% of the expected annual outlay of NVS in 2034.

7. It is further to mention here that Finance Division of MHRD had desired to know the quantum of pension that would be generated from the existing corpus fund of Rs.800.00 crore (approximately) and addition of Rs.120.00 ~~crore per year~~ towards management share. In this regard it is to inform that with the existing corpus fund together with yearly addition of funds for management share , quantum of pension would be available @13% of

254)

last drawn basic pay. No commutation of pension is feasible as the remaining 2/3rd amount of pension is negligible. It is also to mention that staff members are not willing to go for this kind of pension as they forgo their management share at the time of retirement.

8. In view of the above, it is sincerely requested to consider the proposal (C) in Para-06 above for annuity based pension through LIC as it involves minimum support from the Government to provide some social security to the teachers and other staff who devoted their entire service of 30 years for the welfare and upliftment of the rural talented children in the remotest part of the country in adverse circumstances. The aforesaid proposal is also in accordance with the Government's decision not to have an open ended liability with periodic upward revisions for it. Further, extending the pension @ 50% of last drawn salary with provision for commutation will allow the employee to lead a dignified social life.

This issues with the approval of Commissioner, NVS.

Yours faithfully,

14/02/19.

(Dr. Honnareddy N.)
Joint Commissioner (Admn.)

Encl. As stated

(255

Life Insurance Corporation of India
Central Office, Mumbai.

The Manager (P & GS),
P&GS UNIT,
Noida

14

26/11/2018

REPORT ON THE ACTUARIAL INVESTIGATION AS AT 1/11/2018

1 NAME OF THE FUND : Navodaya Vidalaya Samiti

2 BENEFITS VALUED : As per the details provided in Q Track.

3 VALUATION METHOD : Projected Unit Credit Method.

4 ACTUARIAL ASSUMPTIONS:-

MORTALITY RATE : IALM 2006-08 ultimate
WITHDRAWAL RATE : 1% TO 3% depending on age.
VALUATION RATE OF DISCOUNT : 7.5% pa
SALARY ESCALATION : 3% pa

6 RESULTS OF VALUATION : Without DA and without Family Pension

Retirement Age	60
Number of Members	10801
Average Age	49.65 years
Average Monthly salary	Rs. 59000/-
Average Past Service	22.8 years
Value of Past Service Benefit	Rs.2900 Crores
Value of Current Service Benefit	Rs. 45 Crores

Note:

1. This investigation has been carried out using certain assumptions on financial and demographic factors as stated above and using the prevailing annuity rates.
2. This is only an estimate of long term pension liability of the client. The actual cost of providing benefits dependant on the actual experience of the scheme and the annuity rates prevailing at the time the annuities are purchased.
3. It is necessary to fund the benefits regularly by paying the annual contribution recommended by us from time to time.
4. It is also essential to have actuarial investigation regularly to monitor the adequacy of funds.
5. The valuation is done on the basis of member's data provided.

Secretary (P&GS)

C:\Users\mc.kaushik\Desktop\NAVODAYA VIDALAYA SAMITI NVS\NVS NEW 21112018\Navodya - 3% sal escalation 26112018.doc

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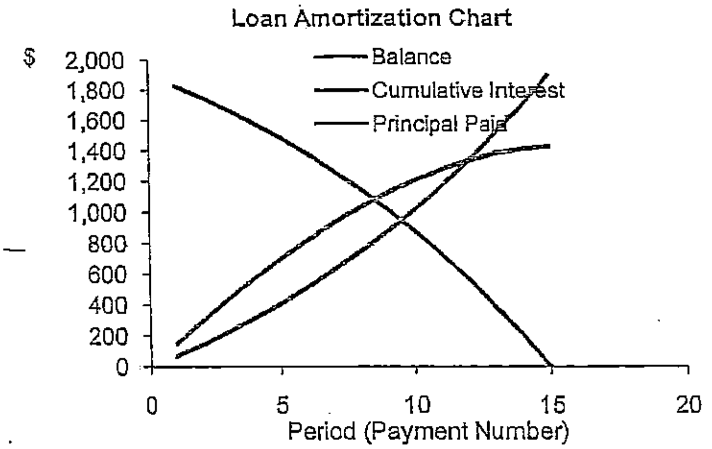
Amortization Chart

