



# **FINANCE DEPARTMENT**

**DEMAND No. 50**

## **Pension and Other Retirement Benefits**

**POLICY NOTE  
2022 - 2023**

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**Minister for Finance and Human Resources Management**

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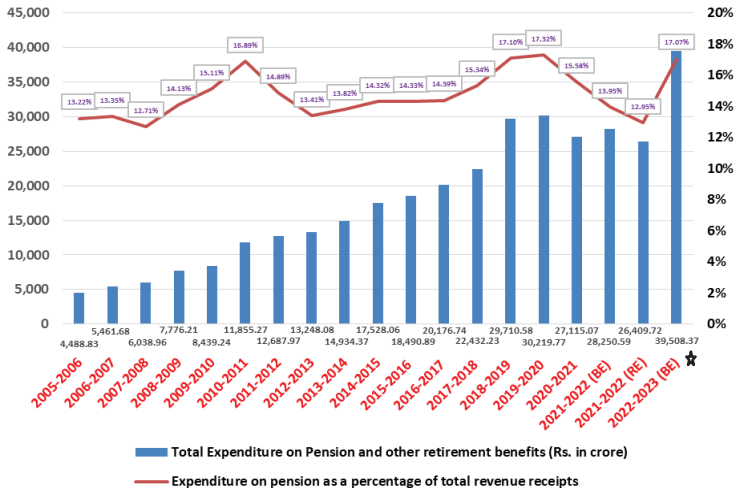
**Government of Tamil Nadu  
2022**

## DEMAND No.50

### PENSION AND OTHER RETIREMENT BENEFITS POLICY NOTE FOR 2022-2023

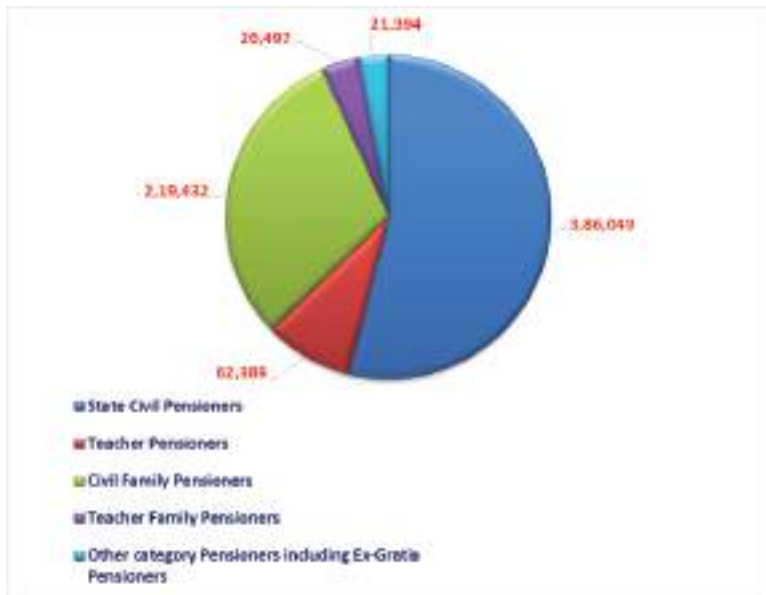
The Defined Benefit Pension Scheme (Old Pension Scheme) covers all employees recruited prior to **01-04-2003**. At present there are **3,14,945** employees in Government who are covered under this Scheme. In addition, there are **7,15,761** Pensioners and Family Pensioners receiving pension and family pension under the Scheme. Demand No.50 provides for a total expenditure of **Rs.39,508.37 crore** towards pension and other pensionary benefits.

#### 2. The Expenditure on Pension and Retirement Benefits over the past years has been as follows:



★ The steep increase in Pension cost for the year 2022-23 is due to the increase in retirement age of Government Employees from 58 to 59 years in 2020 and 59 to 60 years in 2021.

**3. The Total Number of Pensioners as on 31.03.2022 is 7,15,761 as detailed below:**



Employees recruited on or after 01-04-2003 are enrolled under Contributory Pension Scheme. At present **6,02,377** employees are covered under Contributory Pension Scheme. Further 29,968 employees recruited after 01.04.2003 have exited from the Contributory Pension Scheme on attaining the age

of superannuation and other reasons and final settlements have been made to 24,719 employees.

## **CONTRIBUTORY PENSION SCHEME**

### **4. Introduction**

(i) Based on the recommendations of the Fifth Tamil Nadu Pay Commission, Central Pay scales were extended to the State Government employees with effect from 01-06-1988. Consequently, the pension of the retired employees were revised based on the revised pay scales applicable to the post held by the employees concerned. The fiscal burden became unsustainable due to increasing salary and pension expenditure and this constrained the resources available for public welfare and infrastructure expenditure.

(ii) A High Level Expert Group (HLEG) was set up by the Government of India on 26-06-2001 under the Chairmanship of Thiru. B.K.Bhattacharya, Chief Secretary (Retired), Government of Karnataka to make recommendations for restructuring the pension scheme. The High Level Expert Group in its report submitted in February, 2002, suggested a new hybrid scheme that combines contributions from employees and the

Government on matching basis, on the one hand, while committing to the employees a defined benefit as pension. The objective of the Government of India was to design a scheme for new entrants to Government service where the contribution is defined, with the infrastructure being created in course of time capable of serving other groups like State Government employees, middle class self-employed people and even those in the lower income bracket amongst the unorganized sector.

