



FINANCE (Pension) DEPARTMENT
Secretariat,
Chennai-600 009.

359
Letter No. 22851 / Fin (Pension) / 2018, DATED: 13-08-2018.

From
Thiru K. SHANMUGAM, I.A.S.,
Additional Chief Secretary to Government.



To
All Secretaries to Government.
All Departments of Secretariat.
All Heads of Departments.
All District Collectors/District Judicial Magistrates.
The Accountant General (A&E)/(Audit-I)/(Audit-II), Chennai - 600 018.
The Accountant General (CAB), Chennai - 600 009 / Madurai.
All Pay and Accounts Officers.
The Pension Pay Officer, Chennai-600 035.
All Treasury Officers / All Sub-Treasury Officers.
The Principal Secretary and Commissioner of Treasuries and Accounts,
Chennai-600 035.

Sir/Madam,

Sub: **PENSION** - Re-employment of Retired Government
Employee - Regulation of Re-employment Pay and
allowances under Tamil Nadu Pension Rules, 1978 -
Clarification - Regarding.

Ref: 1. G.O.Ms.No.303, Finance (Pay Cell) Department, dated:
25-10-2017.

2. G.O.Ms.No.313, Finance (Pay Cell) Department, dated:
25-10-2017.

3. From the Secretary, Tamil Nadu Information
Commission, Chennai-600 018 Letter No.9836 /
Admin-I/2018, dated 26-04-2018.

4. U.O.No.37930/Estt.IV/2018, Public (Estt.IV)
Department, dated 08-06-2018.
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In the reference first cited, Orders were issued replacing the Pay Bands and Grade Pay applicable to State Government employees and teachers including employees of local bodies by new system of level based Pay Matrix as in Schedule-III of the Tamil Nadu Revised Pay Rules, 2017 as was done by the Government of India for its employees. Accordingly, Pay Matrix have replaced the system of Pay Bands and Grade Pay. In the reference second cited, among others, orders were issued revising pension notionally from 1-1-2016 and with monetary benefit from 1-10-2017. In the reference third cited, the Secretary, Tamil Nadu Information Commission, Chennai and in the reference fourth cited, Public (Estt.IV) Department, Secretariat, Chennai have raised clarification regarding fixation/drawal of pay of retired employees who were re-appointed prior to 1-1-2016 consequent on the revision of pay.

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2. In this connection, I am to state that the pay of a retired person who is re-employed in the post on Time Scales of Pay / Revised Pay Structure against the regular vacancy of the sanctioned / newly created post is regulated in accordance with Rule 44 of the Tamil Nadu Pension Rules, 1978 and the Central Civil Services (Fixation of Pay of Re-employed Pensioners) Orders, 1986 (as revised from time to time) adopted by the Government of Tamil Nadu.

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3. Accordingly, the pay of retired person on re-employment shall be regulated as detailed below:

(a) Fixation / drawal of pay of employee re-employed prior to 1-1-2016 (in the post on pre-revised scale of pay) and who were in re-employment on or after 1-10-2017:

The initial pay of a re-employed Government employee who is deemed to have elected to be governed by the revised pay structure from the 1st day of January, 2016 (notionally) and with monetary benefit from 1st October, 2017 shall be fixed according to the provisions of Rule 7 of the Tamil Nadu Revised Pay Rules, 2017, if he/she is a retired Government employee and received pension. Pension admissible on relevant date, i.e. date of coming over to the revised pay structure, effective from the 1st day of January, 2016 (notionally) and with monetary benefit from 1st October, 2017 or later, shall be deducted from his/her pay in accordance with the general policy of the Government on fixation and subsequent drawal of pay of re-employed pensioners. Revised pay and dearness allowance thereon shall be payable from 1-10-2017. Illustration is given in Annexure-I to this letter.

(b) Fixation / drawal of pay of employees who retired before 1-1-2016 in the post on pre-revised scale of pay and who were appointed on re-employment basis on or after 1-1-2016 but before 1-10-2017:

(i) Fixation of pay of re-employed Pensioner with effect from 1-1-2016: The initial basic pay on re-employment shall be fixed at the same stage as the last basic pay drawn before retirement (in the post on pre-revised scale of pay). However, he shall be granted the grade pay of the re-employed post. The maximum basic pay cannot exceed the grade pay of the re-employed post plus pay in the pay band of Rs.67000 i.e. the maximum of the pay band PB-4. His monthly reemployment pay as fixed in the pre-revised scales of pay shall be paid from the date of appointment on re-employment and upto 30-09-2017.

