GOVERNMENT OF PUNJAB
DEPARTMENT OF FINANCE
(FINANCE PENSION POLICY AND COORDINATION BRANCH)

09-06-2025

To

i. **All Special Chief Secretaries, Additional Chief Secretaries, Financial Commissioners, Principal Secretaries and Administrative Secretaries to Government of Punjab,**
ii. **All Head of Departments of the State;**
iii. **All Commissioners of Divisions;**
iv. **The Registrar, Punjab and Haryana High Court, Chandigarh;**
v. **All Deputy Commissioners and District & Sessions Judges and;**
vi. **Secretary, Punjab Vidhan Sabha.**

Subject: Regarding choice of Pension Funds and Investment Pattern in Tier-1 of NPS for Punjab Government subscribers.

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Sir/Madam,

I am directed to invite your kind attention to the Government of Punjab, Department of Finance Notification No. 8/1/2004-3FPII/2078 dated 02.03.2004 wherein the Defined Contributory Pension Scheme for State Government employees appointed on or after 01.01.2004 was notified and further relevant instructions/Guidelines issued vide letter No. 03/72/2003-3FPPC/7280 dated 12.12.2006 and others from time to time.

2. Whereas Ministry of Finance, Department of financial services, Government of India vide its Notification No. F.No.1/3/2016-PR Dated

31.01.2019 had introduced the choice of the Pension Fund and the Investment Pattern in the Tier – I of the NPS for the employees of the Central Government. The Operative part of the notification is reproduced as below:-

"CHOICE OF PENSION FUND AND INVESTMENT PATTERN IN TIER-I OF NPS AS UNDER:

(vi) **Choice of Pension Fund:** As in the case of subscribers in the private sector, the Government subscribers may also be allowed to choose any one of the pension funds including Private sector pension funds. They could change their option once in a year. However, the current provision of combination of the Public-Sector Pension Funds will be available as the default option for both existing as well as new Government subscribers.

(vii) **Choice of Investment pattern:** The following options for investment choices may be offered to Government employees:-

(a) The existing scheme in which funds are allocated by the PFRDA among the three Public Sector Undertaking fund managers based on their past performance in accordance with guidelines of PFRDA for Government employees may continue as default scheme for both existing and new subscribers.

(b) Government employees who prefer a fixed return with minimum amount of risk may be given an option to invest 100% of the funds in Government securities (Scheme G).

(c) Government employees who prefer high returns may be given the options of the following two Life Cycle based schemes.

(A) Conservative Life Cycle Fund with maximum exposure to equity capped at 25% - LC-25.

(B) Moderate Life Cycle Fund with Maximum exposure to equity capped at 50% - LC- 50."

3. The Government of Punjab has decided to implement the Choice of

Pension Fund and Choice of Investment Pattern in Tier-I of NPS as per Government of India Notification No. F.No.1/3/2016-PR Dated 31.01.2019. if a subscriber suffers a loss or lower return, it will be due to their decision in exercising the option of choice of fund and investment pattern. However, if State Government switches to any other pension scheme in the future, then the subscriber (in case of loss/low return) may have to recoup the difference of returns (Returns as per Default scheme - Returns as per Choice of fund/Invest. Pattern) as per the terms & conditions of that new pension scheme.

4. Subscriber may exercise the option of Choice of Pension Fund and Choice of Investment Pattern online using their login credentials only. The request initiated online by the Subscriber can be self-authorized and authorization from Nodal Office is not required in the CRA System.

This Instructions shall take immediate effect.

(Saroj)
Under Secretary Finance

A copy of the above is forwarded to Director, Public Enterprises and Disinvestment, Punjab to issue the necessary instructions for the NPS Subscribers of Boards, Corporations, Autonomous bodies etc.

(Saroj)
Under Secretary Finance

A copy of the above is forwarded to the following for information and necessary action:-

1) Private Secretary/Special Principal Secretary to the Chief Minister,

Punjab, Chandigarh.

2) Private Secretary/Finance Minister, Punjab, Chandigarh.

3) OSD/Chief Secretary to Government of Punjab, Chandigarh.

4) Ld. Advocate General, Punjab, Chandigarh.

5) The Resident Commissioner, Punjab Bhawan, New Delhi.

(Saroj)
Under Secretary Finance

A copy of the above is forwarded to the following for information and necessary action:-

1) Accountant General (Audit), Punjab.

2) Accountant General (A&E), Punjab, Chandigarh.

3) Head Business Development - National Pension System & Atal Pension Yojna Protean e-Gov Technologies Ltd. Times Tower, 1st Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013.

(Saroj)
Under Secretary Finance

A copy of the above is forwarded to the following for information and necessary action:-

1) Director, Treasury and Account, Punjab, Chandigarh.
2) Additional Director, Internal Audit Organization (Rev.), Punjab, Chandigarh.
3) Examiner Local Fund Accounts, Punjab, Chandigarh.
4) Deputy Director, Principal Account Office, New Pension Scheme, Punjab, Chandigarh.
5) All District treasury Officers/Treasury Officers in the State of Punjab.

(Saroj)
Under Secretary Finance