(iii) Following the Government of India's initiative on pension reform, an announcement was made in the Tamil Nadu Budget for 2002-2003 as follows:

***“Tamil Nadu has the highest pension-related commitments when compared to other States in the country. It is also one of the fastest growing components of the total revenue expenditure. It has already been announced that all employees recruited from December 1, 2001, will be governed by a new contributory pension scheme similar to the one being formulated by the Union Government.”***

(iv) As a follow up action to the Budget announcement, the Contributory Pension Scheme (CPS) was introduced for the employees of the State Government recruited on or after 01.04.2003. Necessary amendments have also been issued to make the Tamil Nadu Pension Rules, 1978 non-applicable to the persons covered under Contributory Pension Scheme.

## **5. Methodology of Contributory Pension Scheme**

(i) Employees recruited on or after 1-4-2003 are enrolled under the Contributory Pension Scheme. A subscription at the rate of 10% of basic pay, dearness pay plus dearness allowance is being recovered from the employees with an equal matching contribution from Government. The Government Data Centre is maintaining the accounts of the employees of Contributory Pension Scheme.

(ii) There are about 6,02,377 employees enrolled under this scheme and a sum of Rs.50,264.72 crore has been accumulated as on 31-01-2022 including Employee / Employer contribution plus interest and kept in the Public Account.

## **6. Interest rate for Contributory Pension Scheme accumulation**

Interest is currently being sanctioned for the Contributory Pension Scheme accumulation at the same quarterly rate as applicable to General Provident Fund accounts. At present, the rate of interest sanctioned for GPF for the period from 01.01.2022 to 31.03.2022 is 7.1 per cent. This rate of interest is lower than the returns earned under various pension fund manager accounts in the National Pension Scheme Architecture.

## **7. Investments made from Contributory Pension Scheme accumulations**

The accrued amounts under Contributory Pension Scheme have been invested in the Life Insurance Corporation Superannuation Fund (Rs.41,264.63 crore) and Auction Based Treasury bills (Rs.12,000 crore). These investments earn a much lower interest although the Government pays interest on the Contributory Pension Scheme accumulation as per the applicable rates for GPF. The Comptroller and Auditor General of India have raised audit objections pointing out the huge financial loss to Government and also the loss to employees who could have accrued higher

benefits if the balances were invested in an institutional framework.

### **8. Settlement so far made to Contributory Pension Scheme retirees**

In the absence of framing rules under Contributory Pension Scheme, orders have been issued to settle the accumulated amounts inclusive of Employee and Government contribution along with interest in one lumpsum. The Government has so far authorized a sum of Rs.1,383.62 crore towards Contributory Pension Scheme final settlement claim of 24,719 employees who have retired/ resigned, expired or terminated from service as on 31-03-2022. As the above scheme has commenced from the year 2003, the Government employees stand to lose out and are put to greater insecurity in the absence of a proper framework to invest the accumulated amount. Hence a concrete decision on the investment of the accumulated balances in the Contributory Pension Scheme with a Pension Fund Manager is very urgently required.

### **9. Contributory Pension Scheme to Local Bodies**

The Commissioner of Treasuries and Accounts has been designated as the State Nodal Officer for implementing the Contributory Pension Scheme for the



employees of Municipal Corporations, Municipalities, Town Panchayats and Panchayat Unions. A software application for Local Bodies has been developed and the related data are being maintained.

#### **10. National Pension System (NPS) for All India Service Officers in Government of Tamil Nadu**

The Government of Tamil Nadu signed an agreement on 28-6-2017 appointing National Securities Depository Limited (NSDL) as Central Record Keeping Agency (CRA) for the National Pension System (NPS) and the NPS Trust of the Pension Fund Regulatory and Development Authority (PFRDA) as the Trustee Bank, Pension Fund Manager (PFM) and Annuity Service Provider (ASP) for operationalizing the National Pension System (NPS) for All India Service (AIS) Officers of Tamil Nadu cadre. A sum of Rs.33.75 crore has so far been transferred to National Pension Scheme Trust (NPS Trust) as subscription amount and Government contribution for All India Service Officers upto 31-03-2022.

#### **11. National Pension System Architecture**

The National Pension System (NPS) offers the following important features to help subscribers save for retirement.

- (i) The National Pension System came into operation as the New Pension System with effect from 01.01.2004 and is applicable to all new entrants to Union Government service except one i.e., the Armed Forces, joining Government service on or after 01.01.2004. With the extension of the scheme to all citizens from 01.05.2009, it became the National Pension System.
- (ii) The National Pension System works on a defined contribution basis and has two tiers – Tier I and Tier II.
- (iii) Tier-I is a pension account and is mandatory for all Government employees joining Government service on or after 01.01.2004. In Tier I, Government employees contribute 10% of Basic Pay, Dearness Pay and Dearness Allowance which will be deducted from his salary bill every month with equal contribution from Government. The Employer's contribution has been increased to 14 per cent with effect from 01.04.2019 based on the 7th Central Pay Commission recommendations. Tier-I, initially

is a non-withdrawal account, which has now become a partially withdrawable account.

