

SIKKIM
GOVERNMENT

GAZETTE



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GOVERNMENT OF SIKKIM
FINANCE, REVENUE & EXPENDITURE DEPARTMENT
GANGTOK

NO. 70/PN/117/Pen/05

Date: 8.05.2006

NOTIFICATION

In exercise of the powers conferred by the proviso to article 309 of the Constitution of India, the Governor of Sikkim, hereby makes the following rules, namely:-

Short title and commencement

1(1) These rules may be called the Sikkim Government Servants; (Contributory Pension) Rules, 2006.

(2) They shall be deemed to have come into force on the 1st day of April, 06.

Application

2. Save as otherwise provided in these rules, these rules shall apply to Govt. Servants, appointed on or after 01.04.2006 to posts in connection with the affairs of the State of Sikkim which are borne on new contributory pensionable establishment, but shall not apply to:-

- (1) persons in actual, daily rated and work-charged employment;
- (2) persons paid from contingencies;
- (3) members of All India Services;
- (4) person employed on contract except when provided otherwise; persons whose terms and conditions of service are regulated by or under the provisions of the Constitution or any other law for the time being in force.

Definitions

3. In these rules, unless the context otherwise requires:-

- (a) "All India Service" means the service known as the Indian Administrative Service or the Indian Police Service or any service specified in Section 2A of the All India Service Act, 1951;

- (b) "Persons employed on contract" means the persons governed by the terms and condition of contract appointment prescribed under the Sikkim Government Establishment Rules, 1974;
- (c) "Contributory pension scheme" means the mandatory contribution of 10% of basic pay; dearness pay and dearness allowance from the salary of the employee and the matching contribution of the same amount from the State Government;
- (d) "Calendar year" means the year beginning on the first day of January and ending on the 31st day of December of that year.
- (e) "Director " means the Director Pension, Group Insurance and Provident Fund;
- (f) "Financial year" means the year the beginning on the 1st day of April and ending accounts" on the 31st day of the march of that year;
- (g) "ledger accounts" means the book of accounts for maintaining the accounts of individual government servant who are members of the Contributory Pension Scheme;
- (h) "Public Deposit Account" means the revenue head under which deposit of the accrued fund shall be credited;
- (i) "Superannuation "means retirement on attaining the age of 58 (fifty eight years);
- (j) "Work charged" means those appointments made specifically pertaining to a particular work and expenditure thereof charged to the work contingencies.

Compulsory subscription to pension fund

- 4(1). It would be mandatory for all new government employees who are recruits on or after 01/04/06, to become member of the scheme. Each employee will pay a monthly contribution of 10% of their basic pay. Dearness pay and dearness allowance from his salary to the contributory pension scheme.
- (2) Matching contribution will be made by the State government for each employee.
- (3) The contribution towards contributory pension scheme shall be recover from the salary of the employee every month.
- (4) Director, Pension, GIS & GPF ,(hereinafter referred to as the PGIPF) will maintain the accounts for the contributory as in the case of GPF
- (5) The contribution would be deposited in a non-withdrawals pension accounts. As an interim measure, the amount of contribution towards the pension account shall be retained in an interest bearing Public Deposit Account interest rates shall be paid as per the rates applicable to interest bear Public Deposit Accounts. Final arrangements will be made as per provision of rule 12 of these rules.

Exit from the Schemes

- 5. A Government Servant can exit from the scheme on attaining the age of superannuation i.e. after the age of 58 (fifty-eight) years. At exit, it would be mandatory for him to invest 40% pension wealth towards purchasing an account from Regulated Life Insurance Company, which will provide for pension for life Insurance Company, which will provide for pension for life of the employee and his families /dependents.

Particulars of the

- 6. Immediately on joining the Government service, the government servants will be

employee and nomination

required to provide particulars such as his name, designation, scale of pay, date of birth, nominee for the fund, relationship of the nominee etc. in the prescribed form. The Head of Department concerned will be responsible for obtaining this information from all government servant covered under the new pension scheme. Information for all those who have joined service during the month is submitted by the Heads of Department concerned in the prescribed form to the Office of Director PGIPF by the 7th of the following month.