Vertex42™

LP

Loan Amount (**pv**)	1,900
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	15
Payment per Period	$ 221.98
Total Interest Paid	$ 1,429.64



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 1,900.00
1	221.98	152.00	152.00	69.98	69.98	1,830.02
2	221.98	146.40	298.40	75.57	145.55	1,754.45
3	221.98	140.36	438.76	81.62	227.17	1,672.83
4	221.98	133.83	572.58	88.15	315.32	1,584.68
5	221.98	126.77	699.36	95.20	410.52	1,489.48
6	221.98	119.16	818.52	102.82	513.34	1,386.66
7	221.98	110.93	929.45	111.04	624.38	1,275.62
8	221.98	102.05	1,031.50	119.93	744.31	1,155.69
9	221.98	92.46	1,123.95	129.52	873.83	1,026.17
10	221.98	82.09	1,206.05	139.88	1,013.71	886.29
11	221.98	70.90	1,276.95	151.07	1,164.79	735.21
12	221.98	58.82	1,335.77	163.16	1,327.95	572.05
13	221.98	45.76	1,381.53	176.21	1,504.16	395.84
14	221.98	31.67	1,413.20	190.31	1,694.47	205.53
15	221.98	16.44	1,429.64	205.53	1,900.00	0.00

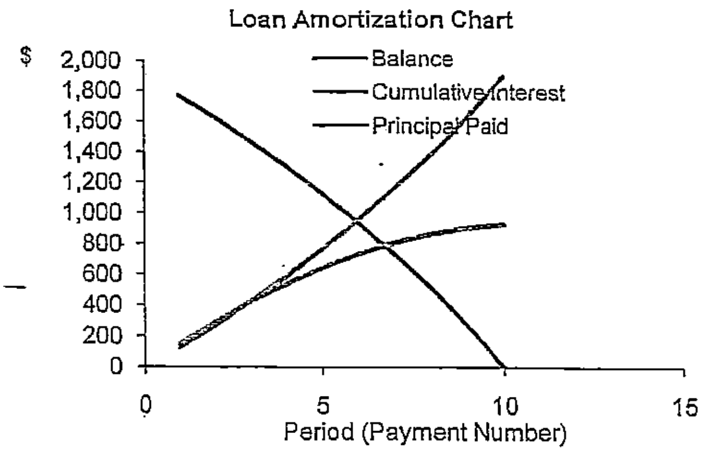
Initial funding = 1000 Cr (i.e. Mgt Share).

(10) (25)

Amortization Chart

HELP

Loan Amount (**pv**)	1,900
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	10
Payment per Period	$ 283.16
Total Interest Paid	$ 931.56



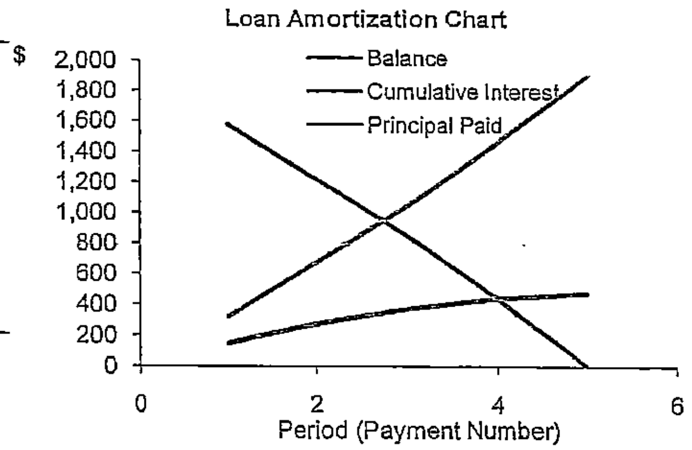
Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 1,900.00
1	283.16	152.00	152.00	131.16	131.16	1,768.84
2	283.16	141.51	293.51	141.65	272.80	1,627.20
3	283.16	130.18	423.68	152.98	425.78	1,474.22
4	283.16	117.94	541.62	165.22	591.00	1,309.00
5	283.16	104.72	646.34	178.44	769.44	1,130.56
6	283.16	90.44	736.78	192.71	962.15	937.85
7	283.16	75.03	811.81	208.13	1,170.28	729.72
8	283.16	58.38	870.19	224.78	1,395.06	504.94
9	283.16	40.40	910.59	242.76	1,637.82	262.18
10	283.16	20.97	931.56	262.18	1,900.00	0.00

Actual funding = 1000 cr (i.e. Mgt share).