- (iv) Tier II account – made available from 01.12.2009, is a voluntary savings account similar to General Provident Fund. An active Tier-I account is a pre-requisite for opening of a Tier-II account. Tier-II contributions are kept in a separate account that can be withdrawn at the option of subscribers.
- (v) The existing provision of Defined Benefit Pension and General Provident Fund would not be available to new Government servants joining Union Government service on or after 01.01.2004.
- (vi) A subscriber can open a National Pension System account through their Drawing and Disbursing Officer / Pay and Accounts Officer (Treasury Officer) or through the online platform e-NPS or through anyone of the Points of Presence (POP) and get a Permanent Retirement Account Number (PRAN).
- (vii) Subscribers can choose their own investment option and pension fund.

- (viii) Subscribers can operate their account from anywhere in the country, even if they change their location, job or their Pension Fund Manager, thereby providing portability.
- (ix) Subscribers can exit at or after the age of 60 years from Tier I of the Scheme. At exit, it would be mandatory to invest 40% of the pension wealth to purchase an annuity (from an IRDA regulated Life Insurance Company), which will provide the pension for the life time of the employee and his/her dependents. In case of subscribers who leave the scheme before attaining the age of 60, the mandatory annuitisation would be 80% of the pension wealth.
- (x) National Pension System is regulated by Pension Fund Regulatory and Development Authority, with transparent investment norms and regular monitoring of the performance of fund managers by the National Pension System Trust.
- (xi) Pension Fund Regulatory and Development Authority (PFRDA) regulates and develops the pension market.

The Government of India has issued orders in 2016 that the Union Government employees covered under the National Pension System shall be eligible for benefit of “Retirement Gratuity and Death Gratuity on the same terms and conditions as are applicable to employees covered by Central Civil Service (Pension) Rule, 1972. Further, the employer contributions have also been enhanced to 14% with effect from 01.04.2019 based on the recommendations of the Seventh Central Pay Commission.

## **12. Constitution of Expert Committee**

An Expert Committee was constituted by the Government of Tamil Nadu in the year 2016 to examine the feasibility of implementing the demand of various Government employees/Associations for continuing the existing defined benefit Pension Scheme and make recommendation on the possible options to Government for appropriate decision. The said Committee has submitted its report to Government on 27.11.2018, which is under active consideration of Government.

## **13. Observation in Comptroller and Auditor General of India’s Report**

In the Audit report for the year ended 31<sup>st</sup> March 2018 it has been pointed out that additional

expenditure of Rs.797.12 crore was incurred by the State Government due to less interest received from the short investment of the fund amount and investment on Treasury bills during the period 2015-2018.

Further, it was pointed out that on creation of National Pension System (NPS) architecture, Pension Fund Regulatory and Development Authority (PFRDA) repeatedly requested (2008 and 2009) Government of Tamil Nadu to join National Pension System and Government of Tamil Nadu declined (2010) to join National Pension System architecture.

The long delay in taking a decision on how to proceed with the employee and Government contributions to the Contributory Pension Fund is causing considerable financial loss to employees and subjects them to financial insecurity. At the same time, the Government is also facing additional financial cost of more than Rs.1200 crore a year now in terms of negative interest carry. Further, it was also pointed out that the State Government even after a lapse of 19 years from the inception in the Defined Contributory Pension Scheme (DCPS) has not designated a Fund Manager. Hence an early decision on this issue factoring all

dimensions and including the observations of the Comptroller and Auditor General and the recommendations of the Expert Committee will be considered soon.

### **GOVERNMENT DATA CENTRE**

**14.** The Government have established the Central Budget Data Processing Centre in 1971. For the Management Information System (MIS) for Government a full-fledged Government Data Centre was established in 1972. For administrative convenience both the Centres were merged and the Government Data Centre (GDC) was established in 1975. The details of the cadre strength of Government Data Centre (GDC) are furnished in the **Annexure-I** of this policy note.

The Government Data Centre presently deals with the following schemes:

- 1) Contributory Pension Scheme (CPS) for Government employees
- 2) Contributory Pension Scheme for Employees of Local Bodies
- 3) General Provident Fund Scheme for the employees of Puratchi Thalaivar MGR Nutritious

Meal Programme (NMP) and Integrated Child Development Services (ICDS).

- 4) Direct Benefit Transfer of Funds to the Bank Accounts of Farmers Supplying Sugarcane to Sugar Mills.

**(i) Contributory Pension Scheme (CPS)**

Government Data Centre has been maintaining Contributory Pension Scheme accounts of the Panchayat Union Schools, Aided Educational Institutions, Municipal Schools and Local Body employees from the year 2009.

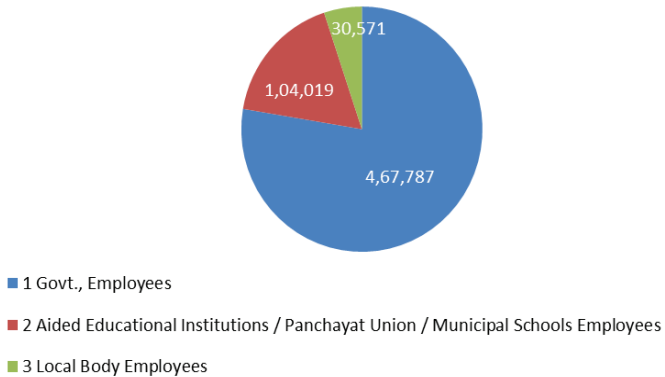
Initially the accounts of the Contributory Pension Scheme for Government employees was maintained by the Accountant General's Office. Subsequently in the year 2013, the Government issued orders transferring the works related to maintenance of Contributory Pension Scheme accounts relating to Government employees to Government Data Centre. After transfer of all Contributory Pension Scheme works to Government Data Centre, the allotment of Contributory Pension Scheme Numbers to all the Government employees, Teachers and the non-provincialised employees of Local Bodies in the



time scale and maintenance of accounts and issue of account slip are done by Government Data Centre.

