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**PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA**

**Subject:** Procedure for settlement of accumulated Pension Corpus to the Nominee/ Family members/ legal heirs of a NPS employee whose death occurred while in service.

- Read:** 1.G.O.No.FD (spl) 04 PET 2005, Bangalore, dated: 31.03.2006.  
2.G.O.No.FD (spl) 28 PEN 2009, Bangalore, dated:19.01.2010.  
3.G.O.No.FD (spl) 28 PEN 2009, Bangalore, dated:29.03.2010.  
4.G.O.No.FD 03 SENISE 2010, Bangalore, dated:12.10.2010.  
5.G.O.No.FD (spl) 01 PEN 2010, Bangalore, dated:20.10.2010.  
6.G.O.No.FD 03 SENISE 2010, Bangalore, dated:15.04.2011.  
7.G.O.No.FD 02 SENISE 2012, Bangalore, dated:24.05.2012.  
8.G.O.No.FD (spl) 203 PEN 2012, Bangalore, dated:16.01.2013.

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**Preamble:**

Government of Karnataka has introduced and operationalised a Defined Contribution Pension System known as New Pension System for its employees joining Government service on or after 01.04.2006 vide G.O. read at (1) and (3) above. NPS is made operational from 01.04.2010 and it is made applicable for the members of the All India Services (Karnataka Cadre) joining the All India Services on or after 01.04.2004, vide G.O read at (5) above.

In the Government Order read at (4) and (6) above, Lump-sum compensation has been sanctioned by Government to the nominees/legal heirs of the employee who is covered under NPS if he/she dies while in service.

In the Government Order read at (8) above, the Government has provided for settlement of entire accumulated Pension Corpus (100%) to the nominee/ family

members/legal heirs of the subscriber who is covered under the NPS if the employee's death occurs while in service. The procedure to settle the pension dues was not detailed in G.O. at reference (8). Hence this order is issued to detail the procedure for settlement of accumulated Pension Corpus in the Permanent Retirement Account (PRAN) of employee whose death occurred while in service.

**Government Order No.F.D.(Sp) 203 PEN 2012.**

**Bangalore, dated:30.7.2014**

Government is pleased to issue the following procedure for settlement of Accumulated Pension Corpus to the Nominee/Family Members/Legal heirs (hereafter referred as claimant) of employee joining State Government service on or after 01.04.2006 or joining All India Service on or after 01.01.2004 borne on Karnataka cadre (NPS employee), whose death occurred while in service:

1. a) On death of employee the entire corpus accounted in the Permanent Retirement Account (PRA) will be completely settled to the nominees or Legal heirs subject to conditions stipulated in para 2.
- b) DDO of the deceased employee is the authority responsible for settling the accumulated Pension dues in Permanent Retirement Account of the deceased employee.
- c) DDO on receiving the death certificate of his/her employee shall update the remarks as "expired" in HRMS and shall communicate the PRAN details of deceased employee with a request to deactivate the PRAN to the NPS Cell, Directorate of Treasuries through concerned treasury.
- d) DDO on receiving the Death Certificate, shall intimate nominee or family members about the procedure to be followed for claiming the Pension Corpus of deceased employee and make available the requisite forms to the Claimant such as:

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- i) Form 103 GD (Annexure-A1) – Form for withdrawal of accumulated pension corpus by claimant due to death of the employee, prescribed by PFRDA.
  - ii) Format of Advance stamped receipt to be submitted by the claimant for acknowledging the receipt of proceeds under NPS by the claimant.
2. For the purpose of these rules (G.O) valid nomination will be the nomination as indicated by the NPS subscriber in the S1 Form and updated from time to time. All such settlements shall be made in favour of the nominee(s) in the percentage share as declared by the NPS subscriber. In case there is no nomination made by the deceased employee or the nominees have predeceased him/her for the purpose of this rule the accumulated pension wealth may be paid to the surviving members of his family in the order provided under Rule 292(ii) of KCSR. Family for the purpose of this G.O shall be as defined in Rule 302 of KCSRs.
3. The claimant of the deceased employee shall furnish the following documents to the DDO in support of his/her claim in duplicate.
  - a. Death Certificate of the deceased employee.
  - b. PRAN card of the deceased employee in Original. In case PRAN card is not available, the claimant/s shall submit a duly notarized affidavit as to the reasons for non-submission of the PRAN card.
  - c. Identification proof.
  - d. Legal heir Certificate. (Where nomination is not clear).
  - e. A cancelled cheque containing claimant's Name of the Bank account, account number and IFS code of the Bank for direct credit or electronic transfer of amount.
  - f. A pre-signed receipt acknowledging the receipt of the proceeds under NPS by the claimant.
  - g. Form 103 GD (Annexure-A1) – Form for withdrawal of accumulated pension corpus by claimant due to death of the employee.

4. The concerned DDO shall send the documents listed above in 2 along with IRA complaint certificate (Annexure-1) if the deceased employee was allotted PRAN on soft copy data in Triplicate and Service register (original)/Service details in case of Gazetted Officers, of the deceased employee to the concerned treasury after due verification with the original. Copies of all papers submitted to Treasury including Service register shall be filed in employee's personal file.