(ii) Re-fixation of pay of re-employed Pensioner w.e.f. 1-10-2017 consequent on revision of pay: The pay on re-employment will be re-fixed, **after notionally arriving at their revised basic pay at the time of retirement as if they had retired in the revised pay structure**, in accordance with the provisions of Rule 7 of the Tamil Nadu Revised Pay Rules, 2017. Pension admissible on relevant date, i.e. date of coming over to the revised pay structure, effective from the 1st day of January, 2016 (notionally) and with monetary

benefit from 1st October, 2017 or later, shall be deducted from his/her pay in accordance with the general policy of the Government on fixation and subsequent drawal of pay of re-employed pensioners. Revised pay and dearness allowance thereon shall be payable from 1-10-2017. Illustration is given in Annexure-II to this letter.

(c) Fixation / drawal of pay of employee who retired before 1-1-2016 in the pre-revised scale of pay and re-employed on or after 1-10-2017:

The initial pay of a re-employed Government employee who retired with a pension and whose pay on re-employment was fixed with reference to these benefits and who is deemed to have elected to be governed by the revised pay structure from the 1st day of January, 2016 (notional) and with monetary benefit from 1st October, 2017 shall be fixed, **after notionally arriving at their revised basic pay at the time of retirement as if they had retired in the revised pay structure**, in accordance with the provisions of Rule 7 of the Tamil Nadu Revised Pay Rules, 2017. Pension admissible on relevant date, i.e. date of coming over to the revised pay structure, effective from the 1st day of January, 2016 (notionally) and with monetary benefit from 1st October, 2017 or later, shall be deducted from his/her pay in accordance with the general policy of the Government on fixation and subsequent drawal of pay of re-employed pensioners. Revised pay and dearness allowance thereon shall be payable from 1-10-2017. Illustration is given in Annexure-III to this letter.

(d) Fixation / drawal of pay of employees who retired on or after 1-1-2016 in the revised pay structure and appointed on re-employment basis on or after 1-1-2016 but before 1-10-2017:

(i) Fixation of pay of re-employed pensioner with effect from 1-1-2016: The initial basic pay of re-employed pensioner shall be fixed at the same stage as the last basic pay drawn before retirement in the pre-revised scale of pay. However, he shall be granted the Grade Pay of the re-employed post. The maximum basic pay cannot exceed the Grade Pay of the re-employed post plus pay in the Pay Band of Rs.67000 i.e. the maximum of the Pay Band PB-4. His monthly re-employment pay as fixed in the pre-revised scales of pay shall be paid from the date of appointment on re-employment and upto 30-09-2017.

(ii) Re-fixation of pay of re-employed Pensioner with effect from 1-10-2017 consequent on revision of pay: The initial basic pay on re-employment shall be fixed at the same stage (cell) as the last basic pay drawn before retirement. If there is no such stage in the re-employed post, the pay shall be fixed at the stage next above that pay. If the maximum pay in the Level applicable to the post in which a pensioner is re-employed is less than the last basic pay drawn by him before retirement, his initial basic pay shall be fixed at such maximum pay of the re-employed post. Similarly, if the

minimum pay in the Level applicable to the post in which a pensioner is re-employed is more than the last basic pay drawn by him before retirement, his initial basic pay shall be fixed at such minimum pay of the re-employed post. Having fixed the pay in the revised scales of pay, an amount equivalent to the revised pension effective from 1-10-2017 or after shall be deducted from his pay so fixed in accordance with the general policy of the Government on fixation of pay of re-employed Government employees. Illustration is given in Annexure-IV to this letter.