The details of Contributory Pension Scheme Index numbers assigned by the Government Data Centre are as follows:

### **CPS Index Numbers allotted upto 31.03.2022**



### **(ii) Issue of Final Account Slip**

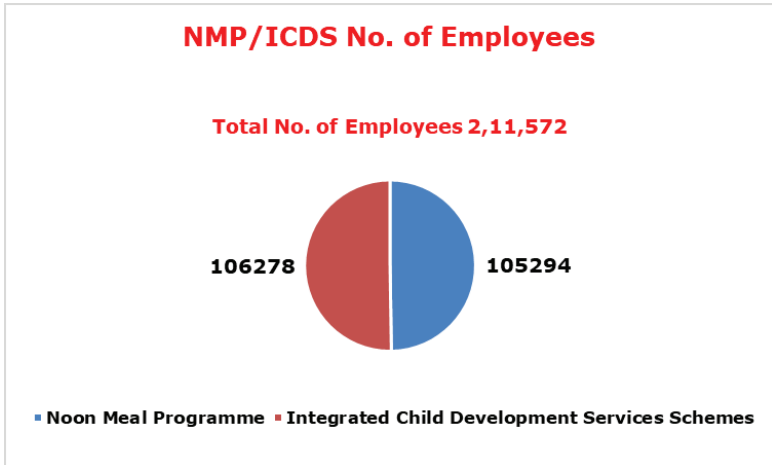
As per the orders issued in G.O.Ms.No.59, Finance (PGC) Department dated 22-02-2016, Final Account Slips for 24,719 employees have been issued by Government Data Centre and settlements made to the employees to the tune of Rs.1383.62 crore.

**(iii) Local Body Employees - Contributory Pension Scheme**

The number of non-provincialised employees working in Local Bodies under the Contributory Pension Scheme is 30,571. Based on the online Data Entry of subscription, Matching Contributions are made by Local Bodies and audited by the Local Fund Audit Department. The account slips for the non-provincialised employees have been issued upto the year 2020-2021.

**(iv) General Provident Fund Scheme for the Employees of Puratchi Thalaivar MGR Nutritious Meal Programme (NMP) and Integrated Child Development Services (ICDS)**

The Government, in G.O.Ms.No.108, Social Welfare and Nutritious Meal Programme Department, dated 19.04.2010 has entrusted the work of maintaining the General Provident Fund Account for the Puratchi Thalaivar MGR Nutritious Meal Programme (NMP) and Integrated Child Development Services (ICDS) Scheme employees, to the Government Data Centre. The number of subscribers enrolled under this Scheme is 2,11,572 as on 31.03.2022.



In G.O.Ms.No.53, Social Welfare and Nutritious Meal Programme Department, Dated 20.07.2015, guidelines were issued for this Scheme and accordingly the recovery under General Provident Fund is being made from the Puratchi Thalavar MGR Nutritious Meal Programme (NMP) and Integrated Child Development Services (ICDS) Scheme employees since August 2015. Account slips for the employees have been processed and hosted in the web site from the year 2019-20.

**(v) Temporary Advance / 90% Part Final withdrawal to Puratchi Thalaivar MGR Nutritious Meal Programme (NMP) / Integrated Child Development Services (ICDS) Scheme Employees**

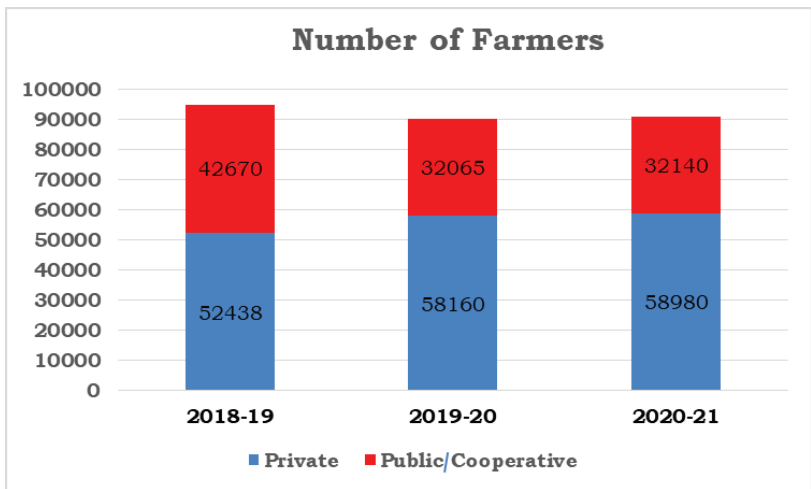
Temporary Advance can be applied by the Puratchi Thalaivar MGR Nutritious Meal Programme (NMP) / Integrated Child Development Services (ICDS) Scheme employees who have completed 5 years of service and 90% of Part Final Withdrawal can be applied before one year of retirement by the concerned employee. Balance 10% is sanctioned by the Drawing and Disbursing Officer only after obtaining the final authorization from Government Data Centre.

**(vi) Final Settlement Work**

10,967 General Provident Fund (GPF) Final Settlement Authorisation orders for the Nutritious Meal Programme (NMP) and Integrated Child Development Services (ICDS) employees were issued by the Government Data Centre for a total amount of Rs.34.79 Crore as on 31.03.2022.