5. Treasury Officer on receipt of the claim request papers from DDO, shall verify

- DDO's signature and correctness of DDO details
- Employee contribution details in the ledgers available in HRMS/Khajane and Statement of Transaction (SOT) and Statement of Holding in CRA system. Treasury officer shall verify NPS contribution details of employees covered under Treasury in HRMS.
- Shall verify all the forms submitted by claimant with requisite supporting documents.

After diligent verification, Treasury Officer shall submit the claim request papers in duplicate and Service Register of the deceased employee in original along with covering letter to NPS Cell, Directorate of Treasuries. Treasury Officer shall retain a copy of the claim request papers and maintain the same at treasury for record purpose.

6. NPS cell, Directorate of Treasuries shall verify the claim request papers and forward one set of claim request papers to the NPS Claim Cell at CRA for settlement. NPS Cell, Directorate of Treasuries shall maintain another copy of the claim request papers for record purpose.
7. NPS Claim Processing Cell at CRA will process the claim request and instruct Trustee Bank to transfer the entire corpus to the bank account of the Claimant of the deceased employee. In this case the claimant need not purchase annuity.
8. CRA shall inform NPS Cell, Directorate of Treasuries and the concerned treasury the details of Pension corpus settled to the claimant in the following format. These details shall be updated by NPS Cell, GOK in the employee's ledger

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available in HRMS/Khajane. On receipt of the confirmation from CRA that the Pension corpus is settled to the claimant NPS Cell, Directorate of Treasuries shall return the Service Register of the deceased employee to concerned DDO through Treasury Officer.

**Details of Pension Corpus settled by CRA**

PRAN	Employee Name	PAO Reg. No.	Treasury	DDO Reg. No.	Present DDO code	DOJ service	Date of death of employee
1	2	3	4	5	6	7	8

Date of inactivation of PRAN/employee in CRA system	Pension Corpus available with the PRAN at the time of inactivation of PRAN	Amount available in permanent Retirement Account of deceased employee.	Settlement date/ RTGS/ NEFT date and UTR number	Claimant's account number to which amount has been transferred	IFSC Code and name of the bank in which claimant has the account	Name and address of the Claimant
9	10	11	12	13	14	15

9. In case where PPRAN-Permanent Pension Account Number (a unique employee code assigned to each employee in HRMS) was assigned to deceased employee from HRMS but PRAN has had not yet been generated by CRA, concerned DDO shall calculate and settle the Government share to the claimant, that should have been paid as contributions to the NPS account in normal circumstances.
10. NPS was introduced from 01.04.2006 and made operational from 1.04.2010, for employees who joined service after 01.04.2006 and has expired before the Operationalisation of NPS or if the regular contribution from NPS employee's salary has not started from the month of joining service and if the employee expires while in service, DDO providing service to the deceased employee shall calculate the Government contribution equaling 10% of Basic and DA of the

employee's salary and make payment from HOA 2071-01-104-2-07 Non plan, voted, Object code 251.

11. While finalizing the NPS dues, Government has to ensure that any undrawn salary dues have been settled. DDO has to ensure that Government contribution towards NPS equaling 10% of Basic and DA of such undrawn salary has been paid from HOA. Government pay to the claimants of deceased employee any salary dues from government and DDO shall calculate Government contribution amount towards NPS equaling 10% of Basic and DA of the due salary and make payment from HOA 2071-01-104-2-07 Non plan, voted, Object code 251.

By Order and in the name of the  
Governor of Karnataka.

(PADMAVATHI)

Special Officer & Ex-Officio  
Joint Secretary to Government  
Finance Department (Pension).

To,

1. The Chief Secretary to Government, Vidhana Soudha, Bangalore.
2. The Accountant General (A&E)/Principal Accountant General (Audit-1), Bangalore.
3. The Additional Chief Secretary to Government, Vidhana Soudha, Bangalore.
4. The Development Commissioner, Vidhana Soudha, Bangalore.
5. All Principal Secretaries/ Secretaries to Government.
6. Principal Secretary, State Legislature, Bangalore.
7. Secretary, Karnataka Public Service Commission, Bangalore.
8. Registrar, Karnataka Lokayukta, Bangalore.
9. Registrar, High Court of Karnataka, Bangalore.
10. Registrar, Karnataka Administrative Tribunal, Bangalore.
11. All Heads of Departments & DDOs.
12. All Deputy Commissioners of Districts.
13. All Chief Executive Officers of Zilla Panchayats.
14. Director of Treasuries, Bangalore & District Treasury Officers & Sub-Treasury Officers.
15. Secretary, e-Governance, HRMS, M.S. Building Dr. Ambedkar Veedi, Bangalore-560001.
16. Secretary, Kannada Development Authority, Vidhana Soudha, Room No.263, Bangalore.
17. Controller, State Accounts Department, Cauvery Bhavan, 6<sup>th</sup> Floor, Bangalore.

Office of the Director of  
Treasuries, Bangalore.

Received.....Covers  
contents not known.

*[Handwritten Signature]*

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18. Director Planning Department, Urban & Rural, M.S. Building, Bangalore.
19. Secretary, Fiscal Reforms, Finance Department, M.S. Building, Bangalore.
20. Deputy Director, Government of India, Planning Commission Unique Identification Authority of India (UIDAI), Regional Office, Khanija Bhavan, Race Course Road, Bangalore-560001.
21. All Boards/Corporations/Societies/Universities/State Aided Institutions/ State Autonomous Bodies.
22. Section Guard File.