(e) Fixation / drawal of pay of employees who retired on or after 1-1-2016 in the revised pay structure and appointed on re-employment basis on or after 1-10-2017:

The initial basic pay on re-employment shall be fixed at the same stage (cell) in the Level as the last basic pay drawn before retirement. If there is no such stage in the re-employed post, the pay shall be fixed at the stage next above that pay. If the maximum pay in the Level applicable to the post in which a pensioner is re-employed is less than the last basic pay drawn by him before retirement, his initial basic pay shall be fixed at such maximum pay of the re-employed post. Similarly, if the minimum pay in the Level applicable to the post in which a pensioner is re-employed is more than the last basic pay drawn by him before retirement, his initial basic pay shall be fixed at such minimum pay of the re-employed post. Having fixed the pay in the revised scales of pay/pay structure, an amount equivalent to the revised pension effective from 1-10-2017 or after shall be deducted from his pay so fixed in accordance with the general policy of the Government on fixation of pay of re-employed Government employees. Illustration is given in Annexure-V to this letter.

4. The re-employed pensioners shall be allowed to draw pay only in the Level in the revised pay structure applicable to the post in which they are re-employed. No protection of the Scales of Pay / Pay Structure of the post held by them prior to retirement shall be given. Revised pay structure in relation to a post will be as defined in Rule 4 of the Tamil Nadu Revised Pay Rules, 2017. "Basic Pay" in the revised pay structure means the pay drawn in the prescribed Level in the Pay Matrix. In the case of a pensioner re-employed in a lower post, his pay plus pension during re-employment should be limited to the pay drawn by him at the time of retirement or to the maximum of the post in which he is re-employed whichever is less.

5. *Fixation / drawal of pay in all cases:* Pay fixation will be as per the general principle of "pay minus pension" i.e. while the last pay drawn shall be reckoned for pay fixation, the entire pension (including commuted portion of pension) shall be deducted from the pay so fixed.

6. The drawal of various allowances and other benefits in the revised structure based on pay shall be regulated with reference to pay as fixed on re-employment. Pay for these allowances will be the pay fixed before deducting the pension. Further, the ceiling of Rs.80,000/- for drawal of pay plus gross pension on re-employment is enhanced to Rs.2,25,000/-, to the level of maximum basic pay prescribed under the Tamil Nadu Revised Pay Rules, 2017.

7. The Dearness Allowance will be admissible on re-employment Pay plus Pension and the House Rent Allowance (H.R.A.) / City Compensatory Allowance (C.C.A.) / Other Allowance (OA) are also eligible at the rates as admissible under the orders in force. As the Medical Allowance is being paid to the Pensioner, the re-employed Pensioner is not eligible for Medical Allowance or Reimbursement of Medical Expenses. The re-employed Pensioner may in addition, be allowed to draw the Special Pay, if any, attached to the post in which he is re-employed as per clause (iv) of sub-rule (4) of rule 44 of Tamil Nadu Pension Rules, 1978. The re-employed pensioner is entitled to the Travelling Allowance eligible as applicable to the Grade in which he/she last served as per Note (1) under Rule 2(xiii) of the Tamil Nadu Travelling Allowance Rules.

8. As the re-employed pensioner shall not be eligible to draw Dearness Allowance on pension during the period of such re-employment period as per rule 50-A(ii) of Tamil Nadu Pension Rules, 1978, the Pension Disbursing Authority concerned may be requested to suspend the Dearness Allowance on pension for the said period of re-employment. If the Dearness Allowance on pension already paid/received to/by the individual, the same shall be recovered from the re-employment pay and remitted into the relevant head of account.

9. All the Departments of Secretariat / Heads of Departments concerned are requested to communicate the above clarifications to all the subordinate officers under their administrative control for strict adherence.

Yours faithfully,

Dr. V. V. Srinivasan

for ADDITIONAL CHIEF SECRETARY TO GOVERNMENT.

Copy to:

The Secretary, Tamil Nadu Information Commission, Chennai-600 018.
The Secretary, Justice A.Arumugasamy Enquiry Commission, Chennai-5.
Stock File/Spare Copy.



ANNEXURE-I

Fixation / drawal of pay of employee re-employed prior to 1-1-2016 (pre-revised scale of pay) and who were in re-employment on or after 1-10-2017:

Illustration

Initial pay fixation in the revised pay structure (scales of pay) of a re-employed retired Government employee who retired in the pre-revised scales and re-employed in the pre-revised scales prior to 1-1-2016. Example of a Joint Secretary to Government retired on 28-02-2010 and re-employed on 24-02-2011.