Amortization Chart

HELP

Loan Amount (**pv**)	1,900
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	5
Payment per Period	$ 475.87
Total Interest Paid	$ 479.34



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 1,900.00
1	475.87	152.00	152.00	323.87	323.87	1,576.13
2	475.87	126.09	278.09	349.78	673.64	1,226.36
3	475.87	98.11	376.20	377.76	1,051.40	848.60
4	475.87	67.89	444.09	407.98	1,459.38	440.62
5	475.87	35.25	479.34	440.62	1,900.00	0.00

Initial funding Rs 1000 Crore

(254

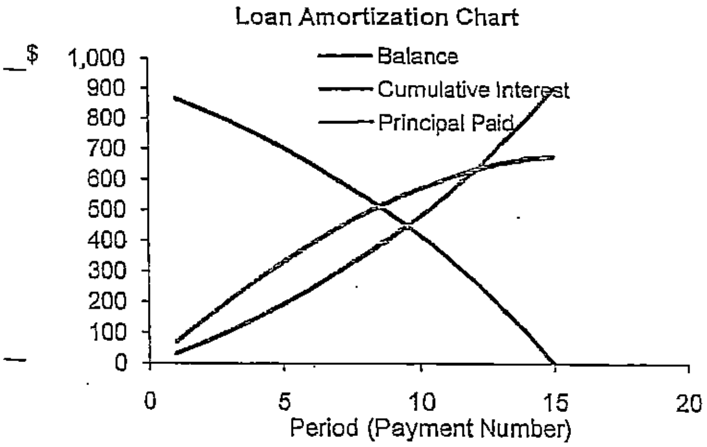
Amortization Chart

Vertex42

HELP

Loan Amount (pv)	900
Interest Rate (rate)	8.00%
Total # of Periods (Nper)	15

Payment per Period $ 105.15
Total Interest Paid $ 677.20



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 900.00
1	105.15	72.00	72.00	33.15	33.15	866.85
2	105.15	69.35	141.35	35.80	68.94	831.06
3	105.15	66.48	207.83	38.66	107.61	792.39
4	105.15	63.39	271.22	41.76	149.36	750.64
5	105.15	60.05	331.28	45.10	194.46	705.54
6	105.15	56.44	387.72	48.70	243.16	656.84
7	105.15	52.55	440.27	52.60	295.76	604.24
8	105.15	48.34	488.60	56.81	352.57	547.43
9	105.15	43.79	532.40	61.35	413.92	486.08
10	105.15	38.89	571.29	66.26	480.18	419.82
11	105.15	33.59	604.87	71.56	551.74	348.26
12	105.15	27.86	632.73	77.29	629.03	270.97
13	105.15	21.68	654.41	83.47	712.50	187.50
14	105.15	15.00	669.41	90.15	802.64	97.36
15	105.15	7.79	677.20	97.36	900.00	0.00

Initial funding = 2000cr.

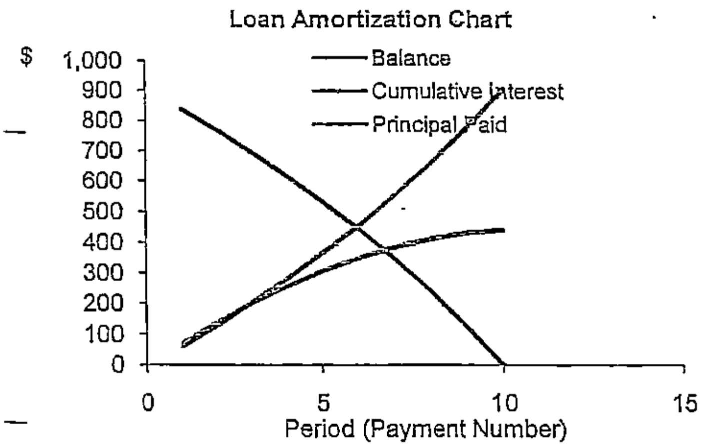
Amortization Chart

ELP

© 2008 Vertex42 LLC

Loan Amount (**pv**)	900
Interest Rate (**rate**)	8.00%
Total # of Periods (**Nper**)	10