**(vii) Direct Benefit Transfer of Funds to the Bank Accounts of Farmers supplying Sugarcane to Sugar Mills.**

The Government Data Centre assists the Sugar Department in preparing the beneficiaries list for Direct Benefit Transfer of Funds to the Bank Accounts of Farmers supplying Sugarcane to Sugar Mills and also maintains the Data Base of the Farmers.



## **Defined Benefit Pension Scheme [Old Pension Scheme]**

### **15. Pension**

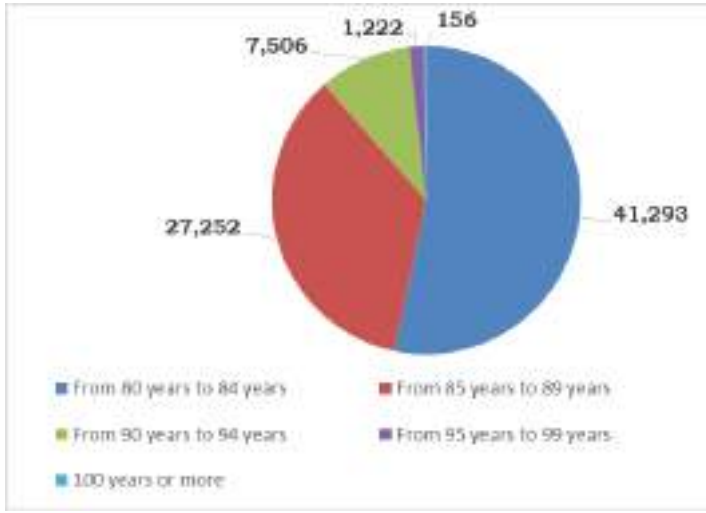
(i) A minimum qualifying service of 10 years is necessary to become eligible for Pension. The minimum qualifying service of 30 years is required to become eligible for full Pension. Further, Pension is being determined based on 50% of pay last drawn at the time of retirement or 50% of average emoluments drawn during the last 10 months of service rendered whichever is higher.

(ii) Minimum pension of Rs.7,850/- per month has been fixed with effect from 01-10-2017.

### **16. Additional Pension / Additional Family Pension**

The Pensioners / Family Pensioners aged above 80 years are eligible for Additional Pension / Additional Family Pension. The total number of Pensioners/ Family Pensioners drawing Additional Pension/ Additional Family Pension as on 31-03-2022 is **77,429**.

**Additional Pension being drawn age wise**



**17. Pension to Staff of Aided Educational Institutions including Local Bodies**

The Staff of aided educational institutions and local bodies are allowed the same pensionary benefits as available to State Government employees.

**18. Retirement Benefits for Employees both under Defined Benefit Pension Scheme and Contributory Pension Scheme**

Encashment of Earned Leave, Encashment of the Unearned Leave on Private Affairs and Transfer Travelling Allowance are allowed for going to native

place or to any other place where an employee wishes to settle down after retirement.

## **19. Gratuity under Defined Benefit Pension Scheme**

### **(i) Service Gratuity**

Service Gratuity is admissible for those who have put in less than 10 years of qualifying service. This is a lumpsum payment for the service rendered in addition to the Retirement Gratuity admissible.

### **(ii) Death Gratuity**

In the event of death in harness, Death Gratuity is admissible at the following rates with effect from 01-10-2017:-

<b>Sl. No.</b>	<b>Length of Service</b>	<b>Rate of Gratuity</b>
1.	Less than one year	Two times of monthly emoluments
2.	One year or more but less than five years	Six times of monthly emoluments
3.	Five years or more but less than eleven years	Twelve times of monthly emoluments
4.	Eleven years or more but less than twenty years	Fifteen times of monthly emoluments



<b>Sl. No.</b>	<b>Length of Service</b>	<b>Rate of Gratuity</b>
5.	Twenty years or more	Half month's emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of monthly emoluments provided that the amount of Death Gratuity in no case exceeds Rs.20 lakh.

### **(iii) Retirement Gratuity**

A Government servant who has completed 5 years of qualifying service and above is granted Retirement Gratuity on his/her retirement. In respect of employees retired on or after 01-04-1998, gratuity is calculated based on basic pay and Dearness Allowance last drawn. The ceiling limit of Death Gratuity / Retirement Gratuity is Rs.20 lakh with effect from 01-01-2016.

### **20. Family Pension under Defined Benefit Pension Scheme**

(i) Family pension is payable to a family of a Government servant or a retired government servant who has completed continuous qualifying service for a

period of not less than one year and died on or after 1st April 1979.

(ii) The revised family pension shall not be lower than 30% of the minimum of the pay in the prescribed Level in the Pay Matrix corresponding to the pre-revised pay scale / pay band and grade pay from which the pensioner had retired as per G.O.Ms.No.313 Finance (Pay Cell) Department, dated 25-10-2017.

(iii) The minimum family pension payable is Rs.7,850/- per month with effect from 01-10-2017.

## **21. Ex-Gratia Payment**

At present ex-gratia payment of Rs.645/- per month has been granted along with Dearness Allowance at the rate of 360 per cent with effect from 1<sup>st</sup> January 2022 to the families of deceased Contributory Provident Fund / Non-Pensionable beneficiaries of State Government and the employees of former District Board who had retired / died in harness prior to 1<sup>st</sup> January 1986 and who are not eligible for family pension.

