

- (iii) - INTRODUCTION OF A NEW RESTRUCTURED DEFINED CONTRIBUTION PENSION SYSTEM FOR NEW ENTRANTS TO CENTRAL GOVT. SERVICE.
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The Govt. of India vide notification No.5/7/2003-ECB & PR, dated 22.12.2003 and published in the Gazette of India on the same date, has introduced a new restructured defined Contribution Pension System vide ANNEXURE-'A' which would be mandatory for all new recruits to the Central Govt. service from 1.1.2004 . The monthly contribution would be 10% of the salary and D.A. to be paid by the employee and matched by the Govt. The contribution and investment returns would be deposited in a non-withdrawable pension tier-I account. The existing provisions of defined benefit pension and GPF would not be available to the new recruits in the Central Govt. service

Since, this University has adopted the retirement benefit Rules of Govt. of India, perhaps, it is now required either to adopt the new pension scheme for the employees appointed on or after 1.1.2004 or to formulate its own Rules and Regulations.

The matter is placed before the Academic Council for consideration & decision.

NO.F.39/Estt-II/82(P.File)/1424

ARCHITECTURE OF THE NEW PENSION SYSTEM.

(iv) It will have a Central Record Keeping and Accounting (CRA) infrastructure, several Pension Fund Managers (PFMs) to offer three categories of schemes, viz., options A, B and C.

(v) The participating entities (PFMs and CRA) would give out easily understood information about past performance, so that the individual would be able to make informed choices about which scheme to choose.

2. The effective date for operationalisation of the new pension system shall be from 1.1.2004.

(Refer Order Nos. 25, 26, 30, 31 and 32 in this issue)

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NEW PENSION SCHEME -
GOVERNMENT'S NOTIFICATION

G.I., M.F., Notfn. No. 5/7/2003-ECB & PR, dt. 22.12.2003
Published in Gazette of India, Extraordinary,
Part-I Sec.-I dated 22.12.2003

INTRODUCING A NEW RESTRUCTURED DEFINED CONTRIBUTION
SYSTEM FOR NEW ENTRANTS TO CENTRAL GOVT. SERVICE

The Government approved on 23rd August, 2003 the proposal to implement the budget announcement of 2003-2004 relating to introducing a new restructured defined contribution pension system for new entrants to Central Government service, except to Armed Forces, in the first stage, replacing the existing system of defined benefit pension system.

- (i) The system would be mandatory for all new recruits to the Central Govt. service from 1.1.2004 (except the armed forces in the first stage). The monthly contribution would be 10 percent of the salary and DA to be paid by the employee and matched by the Central Government. However, there will be no contribution from the Government in respect of individuals who are not Government employees. The contributions and investment returns would be deposited in a non-withdrawable pension tier-I account. The existing provisions of defined benefit pension and GPF would not be available to the new recruits in the Central Govt. service.
- (ii) In addition to the above pension account, each individual may also have a voluntary tier-II withdrawable account at his option. This option is given as GPF will be withdrawn for new recruits in Central Govt. service. Government will make no contribution into this account. These assets would be managed through exactly the above procedures. However, the employee would be free to withdraw part or all of the 'second tier of his money any time. This withdrawable account does not constitute pension investment, and would attract no special tax treatment.
- (iii) Individuals can normally exit at or after age 60 yrs. for tier-I of the pension system. At exit, the individual would be mandatorily required to invest 40 % of pension wealth to purchase an annuity (from an IRDA-regulated life insurance company). In case of Govt. employees, the annuity should provide for pension for the lifetime of the employee and his dependent parents and his spouse at the time of retirement. The individual would receive a lump-sum of the remaining pension wealth, which he would be free to utilize in any manner. Individuals would have the flexibility to leave the pension system prior to age 60. However, in this case, the mandatory annuitization would be 80% of the pension wealth.

Contd....2/-

- (xxii) Confirmation of service of Dr. A K Mishra,
as Reader in the Deptt. of Linguistics.

EC:118:2004:6:2:(xxii): The Council confirmed the services of Dr. A K Mishra as Reader in the Department of Linguistics, NEHU w.e.f. 30.5.02.

- (xxiii) Appointment of Dr. Manorama Sharma as
Professor under CAS-effective date of
Joining.

EC:118:2004:6:2:(xxiii): The Council considered the representation submitted by Prof. M.Sharma regarding effective date of joining under CAS and RESOLVED that the effective date of joining as Professors will stand as per the earlier decision of the Executive Council.

- (xxiv) Nomination of member to the Finance
Committee, NEHU.