Payment per Period	$ 134.13
Total Interest Paid	$ 441.27



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 900.00
1	134.13	72.00	72.00	62.13	62.13	837.87
2	134.13	67.03	139.03	67.10	129.22	770.78
3	134.13	61.66	200.69	72.46	201.69	698.31
4	134.13	55.86	256.56	78.26	279.95	620.05
5	134.13	49.60	306.16	84.52	364.47	535.53
6	134.13	42.84	349.00	91.28	455.76	444.24
7	134.13	35.54	384.54	98.59	554.34	345.66
8	134.13	27.65	412.20	106.47	660.82	239.18
9	134.13	19.13	431.33	114.99	775.81	124.19
10	134.13	9.94	441.27	124.19	900.00	0.00

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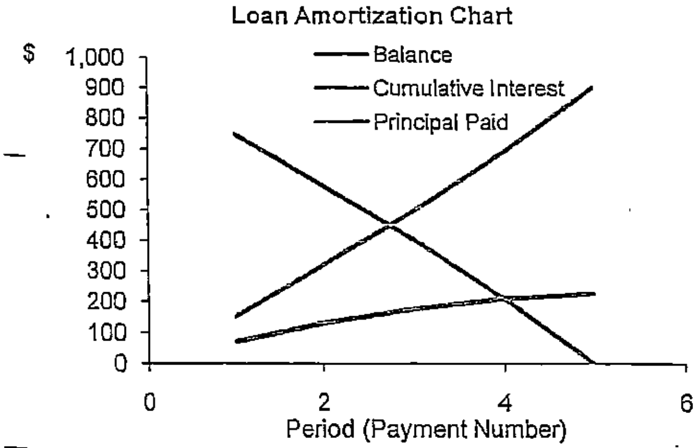
Amortization Chart

ELP

vertex42™

Loan Amount (**pv**)		900
Interest Rate (**rate**)		8.00%
Total # of Periods (**Nper**)		5
Payment per Period	$	225.41
Total Interest Paid	$	227.05



Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 900.00
1	225.41	72.00	72.00	153.41	153.41	746.59
2	225.41	59.73	131.73	165.68	319.09	580.91
3	225.41	46.47	178.20	178.94	498.03	401.97
4	225.41	32.16	210.36	193.25	691.29	208.71
5	225.41	16.70	227.05	208.71	900.00	0.00

