

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

National Pension System – Choice of Pension Fund and Investment pattern
– Provision of Selection Option provided to subscribers/employees in Tier-I
– Orders issued - Reg.

FINANCE (HR.III-PENSION & GPF) DEPARTMENT

GO.Ms.No.9

Dated:25.02.2025

Read the following:-

- Handwritten: Jio F, 27/02/25*
- Ref:-** 1. GO.Ms.No's.653,654&655, Finance (HR.III- Pension & GPF) Department, dt:22.09.2004.
2. Memo. No. 23218-B/194/A2/Pen.I/2004, Dated 22.10.2008 of the Finance (Pension-I) Department.
3. Agreement between the Government of Andhra Pradesh and the NSDL Authorities, dt:21.11.2008.
4. Agreement between with the Government of Andhra Pradesh and the NPS Trust, dt:15.09.2009.
5. GO.Ms.No.196 Finance (Pension-I) Department., dt:24.07.2012.
6. GOI Gazette Notification no. F. No. 1/3/2016-PR dated 31-01-2019 of Ministry of Finance.
7. Cir.No.PFRDA/17/08/11/003/2017-SUP-SG, dt: 01-06-2020 of the Chief General Manager , PFRDA, New Delhi.

The Government of Andhra Pradesh vide reference 1st cited, have introduced a New Contributory Pension Scheme based on defined contributions to all the employees who are recruited on or after 1-9-2004 and whose pay and allowances are drawn from the Consolidated Fund of the State, including all the new recruits of all the tiers of all the Rural and Urban Local Bodies, Universities etc.

2. Vide reference 2nd cited, the Directorate of Treasuries and Accounts has been nominated as State Nodal Officer for implementation of the Scheme and authorized to enter an agreement with NSDL authorities (now called as Protean eGov Technologies Ltd.)

3. Accordingly, the State Nodal Officer for CPS i.e., DTA has entered an agreement with the NSDL authorities on behalf of AP State Govt. vide reference 3rd cited. And also with the NPS trust vide reference 4th cited. As per the agreement, the State Government have agreed to be bound and governed in toto by the NPS architecture and other parameters, guidelines, directions, regulations etc., as may be issued from time to time. And at para no.5 (b) of the agreement it is stated that,

“the State Government is free, till such time as the individual subscribers are given the option of choosing the Fund Manager(s) of their

choice by the PFRDA, to choose the Fund Manager(s) of their choice, from amongst the Fund Managers as identified and appointed by PFRDA, and/or allocate/assign the pension corpus fully to a Fund Manager (FM) of their choice, or amongst the FMs of their choice from amongst the FMs as stated herein above, in whatever proportion as may be deemed fit by the State Government. Provided that the State Government shall inform of their decision and choice in this behalf to the PFRDA and NPS Trust, upon taking of such a decision".

4. The Government vide reference 5th cited, have opted for default mode of investment pattern and selected SBI, LIC, and UTI as Pension Fund Managers (PFMs) for investing the CPS funds recovered from the salary of the employees along with employer share.

5. In reference 6th cited, the Government of India have introduced Choice of Pension Fund and Investment Pattern for Tier-I NPS subscriber wherein, an option is provided to the subscriber to select his choice of Fund Manager and also investment pattern.

6. In this connection, several representations are being received from various sections of employees to adopt the Government of India Scheme pattern to the State NPS employees/subscribers. Keeping the representation of the employees into consideration, and also to give scope/option to the NPS employees to invest and select the Fund Managers as per their option, Government after careful examination has decided to adopt the Choice of Investment Pattern method in addition to default scheme pattern to all the NPS employees in the state covered vide reference 1st cited.

7. And accordingly the following orders are issued: -

Choice of Pension Fund and Investment Pattern in Tier-I of NPS as under:

- I. **Choice of Pension Fund:** - The subscribers shall be allowed to choose anyone of the pension funds including private sector pension funds. They can change their option once in a year. However, the current provision of combination of Public Sector Pension Funds will be available as default option for existing as well as new Government subscribers.
- II. **Choice of Investment Pattern:-** The following options for investment choices shall be offered to the subscribers:
 1. **Default Scheme:** The existing scheme in which funds are allocated among three Public Sector undertaking fund managers i.e., SBI, UTI and LIC pension fund schemes shall continue as default scheme for both existing and new subscribers.

2. **Scheme G:** Employees/Subscribers who prefer returns with comparatively less amount of risk shall be given an option to invest 100% of the funds in Govt. securities. (Scheme G).
3. **Auto Choice Life Cycle Funds:** Employees/Subscribers preferring better returns with comparatively higher risk shall be given the options of the following Life Cycle based schemes-
 - a. Conservative Life Cycle Fund with maximum exposure to equity capped at 25% LC-25 Scheme.
 - b. Moderate Life Cycle Fund with maximum exposure to equity capped at 50% LC- 50 Scheme

The subscribers can exercise one of the above choices of Investment pattern **twice in a financial year**. If no option is exercised, they will be continued in default pattern only.

8. Therefore, the PFRDA Authorities shall allow the Choice of pension fund and investment pattern in addition to default mode to the Andhra Pradesh State Government employees/subscribers under Tier-1. Whereby, the NPS Subscribers shall opt for change in pension fund manager and change in investment pattern through online in Pro-CRA (formerly known as NSDL) portal which shall be duly approved by concerned Treasury Office/PAO in accordance with that scheme.

9. The Director, Treasuries and Accounts, AP as a State Nodal Officer to NPS in the State shall take further necessary action for implementation of these orders.

10. This order is available in online and can be accessed at <http://goir.ap.gov.in>.

(BY ORDER IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M. JANAKI
SECRETARY TO GOVERNMENT(HR)

To


The Director of Treasuries and Accounts, Andhra Pradesh.
The Pay and Accounts Officer, Andhra Pradesh.
All the Departments of Secretariat.
All the Heads of Departments.
All the District Collectors.
All the Superintendents of Police.
All the Chief Conservator of forests.
All the Districts Judges.
All the Autonomous Bodies through concerned Departments of Secretariat.
All the corporations through concerned Departments of Secretariat.

All the Boards through concerned Departments of Secretariat.
All the Societies through concerned Departments of Secretariat.
All the State Public Sector Undertakings.
All the District Treasuries and Accounts Officers

Copy to

The Principal Accountant General (A&E) A.P., Amaravati at Vijayawada.
The Principal Accountant General (G&SSA) A.P., Amaravati at Vijayawada.
The General Administration Department.
The Finance (BG-I) and (BG-II) Department.
SF/SCs (2566329)

//FORWARDED :: BY ORDER//


SECTION OFFICER