## **22. Commutation of Pension**

Pensioners are eligible to commute pension upto  $33\frac{1}{3}$  % of pension and receive a lumpsum payment. This concession has been extended in the case of voluntary retirement also. Even after commutation of pension, Dearness Allowance is allowed on the commuted portion of pension.

## **23. Dearness Allowance**

The Pensioners / Family Pensioners are paid Dearness Allowance at par with the serving employees of the Government and are also allowed to Provisional Pensioners / Family Pensioners.

## **24. Medical Allowance**

Pensioners / Family Pensioners are allowed to draw Medical Allowance of Rs.300/- per month with effect from 01-10-2017 and are also allowed to Provisional Pensioners / Family Pensioners.

## **25. Pongal Prize**

A lumpsum Pongal Prize amount of Rs.500/- has been sanctioned to all Government Pensioners those who retired from the categories of 'C' and 'D' Group including all 'C' and 'D' Group Pensioners of Aided Educational Institutions, Local Bodies, Ex-Village

Establishment (Ex-Village Officers and Village Servants / Assistants), adhoc pensioners of all categories and to all Family Pensioners irrespective of the Groups from which Pensioners / Deceased Government employee had retired / died while in service.

## **26. Festival Advance**

Pensioners are being given festival advance of Rs.4,000/- with effect from 02-08-2019.

## **27. Pensioners' Family Security Fund Scheme**

(i) The Government is implementing the Tamil Nadu Government Pensioners' Family Security Fund Scheme with effect from 01-01-1997. Under this scheme in case of death of Pensioner after one month of contribution to the fund, a sum of Rs.50,000/- is paid to the eligible family members or nominee of the pensioners.

(ii) Due to large number of claims pending for settlement under Family Security Fund which is a self-supporting scheme, the subscription amount collected from the pensioners was not sufficient for payment of pending claims. Hence, the Government

enhanced the subscription amount of the Pensioners under the scheme from Rs.80/- p.m. to Rs.150/- p.m with effect from 01.07.2021. However, the Government with a view to clear the backlog claims sanctioned a sum of Rs.25 crore as advance from the Government to Tamil Nadu Government Pensioners Family Security Fund (TNPFSF) recoverable over five years without interest.

(iii) The amount of Rs.25 crore sanctioned as advance was fully utilized for settling the claims in respect of 5000 applications for the period from September 2020 to January 2021. In spite of the enhancement in the subscription made by Pensioners still there are 19,871 claims pending for settlement from the month of July 2021 to January 2022. Considering the welfare of the families of the deceased Pensioners, the Government has again provided a sum of Rs.50 crore in Budget 2022-2023 to settle the backlog claims.

(iv) From the inception of this scheme, a total number of 2,41,543 families have benefited and a sum of Rs.910.12 crore has been disbursed to the members of the families of deceased pensioners upto 31.03.2022.

## **28. Tamil Nadu Government Employees Special Provident Fund Cum Gratuity Scheme**

(i) This Scheme was introduced with effect from 01-04-1984. A monthly subscription of Rs.20/- per month was being recovered from Government employee for 148 months and the total subscription is being repaid along with interest accrued thereon at the time of retirement with Government contribution of Rs.10,000/-.

(ii) After introduction of the new scheme Tamil Nadu Government Special Provident Fund cum Gratuity Scheme, 2000 from 01-10-2000, the enrolment of employees in the old scheme had ceased. Further, all regular Government employees in service upto 30-09-2000 were allowed to opt and subscribe Rs.50/- per month till one month prior to the date of retirement which is refundable along with interest accrued thereon.

(iii) This Scheme was made compulsory to all the employees appointed on or after 01-10-2000 and the subscription was fixed as Rs.70/- per month. The total subscription is refunded with interest at the time of retirement with Government contribution of Rs.10,000/-.

## **29. e-PENSION**

A web-enabled software to process the pension payment and to have a Centralized Database of the pensioners has been implemented in all the Districts and Pension Pay Office, Chennai. Under this scheme, the monthly pension and other retirement benefits to the pensioners are now credited directly to the bank account of pensioners through Electronic Clearing Service / Regional Electronic Clearing Service. Further, migration of pension related information from Accountant General's database into the e-pension Central Server is being done to ensure data accuracy and saving of time and resources.

## **30. Mustering of Pensioners**

Considering the difficulties of the Pensioners / Family Pensioners, initiatives have been taken to simplify the annual mustering process by incorporating the provision of biometric identification through Finger Print Reader with the help of NIC. Aadhaar numbers are being linked with the pensioner's data at the time of annual mustering. In view of the extraordinary circumstances caused by the COVID-19 pandemic, orders were issued exempting the pensioners/family pensioners from appearing for Annual Mustering

Process including furnishing of Life Certificate for the years 2020 and 2021. However, for the current year Annual Mustering will commence in July 2022, arrangements are being made to provide additional facilities to the State Government Pensioners / Family Pensioners to encourage and facilitate them to avoid coming in person for mustering as applicable to the Union Government Pensioners.

### **31. Digitization of Pension Records**

Government has sanctioned a sum of Rs.95.53 lakh towards digitization of pension records by the office of the Accountant General (A&E) Chennai for the Phase-I and accorded administrative sanction for the Phase-II for Rs.124 lakh and work is under progress in Office of Accountant General, Chennai. A sum of Rs.101.86 lakh has so far been sanctioned under Phase-II for the above purpose.