Initial Payment Rs. 2000 Crore

Year	Year Wise No of retirements as at 01/01/2019	Balance service as at 01.01.2019	Avg Current Salary (Rs.) as at 01.01.2019	Projected Salary (Rs.) with 3% increase p.a. upto NRA	Basic Pay per month	Managment Share per year in r/o retireing employee	Management Share payable annually without rounding off	Management Share payable annually (Amount rounded of in crore of Rs)	Internal Receipts of NVS to be adjusted (Amount in crore of Rs)	Payment to LIC per year (Amount in crore of Rs)	Additional amount to be contributed per year for 15 years (Amont in crore of Rs)
2019	409	0	59490	59490	24331410	29197692	1200000000	120	20	266.98	126.98
2020	334	1	59490	61275	20465750	24558900	1170802308	117	20	266.98	129.98
2021	395	2	59490	63113	24929612	29915534	1146243408	115	20	266.98	131.98
2022	484	3	59490	65006	31463063	37755676	1116327874	112	20	266.98	134.98
2023	599	4	59490	66957	40106955	48128346	1078572198	108	20	266.98	138.98
2024	666	5	59490	68965	45930833	55117000	1030443852	103	20	266.98	143.98
2025	778	6	59490	71034	55264585	66317502	975326853	98	20	266.98	148.98
2026	734	7	59490	73165	53703254	64443905	909009351	91	20	266.98	155.98
2027	717	8	59490	75360	54033229	64839875	844565446	84	20	266.98	162.98
2028	737	9	59490	77621	57206645	68647974	779725571	78	20	266.98	168.98
2029	741	10	59490	79950	59242643	71091171	711077597	71	20	266.98	175.98
2030	693	11	59490	82348	57067215	68480657	639986425	64	20	266.98	182.98
2031	604	12	59490	84819	51230383	61476460	571505768	57	20	266.98	189.98
2032	614	13	59490	87363	53640925	64369110	510029308	51	20	266.98	195.98
2033	513	14	59490	89984	46161773	55394127	445660198	45	20	266.98	201.98
2034	427	15	59490	92683	39575847	47491016	390266070	39	20	266.98	207.98
2035	370	16	59490	95464	35321675	42386010	342775054	34	20	266.98	212.98
2036	322	17	59490	98328	31661586	37993903	300389044	30	20	266.98	216.98
2037	248	18	59490	101278	25116880	30140256	262395142	26	20	266.98	220.98
2038	161	19	59490	104316	16794888	20153866	232254885	23	20	266.98	223.98
2039	108	20	59490	107446	11604120	13924944	212101020	21	20	266.98	225.98
2040	69	21	59490	110669	7636156	9163387	198176075	20	20	266.98	226.98
2041	47	22	59490	113989	5357483	6428979	189012689	19	20	266.98	227.98
2042	17	23	59490	117409	1995947	2395137	182583709	18	20	266.98	228.98
2043	6	24	59490	120931	725586	870703	180188573	18	20	266.98	228.98
2044	6	25	59490	124559	747353	896824	179317870	18	20	266.98	228.98
2045	2	26	59490	128296	256591	307909	178421046	18	20	266.98	228.98
	10801										

(263)

Year	Year Wise No of retirements as at 01/01/2019	Balance service as at 01.01.2019	Avg Current Salary (Rs.) as at 01.01.2019	Projected Salary (Rs.) with 3% Increase p.a. upto NRA	Eligible Pension p.m. (Rs.)	Purchase Price per member (Rs.)	Total Purchase Price (G*B) (Rs,)	PV of PP as at 01.01.2019 @7.5% disc Rate	Initial Funding 2900 Cr	Balance at Start	Balance Year End with Intt
2019	409	0	59490	59490	29745	4014980	1642126861	1642126861	29000000000	27357873139	29409713625
2020	334	1	59490	61275	30637	4135430	1381233454	1284868329	29409713625	28028480171	30130616183
2021	395	2	59490	63113	31556	4259492	1682499493	1455921682	30130616183	28448116690	30581725442
2022	484	3	59490	65006	32503	4387277	2123442145	1709287199	30581725442	28458283296	30592654544
2023	599	4	59490	66957	33478	4518895	2706818389	2026867044	30592654544	27885836154	29977273866
2024	666	5	59490	68965	34483	4654462	3099871918	2159242543	29977273866	26877401948	28893207095
2025	778	6	59490	71034	35517	4794096	3729806851	2416771310	28893207095	25163400244	27050655262
2026	734	7	59490	73165	36583	4937919	3624432616	2184644522	27050655262	23426222646	25183189345
2027	717	8	59490	75360	37680	5086057	3646702631	2044714310	25183189345	21536486714	23151723217
2028	737	9	59490	77621	38810	5238638	3860876477	2013769362	23151723217	19290846740	20737660246
2029	741	10	59490	79950	39975	5395798	3998285962	1939944072	20737660246	16739374284	17994827355
2030	693	11	59490	82348	41174	5557671	3851466311	1738333088	17994827355	14143361044	15204113122
2031	604	12	59490	84819	42409	5724402	3457538559	1451661842	15204113122	11746574563	12627567656
2032	614	13	59490	87363	43682	5896134	3620226052	1413922658	12627567656	9007341603	9682892223
2033	513	14	59490	89984	44992	6073018	3115458052	1131887877	9682892223	6567434172	7059991735
2034	427	15	59490	92683	46342	6255208	2670973890	902698413	7059991735	4389017844	4718194183
2035	370	16	59490	95464	47732	6442864	2383859835	749454529	4718194183	2334334347	2509409423
2036	322	17	59490	98328	49164	6636150	2136840413	624925428	-2509409423	372569010	400511686
2037	248	18	59490	101278	50639	6835235	1695138246	461161206	400511685.9	-1294626560	1391723552
2038	161	19	59490	104316	52158	7040292	1133486997	286850573	-1391723552	-2525210549	2714601340
2039	108	20	59490	107446	53723	7251501	783162072	184366649	-2714601340	-3497763412	-3760095668
2040	69	21	59490	110669	55334	7469046	515364152	112859067	-3760095668	-4275459820	-4596119307
2041	47	22	59490	113989	56994	7693117	361576502	73656993	-4596119307	-4957695809	-5329522994
2042	17	23	59490	117409	58704	7923911	134706480	-25526649	-5329522994	-5464229474	-5874046684
2043	6	24	59490	120931	60465	8161628	48969767	8632268	-5874046684	-5923016452	6367242686
2044	6	25	59490	124559	62279	8406477	50438860	8270917	-6367242686	-6417681546	-6899007662
2045	2	26	59490	128296	64148	8658671	17317342	2641564	-6899007662	-6916325004	-7435049379
	10801						57455302986	30055006954			

