

**Summary¹ of
Eligibility Conditions & Benefit Formula
of the
National Pension and Provident Fund Plan (NPPFP)²
&
Armed Forces Pension and Provident Fund Scheme (AFPPFS)³**

Second Edition
(2018)

Applicable to members retiring after 1 July, 2010

¹ Last updated on February 15, 2018

² Based on the NPPFP Rules & Regulations 2002, amended 2010 (latest salary revisions incorporated)

³ Based on the AFPPFS Rules & Regulations 2002, amended 2013 (latest salary revisions incorporated)

Eligibility Conditions & Benefit Formula for NPPFP and AFPPFS

Eligibility Conditions for Monthly Pension

Pension Type	Civil	Armed Forces
Normal Pension	<ul style="list-style-type: none"> • Attained the Normal Retirement Age (NRA) • Contributed for a minimum of ten years (equivalently 120 monthly contributions) 	<ul style="list-style-type: none"> • Attained the Normal Retirement Age (NRA) • Contributed for a minimum of ten years (equivalently 120 monthly contributions)
Early Pension	<ul style="list-style-type: none"> • Attained the Early Retirement Age (ERA) • Contributed for a minimum of ten years (and 120 monthly contributions) 	<ul style="list-style-type: none"> • Attained the Early Retirement Age (ERA) • Contributed for a minimum of ten years (and 120 monthly contributions)
Permanent Disability Pensionⁱ	<ul style="list-style-type: none"> • Contributed for minimum three years • Permanently disabled while in service • Examined by Medical Doctor • Approved by Board 	<ul style="list-style-type: none"> • Contributed for minimum three years • Permanently disabled while in service • Examined by Medical Doctor • Approved by Board
Surviving Spouse Pensionⁱⁱ	<ul style="list-style-type: none"> • Contributed for minimum three years • Must be legally married before death • Attained at least 50 years of age • Benefit terminates upon remarriage 	<ul style="list-style-type: none"> • Contributed for minimum three years • Must be legally married before death • Benefit terminates upon remarriage
Surviving Children Pensionⁱⁱⁱ	<ul style="list-style-type: none"> • Contributed for minimum three years • Children must be less than 18 years of age • Must be legitimate children • Maximum of three children can receive benefit at a time 	<ul style="list-style-type: none"> • Contributed for minimum three years • Children must be less than 18 years of age • Must be legitimate children • Maximum of three children can receive benefit at a time
Orphan Pension^{iv}	<ul style="list-style-type: none"> • Contributed for minimum three years • Children must be less than 18 years of age • Must be legitimate children • Both parents demised • Maximum of three children can receive benefit at a time 	<ul style="list-style-type: none"> • Contributed for minimum three years • Children must be less than 18 years of age • Must be legitimate children • Both parents demised • Maximum of three children can receive benefit at a time
Dependent Parent Pension	<ul style="list-style-type: none"> • Contributed for minimum ten years • Not married • Must be biological or legally adopted parents • Dependent parent is at least 56 years of age 	<ul style="list-style-type: none"> • Contributed for minimum ten years • Not married • Must be biological or legally adopted parents • Dependent parent is at least 56 years of age

Eligibility Conditions & Benefit Formula for NPPFP and AFPPFS

Benefit Formula

Parameters	Civil	Armed Forces
Normal Pension	= $\frac{\text{no. of years of service} \times 40\% \times \text{Final Basic Salary}}{30}$	= $\frac{\text{no. of years of service} \times 45\% \times \text{Pensionable Salary}^4}{27}$
Early Pension	Reduced pension based on normal pension and reduction factors	Reduced pension based on normal pension and reduction factors
Permanent Disability Pension	Nu. 3,500/- per month	Higher of minimum pension or 30% of member's normal pension
Surviving Spouse Pension	Maximum of Nu. 3,500/- or 50% of member's pension (calculated as on date of death)	Higher of 30% of the member's pension or 60% of the minimum pension AND if spouse is above 50 years Higher of 50% of the member's pension or 60% of the minimum pension
Surviving Children Pension	Nu. 1,200/- per month per child	Higher of 10% of the member's pension or 15% of the minimum pension per child
Orphan Pension	Nu. 1,700/- per month per child	Higher of 15% of the member's pension or 30% of the minimum pension
Dependent Parent Pension	Higher of Nu. 3,500/- or 50% of member's pension (calculated as on date of death)	Higher of 50% of the member's pension or 60% of the minimum pension
Maximum Pension	Nu. 28,370/- ⁵	0.5% top up for service after 27 years to 33 years
Minimum Pension	None	Nu. 6,401/- ⁶
Pension Indexation	Minimum of Inflation or 5% ⁷	Minimum of Inflation or 5% ⁸
Reduction Factors	½ of 1% for every month short of NRA	½ of 1% for every month short of NRA

⁴ The pensionable salary is the average salary for the last 12 months of service.

