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NPS Contributions - Circular

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Wed, May 20, 2020 at 8:45 PM

To: faculty <faculty@ipeindia.org>, officers <officers@ipeindia.org>, staff <staff@ipeindia.org>

Cc: Ramkumar Mishra <rkmishra@ipeindia.org>

INSTITUTE OF PUBLIC ENTERPRISE

CIRCULAR No. 19

20th May 2020

To : All Faculty Members, Officers and Staff

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Sub : Employee's Contributions to NPS

The Board of Governors in the 123rd Meeting held on 27th March 2020 approved an allowance equivalent to 4% additional NPS per month to those Faculty, Officers and Staff who are eligible for employer's contribution to NPS provided they are willing to contribute 10% of their salary per month as employee's contribution to NPS. The allowance, called Retirement Fund Allowance (RFA), is payable with effect from 1st April, 2019. In this regard, the following points may kindly be noted:

1. Salary for the purpose of this scheme is the sum of Basic plus Dearness Allowance drawn by the employee each month.
2. The 4% monthly Retirement Fund Allowance and 10% employee's NPS contribution would be calculated on the salary drawn by the employee each month. The RFA is shown as a component of the gross salary and the employee's NPS contribution as a deduction in the monthly salary drawn by the employee.
3. The intention of the scheme is to build an adequate fund for retirement with 20% of the salary per month as contribution to the employee's NPS account, of which the net contribution from the employee is 6% of the salary.
4. The Retirement Fund Allowance for the FY 2019-20 would be paid to employees on submission of a copy of their NPS account showing deposit(s) equivalent to 10% on the total salary drawn by them for the period from 1st April 2019 to 31st March 2020. The employees are required to deposit the contributions on or before 30th June 2020.
5. Claims pertaining to FY 2019-20 for deposits made later than 30th June 2020 or claims for deposits falling short of 10% of the annual salary will not be entertained.
6. The date of entry to the scheme will be 1st April of the Financial Year in case of existing staff and date of joining in case of new employees. Exercising the option to join the scheme is irrevocable and the employees are deemed to have given unconditional undertaking to continue the contributions till the date of their separation from IPE.
7. The eligible employees are required to exercise the option to join the scheme on or before 25th May 2020 by submitting the Google Form by clicking this link : <https://forms.gle/jnkGFLWRAuAMmfqZ6>

M Phani

5/19/2021

Institute of Public Enterprise Mail - NPS Contributions - Circular

Finance & Administrative Officer

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