767

फैक्स: 0120-2405182 दूरभाष: 0120-2405180, 84, 2405929 नवोदय विद्यालय समिति (मानव संसाधन विकास मंत्रालय का स्वायत संस्थान स्कूल शिक्षा एवं साक्षरता विभाग, भारत सरकार) बी -15, इंस्टीट्यूशनल एरिया, सेक्टर 62, नोएडा उ0प्र0-201309		Fax. 0120-2405182 Tel. 0120-2405180, 84, 2405929 NAVODAYA VIDYALAYA SAMITI (An Autonomous Organization under Ministry of Human Resource Development, Department of School Education & Literacy) Govt. of India B-15, Institutional Area, Sector-62, NOIDA Uttar Pradesh-201309

F.No.3-1/2018-NVS(Admn.) /165

Dated:22/02/2019

To

The Director(Finance)
IFD Division,
Ministry of HRD,
New Delhi.

Sub: Information related to pension proposal in respect of NVS employees.

Sir,

This is with reference to your query on the above cited subject. The requisite information is given as under:-

S.No.	Information Sought	Reply
1	Total Management Share together with interest thereon as on 01/01/2019 or 31/03/2019 available with NVS (documentary support)	Total Management Share together with interest thereon as on 31/03/2019 would be approximately Rs.942.66 crores (calculation sheet attached).
2	How much funds could be generated upfront with the help of employees contribution and what would be the method?	10% of the management share, indicated at para -1, which amounts to Rs.94.26 crores would be contributed out of the interest earned on own share of employee over and above the payout of the interest to employee. This is one time contribution.

This issues with the approval of Commissioner, NVS.

Yours faithfully,

22.02.2019
(B.C.Panda)
Asstt. Commissioner(Admn.)

Encl: as stated.

Copy to – Deputy Secretary(UT Division), Min. of HRD, Deptt. of SE & L., Shastri Bhawan, New Delhi- for information.

NAVODAYA VIDYALAYA SAMITI, HQRS, NOIDA
FINANCE WING

DETAILS SHOWING MANAGEMENT SHARE OF CPF I.R.O EMPLOYEES OF NVS UPTO 31.03.2019 (TENTATIVE)

1. Total Mgmt. Share as per CPF Broadsheet as on 31.03.18	985.09 Crs.
Add: Mgmt Share for the year 2018-19	120.27 Crs.
	1105.36 Crs.
2. Total Mgmt Share i.r.o. the employees who joined Prior to 01.01.2004	942.66 Crs.
Total Mgmt Share i.r.o the employees who joined After 01.01.2004	162.70 Crs.
	1105.36 Crs.