Re-Fixation of pay of re-employed Pensioner w.e.f. 1-1-2016 (notionally) and monetary benefit from 1-10-2017:

(a) The last pay drawn of the individual : Officer at the time retirement on superannuation (i.e. <u>28-02-2010</u>) in the post of <u>Joint Secretary to Government</u> . [PB-4 Rs.37400-67000 + G.P. Rs.8800]	
(i) Pay in the Pay Band	Rs. 47,430
(ii) Grade Pay	Rs. 8,800
(iii) Total [Basic Pay]	<u>Rs. 56,230</u>
(b) Gross Pension drawn by the individual (i.e. before commutation)	<u>Rs. 28,115</u>
(c) (i) Level in the Pay Matrix	Level-29 [1,23,400- 2,16,300]
(ii) Revised Pay [56,230 x 2.57]	Rs. 1,44,511
(ii) Rounded off to next higher cell in Level-29	<u>Rs. 1,47,300</u>
(d) LESS: Revised Gross Pension (i.e. before commutation) [28115 x 2.57 rounded to next 10]	<u>Rs. 72,260</u>
(e) Fixation of Pay on Reemployment [Rs.1,47,300 - Rs.72,260]	<u>Rs. 75,040</u>

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Ext. Unatani
SECTION OFFICER.

ANNEXURE-II

Fixation / drawal of pay of employees who retired before 1-1-2016 (pre-revised scale of pay) and who were appointed on re-employment basis on or after 1-1-2016 but before 1-10-2017:

Illustration

Initial pay fixation in the revised pay structure (scales of pay) of a re-employed retired Government employee who retired before 1-1-2016 but who were appointed on or after 1-1-2016 but before 1-10-2017. Example of a Joint Secretary to Government retired on 31-01-2015 and re-employed on 01-01-2017.

(i) **Fixation of pay of re-employed Pensioner w.e.f. 1-1-2017:**

- (a) The last pay drawn of the individual Officer at the time retirement on superannuation (i.e. 31-01-2015) in the post of Joint Secretary to Government.

[PB-4 Rs.37400-67000 + G.P. Rs.8800]

(i) Pay in the Pay Band	Rs. 47,430
(ii) Grade Pay	Rs. 8,800
(iii) Total [Basic Pay]	Rs. 56,230
(b) LESS: Gross Pension drawn by the individual (i.e. before commutation)	Rs. 28,115
(c) Re-employment Pay [Rs.56,230 – Rs.28,115]	Rs. 28,115

(ii) **Re-Fixation of pay of re-employed Pensioner w.e.f. 1-1-2016 (notionally) and monetary benefit from 1-10-2017 or later:**

- (a) The last pay drawn of the individual Officer at the time retirement on superannuation (i.e. 31-01-2015) in the post of Joint Secretary to Government.

Level in the Pay Matrix-29 [1,23,400-2,16,300]

[Pre-Revised PB-4 Rs.37400-67000 + G.P. Rs.8800]

(i) Level in the Pay Matrix	Level-29
(ii) Pay in the Level [56,230 x 2.57]	Rs. 1,44,511
(iii) Rounded off to next higher cell in the Level-29	Rs. 1,47,300
(b) LESS: Gross Revised Pension drawn by the individual (i.e. before commutation)	Rs. 73,650
(c) His monthly re-employment pay [[Rs.1,47,300 – Rs.73,650]	Rs. 73,650

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SECTION OFFICER.

ANNEXURE-III

Fixation / drawal of pay of employee who retired before 1-1-2016 in the pre-revised scale of pay and re-employed on or after 1-10-2017:

Illustration

Initial pay fixation in the revised pay structure (scales of pay) of a re-employed retired Government employee who retired before 1-1-2016 and appointed on or after 1-10-2017. Example of a Joint Secretary to Government retired on 31-01-2015 and re-employed on 01-10-2017.

Fixation of pay of re-employed Pensioner w.e.f. 1-1-2016 (notionally) and monetary benefit from 1-10-2017 or later:

- (a) The last pay drawn of the individual Officer at the time retirement on superannuation (i.e. 31-01-2015) in the post of Joint Secretary to Government.