### **32. Pensioners' Portal**

The Pensioners' Portal was launched on 18-01-2019. In this portal, details like pension drawn particulars, commutation restoration, additional pension, New Health Insurance Scheme are being



provided. This portal will facilitate the pensioners to access all relevant information by themselves.

**33. New Health Insurance Scheme, 2018 for Pensioners (including Spouse) / Family Pensioners Covered under Defined Benefit Pension Scheme**

(i) The New Health Insurance Scheme-2014 for Pensioners (including spouse)/ Family Pensioners is being implemented from 01-07-2014. The Government have extended this Scheme with some additional features for a block period of four years covering the period from 01-07-2018 to 30-06-2022. This Scheme is being implemented through United India Insurance Company Limited, a Public Sector Undertaking. Under the new Scheme, the ceiling on medical assistance has been enhanced from Rs.2 lakh to Rs.4 lakh for availing approved treatments and surgeries undertaken.

(ii) Under the new scheme, this benefit has also been extended to the son/unmarried daughter who is suffering from any disorder or disability of mind or physically disabled and divorced / widowed daughter so as to render him/her unable to earn a livelihood.

(iii) Under the new scheme, medical assistance has been enhanced to the maximum limit of Rs.7.50 lakh for the following diseases and treatments such as 1) Surgery, Chemotherapy, Radiotherapy and Immunotherapy for all Malignancies including inpatient procedures for diagnosis 2) Liver, Kidney, Heart, Lungs and Bone Marrow Transplantation 3) Complex Open Heart Surgeries and Implants 4) Accident and Trauma cases involving Fractures 5) Heart Valve Replacements, Aneurysms and Angioplasties and 6) Management of Burn Injuries.

(iv) The upper limit of medical assistance for cataract surgery is fixed at Rs.20,000/- per eye. In respect of hysterectomy (uterus removal surgery) the upper limit of medical assistance is Rs.45,000/-.

(v) COVID-19 treatment has been included under specified illness list to avail cashless medical assistance upto Rs.7.50 lakh.

(vi) The coverage of medical assistance under this new scheme has been extended to Emergency Care and cases following an accident, where the patient avails approved treatment / undergone surgery in a Non-network hospital.

(vii) Under this Scheme, **114** treatments and surgical procedures are covered on cashless basis through **1168** Network hospitals located in Tamil Nadu, Puducherry, Thiruvananthapuram, New Delhi and Bengaluru. The annual premium payable by the Government to the United India Insurance Company Limited is Rs.3,800/- per pensioner / family pensioner per annum for the block period of four years from 01-7-2018 to 30-6-2022. The annual premium initially paid by the Government is recovered from the Pensioner / Family Pensioner at Rs.350/- per month by deduction in monthly Pension / Family Pension from the month of July 2018.

(viii) During the four years period i.e., from 1-7-2014 to 30-6-2018, a total of 2,01,285 beneficiaries have availed medical assistance to the tune of **Rs.578.01 crore**. After extending this Scheme from 1-7-2018 upto 31-03-2022, a total of 2,23,004 beneficiaries have so far availed medical assistance to the tune of **Rs.881.56 crore**.

(ix) Apart from these, for settling the claim of treatment of COVID-19 under the New Health Insurance Scheme for Pensioners a corpus fund

has been created with a sum of 2.50 crores. So far, a sum of Rs.37.50 crores has been sanctioned.

(x) The present New Health Insurance Scheme for pensioners is ending on 30.06.2022. Hence, the Government have decided to extend the Scheme beyond 30.06.2022 by calling for tenders from among the Public Sector Insurance Companies.

### **34. Directorate of Pension**

The Government established the Directorate of Pension with effect from 01-09-1994. This Directorate is now headed by a Director who is in the rank of Additional Secretary to Government, Finance Department. The details of the cadre strength of this Directorate are furnished in the **Annexure-II** of this policy note. The major activities of this Directorate are as follows:

- (i) Redressal of the grievances of the State Civil and Teacher pensioners.
- (ii) Settlement of pensioners' grievances through Pensioners' Adalat.
- (iii) Attending to the clarifications sought for by the pensioners.

- (iv) Administering and implementing the Tamil Nadu Government Industrial Employees Provident Fund Scheme for Government Departments.
- (v) Settlement of old cases under the Tamil Nadu Government Pensioners' Health Fund Scheme, 1995 for Pensioners / Family Pensioners.
- (vi) Administering and implementing Tamil Nadu Government Pensioners' Family Security Fund Scheme, 1997 for Family Pensioners.
- (vii) Estimating, Reconciling and Controlling Authority for Tamil Nadu Government Employees Special Provident Fund cum Gratuity Scheme, 1984 and 2000.
- (viii) Preparation of Budget Estimate of pay and allowances and other benefits in respect of serving employees in the Directorate of Pension and reconciliation of departmental accounts with Pay and Accounts Office and Accountant General.

- (ix) Administering and implementing Tamil Nadu Social Security Scheme, 1974 for unorganized daily wages, labourers and Public.

### **35. Redressal of the Pensioners Grievances**

The petitions received from Pensioners / Family Pensioners in various Districts, through Chief Minister's Special Cell and under Right to Information Act are given due attention for immediate settlement of pensioners' grievances.

