

Benefits available in the case of death of a Central Government Employee covered under National Pension System during service

- Central Government employees covered under National Pension System have option to avail benefit either of CCS(Pension) Rules, 1972 or benefits from Accumulated Pension Wealth under NPS.
- Government employees covered under NPS have been given option under rule 10 of CCS(Implementation of NPS) Rules, 2021 to choose benefits either from old pension scheme or NPS in the event of their death. Family of deceased Government servant cannot exercise this option.
- In the case, the Government servant could not furnish his option in this regard, there is default option of benefit under old pension scheme for first 15 years of service and thereafter, default option would be benefits under NPS. At present default option of old pension scheme is in vogue till March, 2024 in accordance with these rules.
- Following benefits are available in the event of in-service death of a Central Government employees covered under NPS:
 - (i) Family pension under CCS(Pension) Rules, 1972 as per option exercised by Government servant or default option
or
In case, Government servant has opted for benefits under NPS, family would get benefits from his accumulated pension wealth under NPS.
 - (ii) Death Gratuity
 - (iii) Leave Encashment
 - (iv) Benefits from CGEGIS,
 - (v) CGHS facilities
- As per rule 20 of CCS (Implementation of NPS) Rules, 2021, if the Government servant had opted for benefits under old pension scheme (or if no option was exercised, then default option applicable in his case) the concerned office would take action to sanction family pension to eligible member(s) of the family of the deceased Government servant, as done for Government servants covered under old pension scheme (i.e. as applicable to those joined service before 01.01.2004).

- Simultaneously, they would start process to close PRAN under NPS of the Government servant and Government contribution (and return thereon) would be transferred into the Government account. Remaining amount would be paid to the nominee or legal heir as per PFRDA regulations in lump sum.
- However, those Government servants who had opted for benefits from NPS in the event of their death or if no option exercised, then in whose case default option is benefits under NPS, concerned office would take action to close PRAN under NPS of the deceased Government servant and grant benefits of lump sum (maximum of 20% of accumulated pension wealth) and annuity of the remaining pension wealth to eligible member from annuity service provider registered with PFRDA in accordance with PFRDA (Exits and Withdrawals under NPS) Regulations, 2015.
- Other benefits viz. Death gratuity, leave encashment, CGEGIS and CGHS would be available in both the cases.

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