Allotment of Account Number

7. On receipt of Annexure-II from the Head of Office, the Office of PGIPF allot unique 11 digit Permanent Pension Account Number (hereinafter referred as PPAN) to each employee appointed in the State Government on or after 1.4.2006. The first four digits of this number will indicate the calendar year joining Government Service by the employees. The next two digits would represent the Departmental code and the last five digits will be running serial number of individual government servant allotted by the office of PGIPF. The format of account is presently as under.

Calendar Year				Department Code			Serial No.			

Recovery of the deposit

- 8(1) The Head of Department shall prepare separate pay bill register in respect of the government servants joining government service on or after 1.4.06 and attach a schedule of government servants contribution in prescribed form.
- (2) Along with the salary bill for the government servants, who join service on or after 1.4.06, the Head of the Department shall also prepare a separate bill for drawal of matching contribution to be paid by the government to credit to respective pension account.
- (3) the bill for drawal of matching contribution should also be supported by schedules of recovery in the prescribed form

Maintenance of the account and preparation of database

- 9(1) On receipt of the salary bill in respect of government servant joining service on or after 1.4.06, the Pay and Accounts Office (hereinafter referred to as the PAO) shall exercise the usual check and pass the bill for payment the schedules relating pension contribution will be detached from the bill and then be furnished to the office of PGIPF for posting the credit of contribution in the detail ledger account of the individual employee.
- (2) The office of the PGIPF on receipt of schedules from the PAO will update its database and generate exception report for missing credits, mismatches etc. which will be sent back to Head of Department concerned for further action.
- (3) The district PAO shall send the schedules relating to Pension Contribution every month by 15th of next month to the office of Director, PGIPF.
- (4) At end of each financial year, the office of Director, PGIPF shall prepare annual account statement for each employee showing the opening balance details of monthly deductions and governments matching contribution, interest earned and the closing balance.

Reconciliation with public deposit account

10. At the close of each financial year, the office of PGIPF will reconcile the figures of contribution posted in the ledger accounts with the balance in the Public Deposit account.

Withdrawals

11. No withdrawals will be allowed till attaining the age of superannuation i.e. upto 58 (fifty eight) years. In the event of untimely death of an employee payment will be made to the lawful nominees. In case an employee leaves service voluntarily, no withdrawal will be allowed till his attaining the age of 58 years provided that in case of removal/dismissal from the service of an employee, government share shall stand withdrawn and be deposited in General Revenue head of the state/ The employee may withdraw his share.

Management of fund.

12. (1) The State Government may appoint its own pension fund regulatory and development authority and intermediaries. A separate set of regulations will be notified for this purpose.
(2). The State Government can exercise the option to join the new contributory pension scheme of the Central Government as notified vide Extraordinary Government of India Gazette number 42 dated 29.1.04 and as may be modified from time to time.
(3). Notwithstanding anything contained in these rules, in the event of the state government exercising the option to join the Central Government's contributory pension scheme, the contributions towards pension fund deposited in the interest bearing PD account of state government will be transferred to the intermediaries registered and regulated by Pension Fund regulatory and Development Authority constituted by the Central Government and thereafter, regular contribution will also be transferred to them. The functions relating to record keeping will be assigned to the Central record keeping agency, registered and regulated by the aforesaid authority. On death or retirement on superannuation or otherwise, the retirement benefits will be paid by the intermediaries, registered and regulated by the Central Pension Fund Regulatory and Development authority as per rules specified by the Pension Fund Regulatory and Development authority for this purpose. On this account, there will be no financial liability of the state government.

NOTE: 1. State Government contribution of the equal matching share to be booked by the individual department, under their respective salary head, till any further arrangement.

2. For crediting the recoveries made from the employees and their matching share of the State Government contribution towards the Contribution Pension Scheme for Government Employees".

3. It is proposed that the new Contributory Pension Scheme, be made effective from 1.4.06 as proposed. Before this date, the State Government notification to this effect is to be issued.

4. Department code for the purpose of PPAN (Permanent Pension Account Number) will be notified after the scheme become effective.

By order.

(T.T.Dorji)IAS
Principal Secretary Finance,
Revenue & Expenditure Department