22/1/19

(Manoj Kumar)
SO(CPF)

(S.C.Bhatt)
Asstt. Commissioner(Audit)

26F

नवोदय विद्यालय समिति
मानव संसाधन विकास मंत्रालय
(स्कूल शिक्षा और साक्षरता विभाग)
भारत सरकार
बी-15, इंस्टीट्यूशनल एरिया, सेक्टर-62, नोएडा, गौतम बुद्ध नगर (उ.प्र.)-201309
दू. 0120-2405924, 2405184 फैक्स : 0120-2405182

NAVODAYA VIDYALAYA SAMITI
Ministry of Human Resource Development
(Deptt. of School Education & Literacy)
Government of India
B-15, Institutional Area, Sector-62, NOIDA, Gautam Budh Nagar (U.P.) 201309
Tel 0120-2405924, 2405184 Fax : 0120-2405182
वेबसाइट / Website : www.navodaya.gov.in

F.No.3-1/2018-NVS(Admn.)/ 1?4

Dated: 26.02.2019

To

The Director (Fin.)
IFD Division,
Ministry of HRD
New Delhi

Sub: Information related to pension proposal in respect of NVS employees

Sir,

In continuation to this office letter of even number dated 22.02.2019 on the cited subject, kindly find attached herewith a copy of letter dated 26.02.2019 of LIC clarifying Rs.45.00 crore liability per year as Current Service Benefit (CSB) in the proposal. LIC's letter is self-explanatory.

Yours faithfully,

(B C. Panda)
Assistant Commissioner (Admn.)

Encl. as stated

Copy to: Deputy Secretary (UT Division), MHRD, Deptt. of SE&L, Shastri Bhawan, New Delhi – for information.

28

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Ref: P & GS/Superannuation

Date: 26/02/2019

Dr. Honnareddy N., IFS
Joint Commissioner (Admn)
Navodaya Vidalaya Samiti
B-15, Institutional Area, Sector-62
Noida, G. B. Nagar, Uttar Pradesh-201309

Dear Sir,

Re: Clarification about the Rs.45 Crore under the head of Current Service Benefit (CSB).

With reference to the above and in continuation of our discussion on 25/02/2019, about the Current Service Benefit (CSB) of Rs.45 Crore shown as part of valuation of liability dated 26/11/2018, in this regard we may clarify as under:

A. Current Service Cost/Benefit (Rs.45 Crore Liability) is a variable part of liability estimate and not a cost charged by the LIC of India.
B. As the valuation has been carried out using certain assumptions on financial and demographic factors and using the prevailing annuity rates, this is only an estimate of long term pension liability of the client. The actual cost of providing benefits are dependent on the actual experience of the scheme and the annuity rates prevailing at the time the annuities are purchased.
C. Each year on policy's "Annual Renewal Date (ARD)" a fresh valuation will be conducted based on the, then prevailing assumptions and member's data which will indicate the sufficiency/deficiency of the funds maintained under the "pension trust fund" formed for this purpose.
D. If the experience of the funds is favorable vis-à-vis. the assumptions taken at the time of valuation the surplus may be generated which may be claimed back or may be utilized for future requirements of the fund, if any. e.g. if the liability valued as at 01.04.2019 is Rs.100 with the assumption of 7.5% discount rates but during 2019-2020 the fund actually earns @8% and becomes Rs.108 then actuarial gain may arise, assuming all other parameters remains same as assumed in the valuation. However on the contrary if fund underperform the situation will be reverse.
E. It is also essential to have actuarial investigation regularly to monitor the adequacy of funds.

Further, we also confirm that this is a direct deal between LIC of India and NVS as this is the PSU to PSU business and *no intermediary/agent is involved therein. Further, we also certify that no commission/brokerage/ incentive in any Form are paid or shall be payable to any third party in respect of this business during the entire term of the policy* —

We look forward for your valuable patronage.

Yours' sincerely,

(J.S.Hans)

जसपाल सिंह
JASPAL SINGH HANS
भारतीय जीवन बीमा निगम/Life Insurance Corporation of India
Office-E-3 Sector-1, IInd Floor, Noida (U.P.) 201301