⁵ 40 % of the maximum ceiling of the salary scale of EX1 position level of the civil service (= 70,925/-)

⁶ 45% of the maximum ceiling of the salary scale of the lowest rank (=14,225/-); must have served for 22 years and must be more than 42 year of age to be eligible.

⁷ Pension indexation once every July.

⁸ Pension indexation every year from the date of vesting pension.

Eligibility Conditions & Benefit Formula for NPPFP and AFPPFS

Parameters	Civil	Armed Forces ⁹																																										
Indexation during waiting period¹⁰	Inflation indexation for the last five consecutive years, inflation not exceeding 5% annually.	None.																																										
Normal Retirement Age (NRA)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Civil</th> <th style="text-align: left;">RBP¹¹</th> <th style="text-align: left;">NRA</th> </tr> </thead> <tbody> <tr> <td>EX/ES</td> <td>Chief of Police</td> <td>60</td> </tr> <tr> <td>P</td> <td>Officer ranks</td> <td>58</td> </tr> <tr> <td>S-O</td> <td>Other ranks</td> <td>56</td> </tr> </tbody> </table>	Civil	RBP ¹¹	NRA	EX/ES	Chief of Police	60	P	Officer ranks	58	S-O	Other ranks	56	<table style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Lt. General</td><td style="text-align: right;">60</td></tr> <tr><td>Major General</td><td style="text-align: right;">60</td></tr> <tr><td>Brigadier</td><td style="text-align: right;">58</td></tr> <tr><td>Colonel</td><td style="text-align: right;">55</td></tr> <tr><td>Lt. Colonel</td><td style="text-align: right;">53</td></tr> <tr><td>Drimpongom</td><td style="text-align: right;">53</td></tr> <tr><td>Dedrim</td><td style="text-align: right;">51</td></tr> <tr><td>Major</td><td style="text-align: right;">50</td></tr> <tr><td>Drimpon</td><td style="text-align: right;">50</td></tr> <tr><td>Pelpon</td><td style="text-align: right;">48</td></tr> <tr><td>Captain</td><td style="text-align: right;">47</td></tr> <tr><td>Peljab</td><td style="text-align: right;">46</td></tr> <tr><td>Gopa</td><td style="text-align: right;">45</td></tr> <tr><td>Lieutenant</td><td style="text-align: right;">44</td></tr> <tr><td>Chuma</td><td style="text-align: right;">42</td></tr> </tbody> </table>	Lt. General	60	Major General	60	Brigadier	58	Colonel	55	Lt. Colonel	53	Drimpongom	53	Dedrim	51	Major	50	Drimpon	50	Pelpon	48	Captain	47	Peljab	46	Gopa	45	Lieutenant	44	Chuma	42
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Early Retirement Age (ERA)	51 (irrespective of position/rank)	Within Five years of NRA (based on rank)																																										
Contribution Rate	16%	19%																																										
Pension Vesting Period	10 years	10 years																																										
Replacement Ratio (Income)	40% of final basic salary	45% of the average of final year basic salary																																										
Contribution Ceiling Period	30 years ¹²	33 years ¹³																																										

⁹ For RBG and RBA only. RBP follows a different retirement age as mentioned in 11. Except for the different retirement ages, eligibility criteria and benefit formula are all same for RBP and RBA/RBG.

¹⁰ If a member leaves service and opts to receive normal/early pension later (having made more than 120 monthly contributions).

¹¹ Other provisions for RBP are similar to that of RBP and RBG (except for retirement ages as mentioned). Retirement age has been inserted in Civil scheme's column due to similarity with it.

¹² Contribution beyond 30 years and interest accrued thereon is transferred to Tier 2 (PF) account and refunded.

¹³ Contribution beyond 33 years and interest accrued thereon is transferred to Tier 2 (PF) account and refunded; each additional year of service after 27 years shall increase the total pension receivable by ½% on the pension calculated for 27 years of service.

Eligibility Conditions & Benefit Formula for NPPFP and AFPPFS

Disclaimer:

The NPPFP and the AFPPFS Rules and Regulations, 2002 and amendments thereto are the authoritative sources for benefit formula and eligibility criteria. This document only serves as a quick summary of the same. Thus, any discrepancies between information included in this document and the actual provisions of the Rules and Regulations shall be treated as typographical errors and the latter shall prevail.

End notes:

ⁱ **Disabilities deemed permanent according to “NPPFP R&R” and “AFPPFS R&R”:**

- i. complete loss of sight of both eyes;
- ii. loss of two limbs at or above the ankle or wrists;
- iii. permanent complete paralysis of two limbs; and
- iv. brain injury resulting to incurable imbecility or insanity

ⁱⁱ **“Surviving spouse”** refers to the person whom a deceased person was legally married on or before retirement from service.

ⁱⁱⁱ **“Surviving children”** refers to the legitimate sons and daughters of the deceased member, who are less than 18 years of age.

^{iv} **“Orphan”** refers to a person who is less than 18 years and none of whose parents are alive.