Level in the Pay Matrix-29 [1,23,400-2,16,300]

[Pre-Revised PB-4
Rs.37400-67000 +

G.P. Rs.8800]

- (i) Level in the Pay Matrix
(ii) Pay in the Level [56,230 x 2.57]
(iii) Rounded off to next higher cell in the Level-29

Level-29

Rs. 1,44,511

Rs. 1,47,300

- (b) **LESS:** Gross Pension drawn by the individual (i.e. before commutation)

Rs. 73,650

- (c) **His monthly re-employment pay**
[[Rs.1,47,300 - Rs.73,650]

Rs. 73,650

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Dr. V. S. Srinivas
SECTION OFFICER.

ANNEXURE-IV

Fixation / drawal of pay of employees who retired on or after 1-1-2016 and appointed on re-employment basis on or after 1-1-2016 but before 1-10-2017:

Illustration

Initial pay fixation in the revised pay structure (scales of pay) of a re-employed retired Government employee who retired after 1-1-2016 and appointed on re-employment basis on or after 1-1-2016 but before 1-10-2017. Example of a Joint Secretary to Government retired on 31-01-2016 and re-employed on 01-04-2017.

(i) Fixation of pay of re-employed Pensioner w.e.f. 01-04-2017:

(a)	The last pay drawn of the individual Officer at the time retirement on superannuation (i.e. <u>31-01-2016</u>) in the post of <u>Joint Secretary to Government.</u>	
	[PB-4 Rs.37400-67000 + G.P. Rs.8800]	
	(i) Pay in the Pay Band	Rs. 47,430
	(ii) Grade Pay	Rs. 8,800
	(iii) Total [Basic Pay]	Rs. 56,230
(b)	LESS: Gross Pension drawn by the individual (i.e. before commutation)	Rs. 28,115
(c)	Re-employment Pay [Rs.56,230 – Rs.28,115]	Rs. 28,115

(ii) Re-Fixation of pay of re-employed Pensioner w.e.f. 31-1-2016 (notionally) and monetary benefit from 1-10-2017 or later:

(a)	The last pay drawn of the individual Officer at the time retirement on superannuation (i.e. <u>31-01-2016</u>) in the post of <u>Joint Secretary to Government.</u>	
	Level in the Pay Matrix-29 [1,23,400-2,16,300]	
	[Pre-Revised PB-4 Rs.37400-67000 + G.P. Rs.8800]	
	(i) Level in the Pay Matrix	Level-29
	(ii) Pay in the Level [56,230 x 2.57]	Rs. 1,44,511
	(iii) Rounded off to next higher cell in the Level-29	Rs. 1,47,300
(b)	LESS: Gross Revised Pension drawn by the individual (i.e. before commutation)	Rs. 73,650
(c)	His monthly re-employment pay [[Rs.1,47,300 – Rs.73,650]	Rs. 73,650

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SECTION OFFICER.

ANNEXURE-V

Fixation / drawal of pay of employees who retired on or after 1-1-2016 in the revised pay structure and appointed on re-employment basis on or after 1-10-2017:

Illustration

Fixation of pay of a re-employed retired Government employee who retired on or after 1-1-2016 and appointed on or after 1-10-2017. Example of a Joint Secretary to Government retired on 31-01-2016 and re-employed on 01-10-2017.

Fixation of pay of re-employed Pensioner with effect from 1-10-2017 or later:

- (a) The last pay drawn of the individual Officer at the time retirement on superannuation in the revised scales of pay (i.e. 31-01-2016) in the post of Joint Secretary to Government.

Level in the Pay Matrix-29 [1,23,400-2,16,300]

- (i) Level in the Pay Matrix
(ii) Pay in the Level
(iii) Rounded off to next higher cell in the Level-29

Level-29

Rs. 1,44,511

Rs. 1,47,300

- (b) **LESS:** Gross Revised Pension drawn by the individual (i.e. before commutation)

Rs. 73,650

- (c) **His monthly re-employment pay**
[[Rs.1,47,300 - Rs.73,650]

Rs. 73,650

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