EC:118:2004:6:2:(xxiv): The Council authorized the Vice-Chancellor to nominated a member to the Finance Committee under Proviso-(iii) of the NEHU Statutes Clause-19(i) vice Prof. J.B.Bhattacharjee. The Council further RESOLVED that Prof. E.D.Thomas shall be appointed as a member of the Finance Committee after the superannuation of Prof. M.N.Karna.

**6:6: -Service conditions, Financial & Other
Benefits:**

- (i) Introduction of Non-functional Scale
Rs. 8000-275-13500/- to Section Officer
In the University.

EC:118:2004:6:6:(i): The Council considered the agenda note and was of the view that the matter may be further studied by a Committee to be appointed by the Vice-Chancellor.

- (ii) Retirement Benefits in respect of
Dr. A G George, former Professor of
English, NEHU, Shillong.

EC:118:2004:6:6:(ii): The Council considered the case of Prof. A G George and decided as follows :

1. Prof. George may be paid pending retirement benefits after due verification by the University's Internal Audit Cell
2. The matter is closed for any further representation.

6:7 -Others :

- (i) Allotment of Land to the Institute of Hotel Management.

EC:118:2004:6:7:(i): The Council noted the matter as placed.

- (ii) Printing and Supply of Examinations confidential materials.

EC:118:2004:6:7:(ii) : The Council noted the recommendations made by the Committee for printing of Examinations confidential materials.

- (iii) Introduction of a new Restructured defined Contribution pension system for new entrants to Central Govt. Service.

EC:118:2004:6:7:(iii): The Council considered the Govt. of India's New Pensions Scheme vide M F, Notification No.5/7/2003-ECB & PR, dt. 22.12.2003 Published in Gazette of India, Extraordinary, Part-I, Sec.-I dated 22.12.2003. and approved the same in principle & RESOLVED as follows :

1. For in-corporation into the NEHU Service rules in respect of all new recruits to the University (Teaching and Non-Teaching) w.e.f. 1.1.04, the matter may be referred to the Committee on GPF/CPF, etc.
2. The UGC may be informed about the intention of the University to adopt the new contribution pension system as notified by the Government of India for Additional Financial liabilities arising out of it and the UGC may be approached for funds.

ITEM NO.8. ITEMS FROM THE CHAIR:

EC:118:2004:8:(i): The Chairman informed that, as resolved by the Committee at its last meeting, charges of misconduct against Shri X.P.Mao have been framed and the Council advised Chairman to take immediate action on the matter in accordance with the decision of the Council.

The Chairman further informed the Council that the write-petition filed by Shri X.P.Mao regarding the appointment of a Reader against the post of a Professor in the Department of Philosophy was upheld by the Gauhati High Court and that the University has meanwhile filed an SLP in the Supreme Court of India against the decision of the Gauhati High Court.

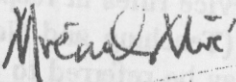
EC:118:2004:8:(ii): The Council considered the matter raised by one of the Honourable members in regard to pay anomalies of Shri. B.D.Gupta, STA, USIC, NEHU and RESOLVED to direct Shri.Gupta to represent his case with all details to the Registrar, Deputy Registrar(Estt.I) and the Chairman, anomalies Committee.

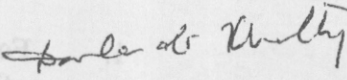
The Chairman appraised the Council the completion of the term of membership of the following :

1. Prof. P. Shukla
2. Prof. A. K Baruah

Further the Council placed on record the services rendered by the said members.

The meeting ended with a vote of thanks to the Chair at 13.30 Hrs.


(MRINAL MIRI)
CHAIRMAN


(D.T.KHATHING)
SECRETARY

Appendix-I

**LIST OF MEMBERS WHO ATTENDED 118TH MEETING OF THE
EXECUTIVE COUNCIL HELD ON 8TH APRIL 2004.**

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| 1. | Prof. Mrinal Miri
Vice-Chancellor,
NEHU, Shillong. | Chairman |
| 2. | Dr. Y S Rajan
Vice-Chancellor,
Punjab Technical University,
Jalandhar. | Member |
| 3. | Prof. G N Talkukdar
Vice-Chancellor,
Gauhati University. | Member |
| 4. | Prof. S S Khare
Pro-Vice-Chancellor,
NEHU, Tura Campus. | Member |
| 5. | Dr. D Wanswet
Principal,
Synod College,
Shillong. | Member |
| 6. | Prof.(Mrs) Sujata Miri | Member |
| 7. | Dr. P K Saikia | Member |
| 8. | Prof. E D Thomas | Member |
| 9. | Prof. M N Karna | Member |
| 10. | Prof. R L Tluanga | Member |
| 11. | Shri J Lhungdim | Permanent Invitee |
| 12. | Prof. D T Khathing | Secretary |