

National Institute of Public Cooperation and Child Development

National Pension System

The **National Pension System (NPS)** is a voluntary defined contributory pension system in India. NPS started with the decision of the Government of India to provide pensions for all government employees who joined after 1st January 2004. Accordingly, the NPS scheme has also been implemented in the Institute for the employee who joined on or after 01/01/2004.

Contributions to NPS @ 10% of Basic Pay and DA are deducted from the salary of concerned employee and matching contribution presently 14% contributed by the Institute. Both the employees and government contribution are remitted to NPS Account maintained by NSDL. Contributions so receive is exempted under Section 80C, Section 80CCCC and Section 80CCD (1) of Income Tax Act. Starting from 2016, an additional tax benefit of Rs 50,000 under Section 80 CCD (1b) is provided under NPS, which is over the Rs. 1.5 lakh exemption of Section 80C