### **36. District Collectors Pensioners' Grievances Day Meeting**

The District Collectors conduct Pensioners' Grievances Day Meeting once in four months in their districts. The Director or Joint Director attends these meetings and assists in the expeditious disposal of such grievance petitions. The pension benefit proposals pending with the Office of the Accountant General are also followed up by this Directorate to expedite settlement. As a follow up action, the concerned Heads of Department are addressed in respect of the Districts grievance petitions, department-wise meetings are conducted periodically with departmental officials to

review the progress on settlement of these grievance petitions.

### **37. Pension Adalat**

Pension Adalat consists of the Director of Pension, officers from concerned Departments in the Secretariat, Heads of Department and representative of the Accountant General to execute directions and follow up action on the Pension Adalat upon settlement of Pensioners' grievances put forth before the Authority. The Adalat meeting is held every month. Out of 456 cases enquired, 258 cases have been settled.

### **38. Guide to Pensioners**

A Guide to Pensioners showing information about pension and other retirement benefits, orders issued by Government from time to time and guidelines to send pension / family pension proposals has been displayed on the website **[www.tn.gov.in/dop](http://www.tn.gov.in/dop)**. The Directorate of Pension may be contacted through e.mail at **[dop@tn.nic.in](mailto:dop@tn.nic.in)**.

### **39. Computerisation of Pension Directorate**

Family Security Fund Scheme has been fully computerized by which necessary data is fed, processed and output is generated in the form of sanction

proceedings. Similarly, the Industrial Employees Provident Fund Scheme, 1969 has also been computerized and the amount is being credited to the individual's Savings Bank Account through the National Electronic Fund Transfer (NEFT) payment system.

**Dr. Palanivel Thiaga Rajan**

Minister for Finance and Human  
Resources Management



## Annexure I

### Cadre Strength of the Government Data Centre

SL No	Name of the Post	Sanctioned Post		Total	Kept in Abeyance	Existing	Vacant
		Permanent	Temporary				
1	Commissioner	1	-	1	-	1	-
2	Administrative Officer	1	-	1	-	-	1
3	Deputy Director	1	-	1	-	1	-
4	Accounts Officer	-	1	1	-	1	-
5	Assistant Director	-	1	1	-	1	-
6	Operation Manager	-	1	1	-	-	1
7	Data Superintendent	1	-	1	-	1	-
8	Supervisor Grade - 1	3	-	3	-	3	-
9	Supervisor Grade - 2	2	4	6	-	6	-
10	Programmer	1	-	1	-	1	-
11	Assistant Programmer	1	3	4	-	2	2
12	Senior Console Operator	1	-	1	-	1	-
13	Electrical Supervisor	1	-	1	-	-	1
14	Steno Typist Grade - 1	1	-	1	-	1	-
15	Steno Typist Grade - 2	1	-	1	-	1	-
16	Steno Typist Grade - 3	1	-	1	-	-	1
17	Console Operator	1	1	2	-	1	1
18	Assistant	21	-	21	-	8	13
19	Junior Assistant	3	15	18	-	18	-
20	Typist	5	15	20	-	19	1
21	Store Keeper	1	-	1	-	-	1
22	Punch Operator	40	-	40	-	2	38

SL No	Name of the Post	Sanctioned Post		Total	Kept in Abeyance	Existing	Vacant
		Permanent	Temporary				
23	Record Clerk	4	-	4	-	2	2
24	Electrician	-	2	2	-	2	-
25	Telephone Operator	1	-	1	-	-	1
26	Driver	2	-	2	-	1	1*
27	Watchman	-	2	2	-	1	1
28	Office Assistant	7	1	8	-	7	1
29	Sweeper	-	1	1	-	-	1**
30	Sanitary Worker	-	1	1	-	-	1
	<b>Total</b>	<b>101</b>	<b>48</b>	<b>149</b>		<b>81</b>	<b>68</b>

**Total Posts : 149 (101 P + 48 T)**

**Filled Up : 81**

**Vacant : 68 ( Driver 1\* & Sweeper 1\*\* Outsourced )**

## Annexure II

### Cadre Strength of the Directorate of Pension

Sl. No.	Name of the post	Sanctioned post		Total	Kept in Abeyance	Existing	Vacant
		Permanent	Temporary				
1.	Director	-	1	1		1	-
2.	Joint Director	-	1	1		1	-
3.	Deputy Director	-	1	1		1	-
4.	Accounts Officer	1	-	1		1	-
5.	Assistant Accounts Officer	1	-	1		1	-
6.	Senior Superintendent	1	1	2		2	-
7.	Superintendent	3	5	8		8	-
8.	Accountant	13	21	34		6	28
9.	Junior Assistant	-	18	18		10	8
10.	Steno Typist Grade I	-	1	1		1	-
11.	Steno Typist Grade II	-	1	1		-	1
12.	Typist	2	1	3		1	2
13.	Record Clerk	1	1	2		2	-
14.	Driver	-	1	1		1	-
15.	Binder	-	1	1		-	1
16.	Office Assistant	2	7	9		-	9
17.	Sweeper	-	1	1		1#	-
18.	Watchman	-	1	1	1*	-	-
19.	Sanitary Worker	-	1	1		1	-
	<b>Total</b>	<b>24</b>	<b>64</b>	<b>88</b>	<b>1</b>	<b>38</b>	<b>49</b>

**Total Posts** : **88 (24 P + 64 T)**  
**Filled Up** : **38**  
**Vacant** : **50 (49+ 1\* Kept in Abeyance)**  
**# - Post Filled by Outsourcing**  
**\* - Kept in Abeyance**

அச்சிட்டோர் : அரசு மைய அச்சகம், சென்னை-600 001.